



**East Jefferson General Hospital  
Retirement and Savings Plans**

**FINANCIAL STATEMENTS**

September 30, 2020 and December 31, 2019

**East Jefferson General Hospital Retirement and Savings Plans**  
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**September 30, 2020 and December 31, 2019**

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# REPORT





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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
East Jefferson General Hospital  
Metairie, Louisiana

We have audited the accompanying financial statements of the East Jefferson General Hospital Retirement and Savings Plans (the Plans), as of and for the nine months ended September 30, 2020 and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Plans' basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Plans' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plans' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the East Jefferson General Hospital Retirement and Savings Plans at September 30, 2020 and December 31, 2019, and the changes in fiduciary net position for the nine months ended September 30, 2020 and year ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Supplementary Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plans' basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Combining Financial Statements and Schedule of Compensation, Benefits, and Other Payments to Agency Head are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Financial Statements and Schedule of Compensation, Benefits, and Other Payments to Agency Head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated May 27, 2021 on our consideration of the East Jefferson General Hospital Retirement and Savings Plans' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plans' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plans' internal control over financial reporting and compliance.

*Carly Riggs & Ingram, L.L.C.*

Metairie, Louisiana  
May 27, 2021



# REQUIRED SUPPLEMENTARY INFORMATION (PART I)



## **East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis**

The Management's Discussion and Analysis (MD&A) on the financial performance of East Jefferson General Hospital's Retirement and Savings Plans (the Plans) provides an overview of the Defined Contribution and Defined Benefit Plans' financial activities for the nine months ended September 30, 2020 and the year ended December 31, 2019. Please read this section in conjunction with the financial statements, which begin on page 13, and the combining financial statements which begin on page 35.

### **FINANCIAL HIGHLIGHTS**

Effective October 1, 2020, LCMC Health Holdings acquired East Jefferson General Hospital. As part of the acquisition, significant changes were made to the Plans. The following highlights are explained in greater detail later in this discussion.

#### ***Defined Benefit Retirement Plan – Financial Highlights for the Nine Months Ended September 30, 2020***

- Effective September 30, 2020, the defined benefit plan was terminated. As part of the impending termination, plan participants were offered two phases of lump-sum windows for active participants in phase one and vested terminated participants in phase two.
- The net position held in trust for the Defined Benefit Retirement Plan decreased by \$14,020,466 during the 2020 fiscal period and totaled \$37,693,788 as of September 30, 2020.
- Retirement benefits paid during 2020 increased \$10,131,778 to total \$15,348,542.
- Employer contributions to the Plan decreased \$286,270 during 2020 to total \$2,651,344.
- Net appreciation/(depreciation) in the fair market value of investments was \$(1,779,109) compared to \$7,856,272 for the prior fiscal year.
- Investment advisory and custodial fees decreased \$88,081 to total \$115,733.

#### ***Defined Contribution Savings Plans – Financial Highlights for the Nine Months Ended September 30, 2020***

- Effective September 30, 2020, the 401(a) and 457(b) plans were terminated and the 403(b) plan was assumed by LCMC Health.
- The aggregate net position held in trust for the Defined Contribution Savings Plans increased by \$799,348 during the 2020 fiscal period and totaled \$187,939,643 as of September 30, 2020.



## **East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis**

- Net appreciation/(depreciation) in fair market value of investments was \$4,643,078 compared to \$20,675,857 for the prior fiscal year.
- Total contributions to the Savings Plans increased by \$3,681,559 to total \$9,766,138 for the nine months ended September 30, 2020.
- Total withdrawals decreased \$4,179,761 during 2020 bringing the total to \$14,498,570.

### ***Defined Benefit Retirement Plan – Financial Highlights for the Year Ended December 31, 2019***

- The net position held in trust for the Defined Benefit Retirement Plan decreased by \$6,575,512 during the 2019 fiscal year and totaled \$51,714,254 as of December 31, 2019.
- Retirement benefits paid during 2019 increased \$271,829 to total \$5,216,764.
- Employer contributions to the Plan increased \$457,503 during 2019 to total \$2,937,614.
- Net appreciation/(depreciation) in the fair market value of investments was \$7,856,272 compared to (\$3,135,375) for the prior fiscal year.
- Investment advisory and custodial fees decreased \$5,608 to total \$203,814.

### ***Defined Contribution Savings Plans – Financial Highlights for the Year Ended December 31, 2019***

- The aggregate net position held in trust for the Defined Contribution Savings Plans decreased by \$19,624,058 during the 2019 fiscal year and totaled \$187,140,295 as of December 31, 2019.
- Net appreciation/(depreciation) in fair market value of investments was \$20,675,857 compared to (\$21,887,614) for the prior fiscal year.
- Total contributions to the Savings Plans decreased by \$4,064,801 to total \$6,084,579 for the year ended December 31, 2019.
- Total withdrawals increased \$2,448,262 during 2019 bringing the total to \$18,678,331.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

The Plans' basic financial statements include the following:

1. Statements of fiduciary net position,
2. Statements of changes in fiduciary net position, and
3. Notes to the financial statements.

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

The statements of fiduciary net position report the Plans' assets, liabilities, and resultant net position restricted for pension benefits. It discloses the financial position of the Plans as of September 30, 2020 and December 31, 2019.

The statements of changes in fiduciary net position available for benefits report the results of the Plans' operations during the nine months ended September 30, 2020 and year ended December 31, 2019 disclosing the additions to and deductions from the net position. It supports the change that has occurred to the prior year's net position value on the statements of fiduciary net position.

The notes to the financial statements provide additional information and insight that are essential to gaining a full understanding of the data provided in the statements of fiduciary net position and statements of changes in the fiduciary net position.

The notes to the statements are followed by required supplementary information that further explains and supports the information in the financial statements.

### ***CHANGES TO THE DEFINED BENEFIT PENSION PLAN***

The Defined Benefit Plan Statement of Overall Investment Policy and Guidelines was revised in March 2020, and the Board of Directors approved the revised Investment Policy for the Qualified Defined Benefit Plan in March 2020. The plan revision changed the maximum and minimum allocation range for the each plan asset category as stated below.

<u>Asset Category</u>	<u>Minimum</u>	<u>Policy Target</u>	<u>Maximum</u>
Large Cap Equities	0%	35%	45%
Small/Mid Cap Equities	0%	10%	18%
International Equities	0%	17%	24%
Fixed Income	0%	32%	100%
Real Estate	0%	6%	10%
Absolute Return Funds	0%	0%	0%

The Defined Benefit Plan Statement of Overall Investment Policy and Guidelines was revised in October 2012, and the Board of Directors approved the revised Investment Policy for the Qualified Defined Benefit Plan in November 2012. The plan revision changed the maximum and minimum allocation range for the each plan asset category as stated below. No plan revisions occurred during the year ended December 31, 2019.

<u>Asset Category</u>	<u>Minimum</u>	<u>Policy Target</u>	<u>Maximum</u>
Large Cap Equities	25%	35%	45%
Small/Mid Cap Equities	5%	10%	18%
International Equities	10%	17%	24%
Fixed Income	20%	32%	40%
Real Estate	4%	6%	10%
Absolute Return Funds	0%	0%	0%

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

Pursuant to an IRS determination letter dated March 22, 2012, the Board of Directors approved an amendment to the Retirement (Pension) Plan. The amendment was approved in April of 2012, and clarifies certain language in the Plan to meet the requirements of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and maintain qualified status.

For 2021, there is no recommended contribution due to the termination of the retirement plan.

For 2020, the recommended contribution was \$2,651,344, \$286,270 less than the 2019 recommended contribution of \$2,937,614. This amount was computed assuming the payment is made on July 1, 2020.

### FINANCIAL ANALYSIS – RETIREMENT PLAN

#### *Defined Benefit Retirement Plan - 2020 and 2019*

The net position held in trust for the Defined Benefit Retirement Plan decreased by \$14,020,466 during the 2020 fiscal period and totaled \$37,693,788 as of September 30, 2020. The decrease is attributed primarily to the \$15,348,542 of retirement benefits paid to participants in 2020.

<b>Retirement Plan</b>				
<b>Net Position Held in Trust for Pension Benefits</b>				
	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>Difference</b>	<b>% Difference</b>
Cash equivalents	\$ <b>697,398</b>	\$ 532,475	\$ 164,923	31.0%
Investments	<b>36,403,710</b>	51,167,259	(14,763,549)	-28.9%
Receivables	<b>1,050,734</b>	130,721	920,013	703.8%
Total Assets	<b>38,151,842</b>	51,830,455	(13,678,613)	-26.4%
Total Liabilities	<b>458,054</b>	116,201	341,853	294.2%
Net Position	<b>\$ 37,693,788</b>	\$ 51,714,254	\$ (14,020,466)	-27.1%

The primary investment advisor, UBS Financial Services Inc., monitors and reports regularly on the performance of the sub-advisors specializing in: Large Cap Equity Value, Small Cap Equity Value, International Equity/Fixed, Fixed Income/Intermediate Term Bonds, and Real Estate. During 2020, the fair market value of investments held by the Defined Benefit Pension Plan revealed a net depreciation of \$1,779,055. UBS Financial, Inc. has calculated the rate of return for the plan nine months ended September 30, 2020 at -2.15%. This is a decrease of 22.47% compared to the 20.32% rate of return reported in 2019; it is -4.27% less than the Plan's 2020 policy index (derived from 35% S&P Index 500, 32% Barclay's Aggregate, 17% MSCI Gross EAFE, 10% Russell 2500, and 6% NAREIT).

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

Employer contributions to the Plan decreased \$286,270 to total \$2,651,344 in 2020. This contribution was approved by the Board of Directors and corresponded to the recommended contribution amount detailed in the 2020 Plan Year Actuarial Valuation performed by Milliman. The comparative decrease in the required contribution is attributable to the decrease in plan participants from 3,063 to 3,018 in 2019, and the valuation interest rate remaining at 7.0%. The actuarial valuation for the plan period beginning October 1, 2020 recommends no contribution to the Pension Trust Fund as the plan was terminated effective September 30, 2020.

<b>Retirement Plan</b>				
<b>Changes in Net Position Held in Trust for Pension Benefits</b>				
	<b>September 30, 2020</b>	<b>December 31, 2019</b>	<b>Difference</b>	<b>% Difference</b>
<b>Additions:</b>				
Contributions	\$ 2,651,344	\$ 2,937,614	\$ (286,270)	-9.7%
Investment Income	(1,145,865)	9,125,026	(10,270,891)	-112.6%
Less: Advisory fees	(115,733)	(203,814)	(88,081)	-43.2%
Total Additions	<u>1,389,746</u>	<u>11,858,826</u>	<u>(10,469,080)</u>	<u>-88.3%</u>
<b>Deductions:</b>				
Benefits	15,348,542	5,216,764	10,131,778	194.2%
Administrative expenses	61,670	66,550	(4,880)	-7.3%
Changes in Net Position	<u>(14,020,466)</u>	<u>6,575,512</u>	<u>(20,595,978)</u>	<u>-313.2%</u>
Net Position, Beginning of Year	51,714,254	45,138,742	6,575,512	11.7%
Net Position, End of Period	<u>\$ 37,693,788</u>	<u>\$ 51,714,254</u>	<u>\$ (14,020,466)</u>	<u>-27.1%</u>

The Schedule of Employer Contributions (on page 32) presents historical trend information about the actuarially determined employer contributions and the contributions made in relation to these amounts. The Schedules of Net Pension Liability (page 30), Changes in Net Pension Liability and Related Ratios (page 31), and Schedule of Investment Returns (page 33) provide information that contributes to understanding the changes over time in the net pension liability and investment returns of the Plan.

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

### **Defined Benefit Retirement Plan - 2019 and 2018**

The net position held in trust for the Defined Benefit Retirement Plan increased by \$6,575,512 during the 2019 fiscal year and totaled \$51,714,254 as of December 31, 2019. The decrease is attributed primarily to the \$7,856,272 fair market value depreciation of plan investments in 2019.

<b>Retirement Plan</b>				
<b>Net Position Held in Trust for Pension Benefits</b>				
	2019	2018	Difference	%
	<u>2019</u>	<u>2018</u>	<u>Difference</u>	<u>Difference</u>
Cash equivalents	\$ 532,475	\$ 1,170,022	\$ (637,467)	-54.5%
Investments	51,167,259	43,917,634	7,249,625	16.5%
Receivables	130,721	163,901	(33,180)	-20.2%
Total Assets	<u>51,830,455</u>	<u>45,251,557</u>	<u>6,578,898</u>	14.5%
Total Liabilities	<u>116,201</u>	<u>112,815</u>	<u>3,386</u>	3.0%
Net Position	<u>\$ 51,714,254</u>	<u>\$ 45,138,742</u>	<u>\$ 6,575,512</u>	14.6%

The primary investment advisor, UBS Financial Services Inc., monitors and reports regularly on the performance of the sub-advisors specializing in: Large Cap Equity Value, Small Cap Equity Value, International Equity/Fixed, Fixed Income/Intermediate Term Bonds, and Real Estate. During 2019, the fair market value of investments held by the Defined Benefit Pension Plan revealed a net appreciation of \$7,856,272. UBS Financial, Inc. has calculated the rate of return for the plan year ended December 31, 2019 at 20.32%. This is an increase of 25.41% compared to the -5.09% rate of return reported in 2018; it is -1.79% less than the Plan's 2019 policy index (derived from 35% S&P Index 500, 32% Barclay's Aggregate, 17% MSCI Gross EAFE, 10% Russell 2500, and 6% NAREIT).

Employer contributions to the Plan increased \$457,503 to total \$2,937,614 in 2019. This contribution was approved by the Board of Directors and corresponded to the recommended contribution amount detailed in the 2020 Plan Year Actuarial Valuation performed by Milliman. The comparative increase in the required contribution is attributable to the increase in plan participants in pay status from 1,033 to 1,080 and the valuation interest rate remaining at 7.0%. The actuarial valuation for the plan year beginning January 1, 2020 recommended a \$2,651,344 contribution to the Pension Trust Fund.

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

### Retirement Plan Changes in Net Position Held in Trust for Pension Benefits

	2019	2018	Difference	% Difference
<b>Additions:</b>				
Contributions	\$ 2,937,614	\$ 2,480,111	\$ 457,503	18.4%
Investment Income	9,125,026	(2,071,184)	11,196,210	540.6%
Less: Advisory fees	(203,814)	(209,422)	5,608	2.7%
<b>Total Additions</b>	<b>11,858,826</b>	<b>199,505</b>	<b>11,659,321</b>	<b>5844.1%</b>
<b>Deductions:</b>				
Benefits	5,216,764	4,944,935	271,829	5.5%
Administrative expenses	66,550	58,620	7,930	13.5%
<b>Changes in Net Position</b>	<b>6,575,512</b>	<b>(4,804,505)</b>	<b>11,379,562</b>	<b>236.9%</b>
Net Position, Beginning of Year	45,138,742	49,942,792	(804,050)	1.8%
<b>Net Position, End of Year</b>	<b>\$ 51,714,254</b>	<b>\$ 45,138,742</b>	<b>\$ 10,575,512</b>	<b>25.7%</b>

The Schedule of Employer Contributions (on page 32) presents historical trend information about the actuarially determined employer contributions and the contributions made in relation to these amounts. The Schedules of Net Pension Liability (page 30), Changes in Net Pension Liability and Related Ratios (page 31), and Schedule of Investment Returns (page 33) provide information that contributes to understanding the changes over time in the net pension liability and investment returns of the Plan.

### FINANCIAL ANALYSIS – SAVINGS PLANS

#### *Defined Contribution Savings Plans - 2020 and 2019*

The net position held in trust for the combined Savings Plan administered by East Jefferson General Hospital increased by \$799,348 during the 2020 fiscal period. Net appreciation in fair value of investments of \$4,643,078 was the main factor behind the increase in net position. Combined investment gain, net of investment advisory fees, totaled \$5,531,780 in 2020. Total withdrawals and benefits paid were \$14,498,570 for the nine months ended September 30, 2020.

	September 30, 2020	December 31, 2019	Difference	% Difference
Cash equivalents	\$ 660,934	\$ 675,850	\$ (14,916)	(2.2%)
Investments	187,211,440	186,464,445	746,995	0.4%
Receivables	67,269	-	67,269	100.0%
<b>Total Assets</b>	<b>187,939,643</b>	<b>187,140,295</b>	<b>799,348</b>	<b>0.4%</b>
<b>Plan Net Assets</b>	<b>\$ 187,939,643</b>	<b>\$ 187,140,295</b>	<b>\$ 799,348</b>	<b>0.4%</b>

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

Total contributions to the Savings Plans increased by \$3,681,559 to total \$9,766,138. Employer contributions increased \$4,950,518 and team member contributions decreased \$1,393,620, and net investment income decreased \$26,686,030, when compared to 2019. Rollover contributions increased \$124,661 when compared to 2019.

<b>Savings Plans</b>				
<b>Changes in Plan Net Assets Available for Benefits</b>				
Additions:	<b>September 30, 2020</b>	December 31, 2019	Difference	Difference
Contributions	\$ 9,766,138	\$ 6,084,579	\$ 3,681,559	60.5%
Investment Income	5,589,121	32,294,475	(26,705,354)	(82.7%)
Less: Fees	(57,341)	(76,665)	(19,324)	(25.2%)
Total Additions	<u>15,297,918</u>	<u>38,302,389</u>	<u>(23,004,471)</u>	(60.1%)
Deductions:				
Benefits	14,498,570	18,678,331	(4,179,761)	(22.4%)
Total Deductions	<u>14,498,570</u>	<u>18,678,331</u>	<u>(4,179,761)</u>	(22.4%)
Change in Plan Net Assets	799,348	19,624,058	(18,824,710)	(95.9%)
Plan Net Assets, Beg. of Year	<u>187,140,295</u>	<u>167,516,237</u>	<u>19,624,058</u>	11.7%
Plan Net Assets, End of Period	<u>\$ 187,939,643</u>	<u>\$ 187,140,295</u>	<u>\$ 799,348</u>	0.4%

### ***Defined Contribution Savings Plans - 2019 and 2018***

The net position held in trust for the combined Savings Plan administered by East Jefferson General Hospital increased by \$19,624,058 during the 2019 fiscal year. Net appreciation in fair value of investments of \$20,675,857 was the main force behind the increase in net position. Combined investment gain, net of investment advisory fees, totaled \$32,217,810 in 2019. Total withdrawals and benefits paid were \$18,678,331 for the year.

	2019	2018	Difference	%
				Difference
Cash equivalents	\$ 675,850	\$ 1,137,218	\$ (461,368)	(40.6%)
Investments	186,464,445	162,883,755	23,580,690	14.5%
Receivables	-	3,495,264	(3,495,264)	(100.0%)
Total Assets	<u>187,140,295</u>	<u>167,516,237</u>	<u>19,624,058</u>	11.7%
Plan Net Assets	<u>\$ 187,140,295</u>	<u>\$ 167,516,237</u>	<u>\$ 19,624,058</u>	11.7%

Total contributions to the Savings Plans decreased by \$4,064,801 to total \$6,084,579. Employer contributions decreased \$3,212,097 and team member contributions decreased \$33,937, investment income increased \$40,538,256, when compared to 2018. Rollover contributions decreased \$818,767 when compared to 2018.

## East Jefferson General Hospital Retirement and Savings Plans Management's Discussion and Analysis

### Savings Plans Changes in Plan Net Assets Available for Benefits

Additions:	2019	2018	Difference	%
	<u>2019</u>	<u>2018</u>	<u>Difference</u>	<u>Difference</u>
Contributions	\$ 6,084,579	\$ 10,149,380	\$ (4,064,801)	-40.0%
Investment Income	32,294,475	(8,243,781)	40,538,256	491.7%
Less: Fees	(76,665)	(74,598)	(2,067)	-2.8%
Total Additions	<u>38,302,389</u>	<u>1,831,001</u>	<u>36,471,388</u>	1991.9%
Deductions:				
Benefits	<u>18,678,331</u>	<u>16,230,069</u>	<u>2,448,262</u>	15.1%
Total Deductions	<u>18,678,331</u>	<u>16,230,069</u>	<u>2,448,262</u>	15.1%
Change in Plan Net Assets	19,624,058	(14,399,068)	34,023,126	236.3%
Plan Net Assets, Beg. of Year	<u>167,516,237</u>	<u>181,915,305</u>	<u>(14,399,068)</u>	-7.9%
Plan Net Assets, End of Year	<u>\$ 187,140,295</u>	<u>\$ 167,516,237</u>	<u>\$ 19,624,058</u>	11.7%

#### ***EAST JEFFERSON GENERAL HOSPITAL RETIREMENT AND SAVINGS PLANS AS A WHOLE***

During the nine months ended September 30, 2020, East Jefferson General Hospital's combined plan net position decreased \$13,221,118 to total \$225,633,431. The observed decrease in the Plan Assets is mainly attributable the excess of distributions over contributions offset by the positive returns on investments. Total for the defined benefit and defined contribution investment income was \$4,270,182 and the plans increased in distributions by \$5,952,017.

During the year ended December 31, 2019, East Jefferson General Hospital's combined plan net position increased \$26,199,570 to total \$238,854,549. The observed increase in the Plan Assets is mainly attributable to positive returns on investments and the excess of distributions over contributions. Total for the defined benefit and defined contribution investment income was \$41,139,022 and the plans increased in distributions by \$2,720,091.

#### ***REQUESTS FOR INFORMATION***

Questions concerning any of the information provided or requests for additional financial information should be addressed to the Department of Accounting, (504) 454-4862 East Jefferson General Hospital, 4200 Houma Boulevard, Metairie, Louisiana 70006.





# FINANCIAL STATEMENTS



**East Jefferson General Hospital Retirement and Savings Plans**  
**Statements of Fiduciary Net Position**

<i>As of September 30 and December 31,</i>	<b>2020</b>	2019
<b>ASSETS</b>		
Cash equivalents	<b>\$ 1,358,332</b>	\$ 1,208,325
Receivables:		
Accrued interest and dividends	<b>131,398</b>	76,444
Employee contributions receivable	<b>67,269</b>	-
Due from broker	<b>919,336</b>	54,277
Total Receivables	<b>1,118,003</b>	130,721
Investments:		
Debt securities	<b>36,385,146</b>	16,196,098
Mutual funds	<b>159,482,844</b>	192,553,786
Investment in partnerships	<b>18,564</b>	47,319
Group fixed unallocated annuity contract	<b>27,728,596</b>	28,834,501
Total Investments	<b>223,615,150</b>	237,631,704
Total Assets	<b>226,091,485</b>	238,970,750
<b>LIABILITIES</b>		
Accounts payable	<b>49,924</b>	57,905
Due to broker	<b>408,130</b>	58,296
Total Liabilities	<b>458,054</b>	116,201
<b>NET POSITION - RESTRICTED FOR PENSION BENEFITS</b>	<b>\$ 225,633,431</b>	\$ 238,854,549

*The accompanying notes are an integral part of these financial statements.*

**East Jefferson General Hospital Retirement and Savings Plans  
Statements of Changes in Fiduciary Net Position**

*For the Nine Months Ended September 30, 2020  
and the Year Ended December 31, 2019*

	2020	2019
<b>ADDITIONS:</b>		
Contributions:		
Members	\$ 4,625,784	\$ 6,019,404
Rollovers	189,836	65,175
Employer	7,601,862	2,937,614
<b>Total Contributions</b>	<b>12,417,482</b>	<b>9,022,193</b>
Investment income:		
Interest	418,956	609,509
Dividends	1,160,331	12,277,863
Net appreciation in fair value of investments	2,863,969	28,532,129
	<b>4,443,256</b>	<b>41,419,501</b>
Less:		
Investment advisory services	115,733	203,814
Custodial fees	57,341	76,665
<b>Net Investment Income</b>	<b>4,270,182</b>	<b>41,139,022</b>
<b>Total Additions</b>	<b>16,687,664</b>	<b>50,161,215</b>
<b>DEDUCTIONS:</b>		
Retirement benefits paid and savings plan withdrawals	29,847,112	23,895,095
Administrative expenses	61,670	66,550
<b>Total Deductions</b>	<b>29,908,782</b>	<b>23,961,645</b>
<b>NET (DECREASE) INCREASE</b>	<b>(13,221,118)</b>	<b>26,199,570</b>
<b>NET POSITION - RESTRICTED FOR PENSION BENEFITS</b>		
Beginning of period	238,854,549	212,654,979
End of period	\$ 225,633,431	\$ 238,854,549

*The accompanying notes are an integral part of these financial statements.*

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 1: DESCRIPTION OF THE PLANS

#### *General*

The East Jefferson General Hospital Retirement Plan and Savings Plans (the Plans) Committee is the administrator of a single-employer defined benefit retirement plan and hospital sponsored defined contribution savings plans. The Plans were established for the purpose of providing retirement benefits for substantially all employees of East Jefferson General Hospital (the Hospital).

#### *LCMC Acquisition*

Effective October 1, 2020, LCMC Health acquired East Jefferson General Hospital. As part of the acquisition, the East Jefferson General Hospital Retirement Plan and Savings Plans Committee and the East Jefferson General Hospital Board of Directors terminated the defined benefit plan, 401(a), and 457(b) defined contribution plans effective September 30, 2020. The 403(b) defined contribution plan was assumed by LCMC Health as of October 1, 2020. In preparation of the impending termination of the plans, the Savings Plans Committee made amendments to the defined benefit plan and revisions to defined contributions plans during the nine months ended September 30, 2020.

#### *Defined Benefit Retirement Plan*

All full-time employees hired or re-hired prior to January 1, 2005 who are at least age 21 with at least one year of credited service are eligible to participate in the Defined Benefit Retirement Plan (the "Plan"). Plan benefits vest after 5 years of credited service. Employees who retire at, or after, age 62 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, unless the present value amount of accumulated benefits are under \$15,000. In these instances, the employer has the option to distribute benefits to the employee in a lump sum payment. The Plan also provides early retirement benefits at reduced amounts at age 55 with 10 years of service. The Plan also provides death benefits depending upon the payment option elected. This benefit provision and all other requirements are established by the Plan. In January 2005, a resolution was adopted to freeze the Defined Benefit Plan effective April 1, 2005. Non-vested employees hired prior to January 1, 2005 will continue to vest in the Plan, pending continual employment through the vesting date.

Membership in the Plan as of the last actuarial valuation consists of:

	<u>2020</u>	<u>2019</u>
Retirees and Beneficiaries receiving Benefits	<b>1,071</b>	1,080
Terminated employees entitled to benefits but not yet receiving them	<b>1,323</b>	1,626
Active Employees	-	312
<u>Total Participants</u>	<u><b>2,394</b></u>	<u>3,018</u>

## **East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements**

### ***Amendments – Defined Benefit Plan***

Effective April 22, 2020, the plan was amended to offer a lump-sum window program in a phased approach to certain Plan participants. Phase one was offered to participants who were actively employed by the Employer who were at least the age of 59 ½. Phase two was offered to vested terminated participants regardless of age.

The phase one window was offered to employees to make a one-time election to immediately commence payment of their vested accrued benefit in one of the following manners; (1) lump sum, (2) life annuity, (3) 10 certain life, and if married, (4) 50% joint survivor, 75% joint survivor, or 100% joint survivor, and (5) no election.

The phase two window was offered to employees to make a one-time election dependent on age. If the participant was under the age of 55 or greater than the age of 55 but did not meet early retirement eligibility the participant could elect (1) lump sum distribution, (2) life annuity, or (3) no election. For the participants under 55 with an accrued vested benefit under \$15,000, the lump sum option was the only available option. For participants that were over the age of 55 and met early retirement eligibility the participant could elect (1) lump sum, (2) life annuity, (3) 10 certain life, and if married, (4) 50% joint survivor, 75% joint survivor, or 100% joint survivor, and (5) no election. The immediate lump-sum payment was the only option offered for participants over the age of 55 and met early retirement eligibility with an accrued benefit less than \$15,000.

Participants for both phases who did not submit a valid election form during the phase windows were subject to normal provisions of the Plan regarding the timing and commencement of benefit payments and optional forms of benefit distribution.

### ***Termination – Defined Benefit Plan***

On December 30, 2020, the Form 5310 application was submitted to the IRS to formally request the qualified status of the Plan in regards to the termination. As of May 27, 2021, the IRS had not officially ruled on the status of the termination. Plan management believes a favorable ruling will be obtained.

### ***Pension Benefits***

The annual benefit at normal retirement will be equal to the benefit accrued through December 31, 1988 under the previous Plan formula plus, for each year after 1988, benefits accrued under a new formula. Under the formula, benefits accrued at 0.75% of participant's annual pay up to a designated "breakpoint" and at 0.5% of annual pay in excess of the breakpoint.

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 1: DESCRIPTION OF THE PLANS (continued)

#### *Pension Benefits (continued)*

Benefits ceased to accrue effective April 1, 2005 with the freezing of the Plan as of that date.

The pension benefits will be fully vested after five credited years of employment with the Hospital (counting all prior service). Prior service counts for vesting purposes for terminated employees rehired within five years that were not fully vested at termination. At retirement, the participant may choose to receive a monthly benefit amount in one of several annuity forms – life annuity, joint and survivor annuity, and ten year certain and life annuity.

#### *Death Benefits*

If a participant dies after becoming vested, the surviving spouse will receive a monthly benefit from the Plan. This benefit is only available to the surviving spouse and will be payable at the time the participant would have qualified for early retirement, unless the spouse elects to defer payments to a later date.

#### *Contributions*

The Plan's funding policy provides for actuarially determined periodic contributions.

The actuarially recommended contribution for the Plan nine months ended September 20, 2020 and the Plan year ended December 31, 2019 is shown below.

Valuation Date Plan Period and Year	<b>September 30, 2020</b>	December 31, 2019
Annual Contribution:		
As a dollar amount	<b>\$2,651,344</b>	\$ 2,937,614
As a percent of payroll	<b>N/A</b>	14.17%
Participant Payroll	<b>N/A</b>	\$ 20,731,885

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 1: DESCRIPTION OF THE PLANS (continued)

#### *Defined Contribution Savings Plans*

The Savings Plans include a 401(a) plan that was frozen to new participants effective December 31, 2003 and reactivated in 2007. The Savings Plans also include a 403(b) plan and a 457(b) plan that were established effective January 1, 2004.

The 401(a) plan covers all full-time employees who have been employed for a twelve-month period during which at least one thousand hours of service are completed and who is at least twenty-one years of age. With the exception of leased employees, all employees at least 21 years of age are eligible to make elective deferrals under the 403(b) plan. All full and part-time employees are eligible for employer contributions under the 403(b) plan after attaining age 21 and completing one month of employment. All employees are eligible to participate in the 457(b) plan.

The number of participants in each of the savings plans (active and inactive) as of September 30 is as follows:

	2020	2019
401(a)	2,333	2,145
403(b)	2,471	2,437
457(b)	644	631

#### *Plan Revisions – Defined Contribution Savings Plans*

During 2020, the Board of Directors of East Jefferson General Hospital authorized revisions to the Savings Plans provisions to (1) shorten the compensation determination period based on beginning January 1, 2020 and ending July 31, 2020, (2) include hospital match funding from January 1, 2020 through July 31, 2020, (3) reduce 2020 participant’s certified worked hours from 1,000 to 584, and (4) immediately vest at 100% for participants with a current hospital matching account balance.

#### *Termination – Defined Contribution Savings Plans*

On August 26, 2020, a board resolution was passed to authorize the ceasing of East Jefferson General Hospital being the plan sponsor and the termination of the 401(a) and 457(b) effective on the transaction date between East Jefferson General Hospital and LCMC. Effective October 1, 2020, the 403(b) adoption agreement for LCMC Health to assume the 403(b) plan was approved.

#### *Contributions*

The 403(b) plan allows for employee elective deferrals to be made up to the limits allowed by the Internal Revenue Service (IRS). Effective April 2005, the employer basic contribution increases in 0.5% increments for every five years of credited service.

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 1: DESCRIPTION OF THE PLANS (continued)

#### *Contributions (continued)*

The initial base contribution is 2% for less than five years of service. The matching employer contributions were made for September 30, 2020 based on the effective date of July 31, 2020. Matching employer contributions were made at a rate equal to 100% of the elective deferral of each employee up to 2% for the year ended December 31, 2019 and nine months ended September 30, 2020. Effective in 2006, the plan was amended to change the Hospital's funding to an annual basis, from pay period basis, and allows for confirmation of an employee's eligibility. Effective January 1, 2011, the plan was amended to convert the matching contribution to a discretionary contribution, which would provide the employer the option of funding the matching contribution in whole or in part on an annual basis.

The 457(b) plan allows employee elective deferrals up to the annual limits allowed by the IRS. No employer contributions are made to this plan.

The 401(a) plan was frozen effective December 31, 2003 and reactivated during 2007. During this period of time, the Hospital discontinued providing the Hospital Basic contributions to the 403(b) plan and began funding these contributions to the 401(a) plan. The Hospital Basic Contribution percentage amounts are provided to participants according to their Benefit Service Date. The participants' voluntary pre-tax deductions and the Hospital Matching Contributions continue to be funded to the 403(b) plan. The employer contribution percentages for the 401(a) plan by Benefit Service Date are as follows:

<u>Number of Years</u>	<u>Contribution %</u>
0 to 5	2.0%
5+ to 10	2.5%
10+ to 15	3.0%
15+ to 20	3.5%
20+ to 25	4.0%
25+	5.0%

#### *Participants' Accounts*

Participants in the Savings Plans have separate accounts for each of the Plans. Each participant's account is credited with the Hospital's contribution, if applicable, and Plan earnings. Allocation of the Hospital's contributions is based on Plan compensation. Compensation for Plan purposes is the employee's eligible annual compensation as specified in the Plan document.



## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 1: DESCRIPTION OF THE PLANS (continued)

#### *Vesting*

The participant is one hundred percent vested in Hospital contributions after the completion of five credited years of vesting service and upon death, disability, or termination of the Savings Plans. Vesting status is not pro-rated for the other defined contribution plans. For this purpose, participants earn one year of vesting service for each year in which they work one thousand hours or more. Any contributions made by participants for the Savings Plans, and earnings on those contributions, are one hundred percent vested to the participants when made. The plan was revised to make participants fully vested in all employer contributions during 2020.

#### *Withdrawals and Distributions*

Participants do not make contributions to the 401(a), but can make contributions to the 403(b) and 457(b) plan. Hospital contributions may not be withdrawn. Withdrawals of participant contributions are limited to one per calendar year. No contributions may be made to the plan for a six-month period after a withdrawal, and during those six months the participant is ineligible to receive the Hospital's matching contributions.

Only hardship withdrawals are allowed for the 403(b) and 457(b) plans. VALIC, the third party administrator, determines if a participant is eligible for a hardship withdrawal based on IRS Section 457(d)(1)(A)(iii) of the Code.

Upon termination of employment for resignation, dismissal, retirement, or death; the participant's contributions plus the vested portion of the Hospital's contributions, and the related earnings may be distributed to the participant or his/her designated beneficiary. In addition, the employee may remain in the Plans, request a rollover distribution, or a distribution in the form of a lump sum or annuity provided by the Plan administrator.

#### *Forfeitures*

Basic and matching deposits in the account of a participant who separates from service prior to becoming vested are forfeited and used to reduce Hospital contributions.

If a participant returns to service within five years, the dollar amount forfeited is restored to his or her account. During the nine months ended September 30, 2020 and the year ended December 31, 2019, the Plans used the following amounts in forfeitures to offset employer contributions and related custodial fees:

	2020	2019
401(a)	\$ 397,127	\$ 246,500
403(b)	281,816	-
	\$ 678,943	\$ 246,500

## **East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements**

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Nature of Operations***

The financial statements are presented in accordance with standards established by the Governmental Accounting Standards Boards (GASB).

#### ***Basis of Accounting***

The Plans' financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred. Employee and employer contributions are recorded in the period the related salaries are earned. Administrative expenses are funded from investment earnings. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans.

#### ***Method Used to Value Investments***

The Plans' policy in regard to the allocation of invested assets is established and may be amended by the Hospital. It is the policy of the Hospital to pursue an investment strategy that balances return of current income and growth of principal. Investments are reported at fair value, based on quoted market prices; or at contract value, and short-term investments are reported at cost.

#### ***Use of Estimates***

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

#### ***Tax Status***

Both the Defined Benefit retirement plan and 401(a) plan have obtained favorable determination letters. Although those plans have been subsequently amended, it is believed that they are operated in compliance with the applicable requirements of the Internal Revenue Code. The 403(b) and 457(b) plans are prototype plans that were designed to meet the requirements of the Internal Revenue Code.

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 3: CASH EQUIVALENTS AND INVESTMENTS

Following are the components of the Plans' cash equivalents and investments at September 30, 2020 and December 31, 2019:

2020	Defined Benefit Retirement Plan	Savings Plans	Total
Cash equivalents	\$ 697,398	\$ 660,934	\$ 1,358,332
Investments	36,403,710	187,211,440	223,615,150
	<u>\$ 37,101,108</u>	<u>\$ 187,872,374</u>	<u>\$ 224,973,482</u>

  

2019	Defined Benefit Retirement Plan	Savings Plans	Total
Cash equivalents	\$ 532,475	\$ 660,934	\$ 1,208,325
Investments	51,167,259	186,464,445	237,631,704
	<u>\$ 51,699,734</u>	<u>\$ 187,140,295</u>	<u>\$ 238,840,029</u>

#### ***Cash Equivalents***

The cash equivalents totaling \$1,358,332 and \$1,208,325 at September 30, 2020 and December 31, 2019, respectively, consist of government backed pooled funds. The funds are held by a sub-custodian and are managed by a separate money manager and are in the name of the custodian's trust department.

#### ***Investments***

Hospital Service Districts are authorized under Louisiana R.S. 46:1068 to establish and maintain actuarially sound pension and retirement systems making contributions from hospital service district funds. They may make contracts of insurance with any insurance company legally authorized to do business in Louisiana and may enter into other contracts and trust agreements with banks, which are incidental to creating and maintaining an actuarially sound pension and retirement system. At September 30, 2020 and December 31, 2019, the Retirement Plan's investments were held by Comerica. The Savings Plans' investments were held by VALIC.

The following were the Retirement Plan's adopted allocation ranges for the defined contribution plans as of September 30, 2020:

<u>Asset Category</u>	<u>Minimum</u>	<u>Policy Target</u>	<u>Maximum</u>
Large Cap Equities	25%	35%	45%
Small/Mid Cap Equities	5%	10%	18%
International Equities	10%	17%	24%
Fixed Income	20%	32%	40%
Real Estate	4%	6%	10%
Absolute Return Funds	0%	0%	1%

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 3: CASH EQUIVALENTS AND INVESTMENTS (Continued)

The following was the Retirement Plan's adopted allocation ranges for the defined benefit plan as of September 30, 2020:

<u>Asset Category</u>	<u>Minimum</u>	<u>Policy Target</u>	<u>Maximum</u>
Large Cap Equities	0%	35%	45%
Small/Mid Cap Equities	0%	10%	18%
International Equities	0%	17%	24%
Fixed Income	0%	32%	100%
Real Estate	0%	6%	10%
Absolute Return Funds	0%	0%	0%

#### ***Concentration of Credit Risk***

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Defined Benefit Plan's investment policy states that no more than 5% (of market value) of the assets assigned to an investment manager may be invested in unsecured investments of a single company by a manager. At September 30, 2020 and December 31, 2019, there were no investments that exceeded the Plan's concentration of credit risk policy. The Defined Contribution Plans' investment policy does not set a maximum percentage allowed to be invested in a single company.

#### ***Credit Risk***

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Plans have no formal investment policy regarding credit risk. The Plans did not have investments in long-term debt securities as of September 30, 2020 and December 31, 2019.

#### ***Custodial Credit Risk***

Custodial credit risk is defined as the risk that, in the event of the failure of the counterparty, the Plans will not be able to recover the value of their investment or collateral securities that are in the possession of an outside party. The Plans hold all investments in a trust in the Plans' name and therefore, are not exposed to custodial credit risk.

#### ***Interest Rate Risk***

Interest rate risk is defined as the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Plans have no formal investment policy regarding interest rate risk.

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 3: CASH EQUIVALENTS AND INVESTMENTS (Continued)

#### *Rate of Return*

For the nine months ended September 30, 2020 and the year ended December 31, 2019, the annual money-weighted rate of return on defined benefit plan investments, net of pension plan investment expense, was -2.15% and 20.62%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Note 4: FAIR VALUE MEASUREMENTS

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of September 30:

2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments Measured at Fair Value</b>			
Debt securities			
Mutual funds – fixed income	\$ 16,032,768	\$ 16,032,768	\$ -
US government obligations	12,494,121	12,494,121	-
Corporate bonds	7,306,550	7,306,550	-
Foreign bonds and notes	551,707	551,707	-
Equity securities			
Mutual funds - equity	159,482,844	159,482,844	-
<hr/>			
Total Investments Measured at Fair Value	195,867,990	\$195,867,990	\$ -
<hr/>			
<b>Investments Measured at Net Asset Value (NAV)</b>			
Group fixed unallocated annuity contracts	27,728,596		
Investment in partnership	18,564		
<hr/>			
Total Investments Measured at NAV	27,747,160		
<hr/>			
Total Investments	\$ 223,615,150		

**East Jefferson General Hospital Retirement and Saving Plans  
Notes to Financial Statements**

**Note 4: FAIR VALUE MEASUREMENTS (continued)**

	December 31, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments Measured at Fair Value</b>				
Debt securities				
Mutual funds – fixed income	\$ 15,939,730	\$ 15,939,730	\$ -	\$ -
US government obligations	137,833	137,833		
Corporate bonds	105,341	105,341		
Foreign bonds and notes	13,194	13,194		
Equity securities				
Common stock	20,909,490	20,909,490	-	-
Foreign stock	445,290	445,290	-	-
American depository receipts	4,417,458	4,417,458	-	-
Mutual funds - equity	163,288,046	163,288,046	-	-
Real estate investment trusts	3,522,759	3,522,759	-	-
Total Investments Measured at Fair Value Level	208,779,141	\$208,779,141	\$ -	\$ -
<b>Investments Measured at Net Asset Value (NAV)</b>				
Group fixed unallocated annuity contracts	28,834,501			
Investment in partnership	18,062			
Total Investments Measured at NAV	28,852,563			
Total Investments	\$ 237,631,704			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

The unfunded commitments and redemption terms for investments measured at the net asset value (NAV) per share (or its equivalent) as of September 30, 2020 are presented in the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
<b>Investments measured at NAV:</b>				
Group fixed unallocated annuity contracts	\$ 27,728,596	\$ -	Daily	Same day
Investment in partnership	18,564	-	Quarterly	90 days
Total Investments Measured at NAV	\$ 27,747,160	\$ -		

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 4: FAIR VALUE MEASUREMENTS (continued)

The unfunded commitments and redemption terms for investments measured at the net asset value (NAV) per share (or its equivalent) as of December 31, 2019 are presented in the following table:

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
<b>Investments measured at the NAV:</b>				
Group fixed unallocated annuity contracts	\$ 28,834,501	\$ -	Daily	Same day
Investment in partnership	18,062	-	Quarterly	90 days
<b>Total Investments Measured at NAV</b>	<b>\$ 28,852,563</b>	<b>\$ -</b>		

#### ***Group Fixed Unallocated Annuity Contracts***

At September 30, 2020 and December 31, 2019, the Retirement Plan was invested in Group Fixed Unallocated Annuity Contracts featuring a highly competitive current interest rate. The strategy for these contracts is intended to produce a reasonably stable and predictable return throughout the economic cycle, without undue risk or volatility. The portfolio consists principally of investment-grade corporate debt securities and highly rated mortgage-backed and asset-backed securities. In addition, a small allocation – normally 10% or less – is made to other, more volatile but potentially higher-yielding investments.

#### ***Investment in Partnerships***

As of September 30, 2020 and December 31, 2019, the Retirement Plan was invested in Equitas Evergreen Fund, L.P., which had a cost basis of \$18,564 and \$18,062, respectively. This fund's strategy is to achieve consistent absolute returns in a variety of market environments, with substantially less volatility than global equity markets generally, by diversifying investments across Managers. The fair value of the investment has been determined using the NAV per share (or equivalent) of the Retirement Plan's ownership interest in partners' capital.

### Note 5: SAVINGS PLANS FUNDS

During the year ended December 31, 2004, agreements with VALIC were obtained for each of the Savings Plans. The Hospital invests each participant's deferred compensation as directed by the employee. The investments are generally mutual funds; however, the plan documents provide for other types of investments. The responsibility for the selection of the investment alternatives has been retained by the Hospital.

The funds are included in the financial statements as September 30, 2020 and December 31, 2019 at fair market value.

## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 6: NET PENSION LIABILITY OF EAST JEFFERSON GENERAL HOSPITAL

The components of the net pension liability of the Hospital at September 30 and December 31 were as follows:

	2020	2019
Total Pension Liability	\$ 73,262,981	\$ 83,714,888
Plan Fiduciary Net Position	37,693,788	51,714,254
The Hospital's Net Pension Liability	\$ 35,569,193	\$ 32,000,634
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.4%	61.8%

#### **Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment mortality and future salary increases. Actuarially determined amounts regarding net pension liability are subject to continual revision as actual results are compared to past expectations, and new estimates are made about the future. The required Schedule of Net Pension Liability on page 30 presents multi-year trend information regarding whether the plan fiduciary net positions are increasing or decreasing over time relative to the total pension liability. The total pension liability as of September 30, 2020 and December 31, 2019 is based on actuarial valuations for the same periods, updated using generally accepted actuarial procedures. The pension liability was determined by an actuarial valuation using the following actuarial assumptions:

Plan Period	2020	2019
Valuation Date	September 30, 2020	December 31, 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Investment Rate Returns	7.00%	7.00%
Inflation	2.20%	2.20%
Salary Increases including Inflation	N/A	N/A
Mortality	PRI-2012 Total Employee/Retiree mortality table, with mortality improvement based on projection scale MP-2020	RP 2014 mortality table for male and females, adjusted to 2006, with mortality improvement based on projection scape MP-2019



## East Jefferson General Hospital Retirement and Saving Plans Notes to Financial Statements

### Note 6: NET PENSION LIABILITY OF EAST JEFFERSON GENERAL HOSPITAL (continued)

#### *Actuarial Methods and Assumptions (continued)*

The long-term expected rate of return on defined benefit plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 and December 31, 2019 are summarized in the following table:

<b>Asset Class</b>	<b>2020 Long-Term Expected Real Rate of Return</b>	<b>2019 Long-Term Expected Real Rate of Return</b>
U.S. Cash	-0.34%	0.04%
U.S. Core Bonds	0.08%	0.67%
U.S. Equity Market	4.80%	4.59%
Non-U.S. Equities	6.44%	6.11%
Emerging Markets Equities	8.31%	7.99%
U.S REITs	5.30%	4.92%

#### *Discount Rate*

The discount rate used to measure the total pension liability was 7.00% at September 30, 2020 and December 31, 2019. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the Hospital contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**East Jefferson General Hospital Retirement and Saving Plans  
Notes to Financial Statements**

**Note 6: NET PENSION LIABILITY OF EAST JEFFERSON GENERAL HOSPITAL (continued)**

***Actuarial Methods and Assumptions (continued)***

***Sensitivity of the Net Pension Liability to Change in the Discount Rate***

The following presents the net pension liability of the Hospital at September 30, 2020 and December 31, 2019, calculated using the discount rate of 7.00%, as well as what the Hospital's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

2020	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total Pension Liability	\$ 79,749,661	\$ 73,262,981	\$ 67,708,987
Fiduciary Net Position	37,693,788	37,693,788	37,693,788
Net Pension Liability	\$ 42,055,873	\$ 35,569,193	\$ 30,015,199

  

2019	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Total Pension Liability	\$ 91,996,419	\$ 83,714,888	\$ 76,693,138
Fiduciary Net Position	51,714,254	51,714,254	51,714,254
Net Pension Liability	\$ 40,282,165	\$ 32,000,634	\$ 24,978,884

**Note 7: PLAN TERMINATION**

Effective September 30, 2020, the Board of Directors authorized the termination of the defined benefit, 401(a), and 457(b) plans.

**Note 8: SUBSEQUENT EVENTS**

Management of the Plans evaluated all events or transactions that occurred after September 30, 2020 through May 27, 2021, the date the Plans' financial statements were available to be issued. The follow item occurred.

Effective October 1, 2020, the Hospital was sold to LCMC Health Holdings, Inc. Voters approved the transaction through public referendum. The total purchase price was \$105 million, which included a \$90 million payment to the Hospital at the time of closing and \$15 million in additional performance-based payments over a three-year period (\$5 million per year), contingent upon certain performance metrics.



# REQUIRED SUPPLEMENTARY INFORMATION (PART II)



**East Jefferson General Hospital Retirement and Savings Plans**  
**Schedule of Net Pension Liability**  
**Last 8 Years**

<i>For the Periods Ended September 30, 2020 and December 31,</i>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employer's Net Pension Liability</u>	<u>Plan Fiduciary Net Position as a % of Total Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Net Pension Liability (Asset) as a % of Covered Payroll</u>
<b>2020</b>	<b>\$ 73,262,981</b>	<b>\$ 37,693,788</b>	<b>\$ 35,569,193</b>	<b>51.4%</b>	<b>N/A</b>	<b>N/A</b>
2019	83,714,888	51,714,254	32,000,634	61.8%	20,731,885	154.4%
2018	81,073,642	45,138,742	35,934,900	55.7%	23,047,697	155.9%
2017	80,727,672	49,942,792	30,784,880	61.9%	24,032,433	128.1%
2016	80,409,889	45,183,153	35,226,736	56.2%	26,891,000	131.0%
2015	75,869,220	43,921,902	31,947,318	57.9%	33,150,184	96.4%
2014	74,758,328	45,637,344	29,120,984	61.0%	35,666,374	81.6%
2013	73,504,221	43,877,027	29,627,194	59.7%	40,725,802	72.7%

**Note to Schedule:**

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditors' report.

**East Jefferson General Hospital Retirement and Savings Plans  
Schedule of Changes in Net Pension Liability and Related Ratios**

<i>For the periods ended September 30, 2020 and December 31,</i>	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>							
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on total pension liability	3,963,249	5,684,898	5,477,864	5,462,102	5,428,629	5,456,932	5,372,794
Effect of plan changes	-	-	-	-	-	-	-
Effect of economic/demographic gains or (losses)	1,697,672	(612,540)	(186,959)	(386,811)	(395,081)	(347,572)	(384,755)
Effect of assumption changes or inputs	(764,286)	2,785,652	-	-	3,858,117	-	-
Benefit payments	(15,348,542)	(5,216,764)	(4,944,935)	(4,757,508)	(4,350,996)	(3,998,468)	(3,733,932)
<b>Net change in total pension liability</b>	<b>(10,451,907)</b>	<b>2,641,246</b>	<b>345,970</b>	<b>317,783</b>	<b>4,540,669</b>	<b>1,110,892</b>	<b>1,254,107</b>
<b>Total pension liability, beginning</b>	<b>83,714,888</b>	<b>81,073,642</b>	<b>80,727,672</b>	<b>80,409,889</b>	<b>75,869,220</b>	<b>74,758,328</b>	<b>73,504,221</b>
<b>Total pension liability, ending (a)</b>	<b>\$ 73,262,981</b>	<b>\$ 83,714,888</b>	<b>\$ 81,073,642</b>	<b>\$ 80,727,672</b>	<b>\$ 80,409,889</b>	<b>\$ 75,869,220</b>	<b>\$ 74,758,328</b>
<b>Plan Fiduciary Net Position</b>							
Employer contributions	2,651,344	\$ 2,937,614	\$ 2,480,111	\$ 2,801,979	\$ 2,815,274	\$ 2,499,752	\$ 2,506,300
Investment income net of investment expenses	(1,261,598)	8,921,212	(2,280,606)	6,773,739	2,851,414	(162,396)	3,051,945
Benefit payments	(15,348,542)	(5,216,764)	(4,944,935)	(4,757,508)	(4,350,996)	(3,998,468)	(3,733,932)
Administrative expenses	(61,670)	(66,550)	(58,620)	(58,571)	(54,441)	(54,330)	(63,996)
<b>Net change in plan fiduciary net position</b>	<b>(14,020,466)</b>	<b>6,575,512</b>	<b>(4,804,050)</b>	<b>4,759,639</b>	<b>1,261,251</b>	<b>(1,715,442)</b>	<b>1,760,317</b>
<b>Plan fiduciary net position, beginning</b>	<b>51,714,254</b>	<b>45,138,742</b>	<b>49,942,792</b>	<b>45,183,153</b>	<b>43,921,902</b>	<b>45,637,344</b>	<b>43,877,027</b>
<b>Plan fiduciary net position, ending (b)</b>	<b>\$ 37,693,788</b>	<b>\$ 51,714,254</b>	<b>\$ 45,138,742</b>	<b>\$ 49,942,792</b>	<b>\$ 45,183,153</b>	<b>\$ 43,921,902</b>	<b>\$ 45,637,344</b>
<b>The Hospital's net pension liability, ending = (a) - (b)</b>	<b>\$ 35,569,193</b>	<b>\$ 32,000,634</b>	<b>\$ 35,934,900</b>	<b>\$ 30,784,880</b>	<b>\$ 35,226,736</b>	<b>\$ 31,947,318</b>	<b>\$ 29,120,984</b>
<b>Plan fiduciary net position as a % of total pension liability</b>	<b>51.45%</b>	<b>61.77%</b>	<b>55.68%</b>	<b>61.87%</b>	<b>56.19%</b>	<b>57.89%</b>	<b>61.05%</b>
<b>Covered payroll</b>	<b>N/A</b>	<b>\$ 20,731,885</b>	<b>\$ 23,047,697</b>	<b>\$ 24,032,433</b>	<b>\$ 26,891,000</b>	<b>\$ 33,150,184</b>	<b>\$ 35,666,374</b>
<b>The Hospital's net pension liability as a % of covered payroll</b>	<b>N/A</b>	<b>154.35%</b>	<b>155.92%</b>	<b>128.10%</b>	<b>131.00%</b>	<b>96.37%</b>	<b>81.65%</b>

**Notes to Schedule:**

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditors' report.

**East Jefferson General Hospital Retirement and Savings Plans  
Schedule of Employer Contributions  
Last 10 Years**

For the Periods Ended September 30, 2020 and December 31,	Actuarially Determined Contribution	Contributions in relation to the Actuarial Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
<b>2020</b>	<b>\$ 2,651,344</b>	<b>\$ 2,651,344</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>
2019	2,937,614	2,937,614	-	20,731,885	14.17%
2018	2,480,111	2,480,111	-	23,047,697	10.76%
2017	2,801,979	2,801,979	-	24,032,433	11.66%
2016	2,815,274	2,815,274	-	26,891,000	10.47%
2015	2,462,649	2,499,752	(37,103)	33,150,184	7.43%
2014	2,506,300	2,506,300	-	35,666,374	7.03%
2013	2,792,819	2,792,819	-	44,841,780	6.23%
2012	3,046,895	3,046,895	-	46,621,480	6.54%
2011	2,581,804	2,581,804	-	52,622,311	4.91%

See independent auditors' report.

**East Jefferson General Hospital Retirement and Savings Plans**  
**Schedule of Investment Returns**  
**Last 7 Years**

<u>For the Periods Ended</u> <u>September 30, 2020</u> <u>and December 31,</u>	<u>Net</u> <u>Money-Weighted</u> <u>Rate of Return</u>
<b>2020</b>	<b>-2.88%</b>
2019	20.62%
2018	-4.85%
2017	15.78%
2016	6.78%
2015	-0.33%
2014	6.94%

**Note to Schedule:**

Schedule is intended to show information for 10 years.  
Additional years will be displayed as they become available.

See independent auditors' report.

## **East Jefferson General Hospital Retirement and Saving Plans Notes to Required Supplementary Plan Information**

### ***Factors that significantly affect trends in amounts reported***

For the periods presented, there were no changes of benefit terms or changes in the size or composition of the population covered by the benefit terms which significantly affect trends in the amounts reported.

In February 2016, the Board approved reducing the discount rate for the defined benefit retirement plan by 0.5% to a 7.0% rate. The adoption of this rate was retroactive to January 1, 2016.

### ***Changes of Assumptions***

For the Plan for the valuation period ended September 30, 2020, mortality table was updated from RP 2014 to PRI-2012 Total Employee/Retiree.

### ***Method and assumptions used in calculations of actuarially determined contributions***

The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule.

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	Market value
Inflation	2.2%
Salary increases	N/A as a frozen plan
Investment rate of return	7.0% per annum, compounded annually, net of investment expenses
Mortality	PRI-2012 Total Employee/Retiree mortality table, with mortality improvement based on projection scale MP-2020





## OTHER SUPPLEMENTARY INFORMATION



East Jefferson General Hospital Retirement and Savings Plans  
Combining Statements of Fiduciary Net Position  
As of September 30, 2020

2020

	Defined Benefit Retirement Plan	Defined Contribution Savings Plans			Total Defined Contribution Savings Plans	Total
		401(a)	403(b)	457(b)		
<b>ASSETS</b>						
Cash equivalents	\$ 697,398	\$ 226,919	\$ 347,856	\$ 86,159	\$ 660,934	\$ 1,358,332
Receivables:						
Accrued interest and dividends	131,398	-	-	-	-	131,398
Contributions receivable:						
Employee	-	-	-	67,269	67,269	67,269
Employer	-	-	-	-	-	-
Due from broker	919,336	-	-	-	-	919,336
Total Receivables	1,050,734	-	-	67,269	67,269	1,118,003
Investments:						
Investments:						
Debt securities	36,385,146	-	-	-	-	36,385,146
Equity securities	-	51,349,055	87,932,481	20,201,308	159,482,844	159,482,844
Investment in partnership	18,564	-	-	-	-	18,564
Group fixed unallocated annuity contract	-	11,320,316	13,337,984	3,070,296	27,728,596	27,728,596
Total Investments	36,403,710	62,669,371	101,270,465	23,271,604	187,211,440	223,615,150
Total Assets	38,151,842	62,896,290	101,618,321	23,425,032	187,939,643	226,091,485
<b>LIABILITIES</b>						
Accounts payable	49,924	-	-	-	-	49,924
Due to broker	408,130	-	-	-	-	408,130
Total Liabilities	458,054	-	-	-	-	458,054
NET POSITION - RESTRICTED FOR PENSION BENEFITS	\$ 37,693,788	\$ 62,896,290	\$ 101,618,321	\$ 23,425,032	\$ 187,939,643	\$ 225,633,431

See independent auditors' report.

East Jefferson General Hospital Retirement and Savings Plans  
Combining Statements of Fiduciary Net Position  
As of December 31, 2019

2019

	Defined Benefit Retirement Plan	Defined Contribution Savings Plans			Total Defined Contribution Savings Plans	Total
		401(a)	403(b)	457(b)		
<b>ASSETS</b>						
Cash equivalents	\$ 532,475	\$ 200,814	\$ 379,076	\$ 95,960	\$ 675,850	\$ 1,208,325
Receivables:						
Accrued interest and dividends	76,444	-	-	-	-	76,444
Contributions receivable:						
Employee	-	-	-	-	-	-
Employer	-	-	-	-	-	-
Due from broker	54,277	-	-	-	-	54,277
Total Receivables	130,721	-	-	-	-	130,721
Investments:						
Investments:						
Debt securities	16,196,098	-	-	-	-	16,196,098
Equity securities	34,923,842	50,572,033	87,316,279	19,741,632	157,629,944	192,553,786
Investment in partnership	47,319	-	-	-	-	47,319
Group fixed unallocated annuity contract	-	11,916,405	13,569,398	3,348,698	28,834,501	28,834,501
Total Investments	51,167,259	62,488,438	100,885,677	23,090,330	186,464,445	237,631,704
Total Assets	51,830,455	62,689,252	101,264,753	23,186,290	187,140,295	238,970,750
<b>LIABILITIES</b>						
Accounts payable	57,905	-	-	-	-	57,905
Due to broker	58,296	-	-	-	-	58,296
Total Liabilities	116,201	-	-	-	-	116,201
NET POSITION - RESTRICTED FOR PENSION BENEFITS	\$ 51,714,254	\$ 62,689,252	\$ 101,264,753	\$ 23,186,290	\$ 187,140,295	\$ 238,854,549

See independent auditors' report.

East Jefferson General Hospital Retirement and Savings Plans  
Combining Statements of Changes in Fiduciary Net Position  
For the Nine Months September 30, 2020

	2020					
	Defined Benefit Retirement Plan	Defined Contribution Savings Plans			Total Defined Contribution Savings Plans	Total
		401(a)	403(b)	457(b)		
<b>ADDITIONS:</b>						
Contributions:						
Members	\$ -	\$ -	\$ 3,504,470	\$ 1,121,314	\$ 4,625,784	\$ 4,625,784
Rollovers	-	-	189,836	-	189,836	189,836
Employer	2,651,344	3,203,981	1,746,537	-	4,950,518	7,601,862
Total Contributions	<u>2,651,344</u>	<u>3,203,981</u>	<u>5,440,843</u>	<u>1,121,314</u>	<u>9,766,138</u>	<u>12,417,482</u>
Investment income:						
Interest	21,886	165,887	190,029	41,154	397,070	418,956
Dividends	611,358	148,002	318,077	82,894	548,973	1,160,331
Net appreciation/(depreciation) in fair value of investments	(1,779,109)	1,448,180	2,531,952	662,946	4,643,078	2,863,969
	<u>(1,145,865)</u>	<u>1,762,069</u>	<u>3,040,058</u>	<u>786,994</u>	<u>5,589,121</u>	<u>4,443,256</u>
Less:						
Investment advisory services	115,733	-	-	-	-	115,733
Custodial fees	-	19,791	31,841	5,709	57,341	57,341
Net Investment Income (loss)	<u>(1,261,598)</u>	<u>1,742,278</u>	<u>3,008,217</u>	<u>781,285</u>	<u>5,531,780</u>	<u>4,270,182</u>
Total Additions	<u>1,389,746</u>	<u>4,946,259</u>	<u>8,449,060</u>	<u>1,902,599</u>	<u>15,297,918</u>	<u>16,687,664</u>
<b>DEDUCTIONS:</b>						
Retirement benefits paid and savings plan withdrawals	15,348,542	4,739,221	8,095,492	1,663,857	14,498,570	29,847,112
Administrative expenses	61,670	-	-	-	-	61,670
Total Deductions	<u>15,410,212</u>	<u>4,739,221</u>	<u>8,095,492</u>	<u>1,663,857</u>	<u>14,498,570</u>	<u>29,908,782</u>
NET INCREASE (DECREASE)	<u>(14,020,466)</u>	<u>207,038</u>	<u>353,568</u>	<u>238,742</u>	<u>799,348</u>	<u>(13,221,118)</u>
NET POSITION - RESTRICTED FOR PENSION BENEFITS						
Beginning of period	51,714,254	62,689,252	101,264,753	23,186,290	187,140,295	238,854,549
End of period	<u>\$ 37,693,788</u>	<u>\$ 62,896,290</u>	<u>\$ 101,618,321</u>	<u>\$ 23,425,032</u>	<u>\$ 187,939,643</u>	<u>\$ 225,633,431</u>

See independent auditors' report.

**East Jefferson General Hospital Retirement and Savings Plans**  
**Combining Statements of Changes in Fiduciary Net Position**  
**For the Year Ended December 31, 2019**

2019

	Defined Benefit Retirement Plan	Defined Contribution Savings Plans			Total Defined Contribution Savings Plans	Total
		401(a)	403(b)	457(b)		
<b>ADDITIONS:</b>						
Contributions:						
Members	\$ -	\$ -	\$ 4,676,766	\$ 1,342,638	\$ 6,019,404	\$ 6,019,404
Rollovers	-	-	65,175	-	65,175	65,175
Employer	2,937,614	-	-	-	-	2,937,614
Total Contributions	2,937,614	-	4,741,941	1,342,638	6,084,579	9,022,193
Investment income:						
Interest	22,100	241,466	276,514	69,429	587,409	609,509
Dividends	1,246,654	3,834,970	5,811,749	1,384,490	11,031,209	12,277,863
Net appreciation/(depreciation) in fair value of investments	7,856,272	6,530,948	11,595,266	2,549,643	20,675,857	28,532,129
	9,125,026	10,607,384	17,683,529	4,003,562	32,294,475	41,419,501
Less:						
Investment advisory services	203,814	-	-	-	-	203,814
Custodial fees	-	26,702	42,721	7,242	76,665	76,665
Net Investment Income (loss)	8,921,212	10,580,682	17,640,808	3,996,320	32,217,810	41,139,022
Total Additions	11,858,826	10,580,682	22,382,749	5,338,958	38,302,389	50,161,215
<b>DEDUCTIONS:</b>						
Retirement benefits paid and savings plan withdrawals	5,216,764	5,517,729	10,649,281	2,511,321	18,678,331	23,895,095
Administrative expenses	66,550	-	-	-	-	66,550
Total Deductions	5,283,314	5,517,729	10,649,281	2,511,321	18,678,331	23,961,645
NET INCREASE (DECREASE)	6,575,512	5,062,953	11,733,468	2,827,637	19,624,058	26,199,570
NET POSITION - RESTRICTED FOR PENSION BENEFITS						
Beginning of year	45,138,742	57,626,299	89,531,285	20,358,653	167,516,237	212,654,979
End of year	\$ 51,714,254	\$ 62,689,252	\$ 101,264,753	\$ 23,186,290	\$ 187,140,295	\$ 238,854,549

See independent auditors' report.

**East Jefferson General Hospital Retirement and Savings Plans  
Schedule of Compensation, Benefits, and  
Other Payments to Agency Head  
For the Nine Months September 30, 2020**

**Note:** No payments were made by the Plan to any agency head.

Purpose	Amount
Salary	\$ -
Benefits	-
Deferred compensation	-
Car allowance	-
Vehicle provided by government	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Other	-

See independent auditor's report.



## OTHER REPORTING





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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors  
East Jefferson General Hospital  
Metairie, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the East Jefferson General Hospital Retirement and Savings Plans (the Plans), as of and for the period ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Plans' basic financial statements, and have issued our report thereon dated May 27, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Plans' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plans' internal control. Accordingly, we do not express an opinion on the effectiveness of the Plans' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Plans' financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weakness or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weakness may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Plans' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plans' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plans' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Carri Riggs & Ingram, L.L.C.*

Metairie, Louisiana  
May 27, 2021