

Halifax Health

Halifax Pension Plan

Actuarial Valuation Report as of October 1, 2021
for the plan year ending September 30, 2022

November 2022



706 N. Clinton Street, Suite 200, Syracuse, NY 13204
Voice: 315.703.8900 | Fax: 315.292.6468

Solving Tomorrow's Benefit Challenges Today

BPAS Family of Services: Plan Administration & Recordkeeping | Actuarial & Pension | TPA | Fiduciary | Healthcare Consulting | VEBA & HRA/HSA |
AutoRollovers & MyPlanLoan | Transfer Agency | Fund Administration | Collective Investment Funds

BPAS Subsidiaries: Hand Benefits & Trust | BPAS Trust Company of Puerto Rico | Northeast Retirement Services | Global Trust Company

EXECUTIVE SUMMARY 1

Section I: Executive Summary 1

Section II: Risk Assessment 4

Section III: Certification 7

EXHIBITS 8

Exhibit I: Plan Participation 8

Exhibit II: Plan Assets as of September 30, 2021 9

Exhibit III-A: Actuarial (Gain)/Loss – Year Ending September 30, 2021 10

Exhibit III-B: Summary of Amortization Payments 11

Exhibit IV: Contribution for Plan Year Ending September 30, 2022 13

Exhibit V: Actuarial Present Value of Accumulated Plan Benefits 14

Exhibit VI: Actuarial Assumptions and Funding Method 15

Exhibit VII: Summary of Plan Provisions 18

TABLES 22

Table One: Employee Distribution by Age, Service and Compensation 22

Table Two: Age Distribution of Non-Active Members 23

Table Three: Expected Benefit Payment Projection 23

The information contained in this report was prepared for the use of Halifax Health and its auditors in connection with our actuarial valuation. It is not intended or necessarily suitable for other purposes. To avoid misrepresentation, it is intended to be used in its entirety.

This report and the accompanying exhibits present the results of the annual actuarial valuation of the Halifax Pension Plan as of October 1, 2021, applicable to the plan year ending September 30, 2022. The purpose of the valuation is to provide Halifax Health with an actuarially determined contribution for funding the plan. The actuarially determined contribution is equal to the normal cost plus amortization of the unfunded actuarial accrued liability.

Unfunded Actuarial Accrued Liability

An initial unfunded actuarial accrued liability was established at 10/1/2012 to be amortized over 10 years. Changes to the unfunded accrued liability result from plan experience different than assumed and changes to assumptions. Each year a new amortization amount is established as a 10 year payment of the change to the unfunded actuarial accrued liability. Changes to the unfunded liability that have occurred over time are summarized in Exhibit III – B.

Changes as of October 1, 2021

- Plan experience different than assumed:
 - A liability gain \$3,251,845 due to demographic experience different than assumed
 - An asset gain \$37,143,247 due to actual investment returns greater than assumed.
- Change in assumption due to updated interest rate from 6.75% to 6.50%. This increased liabilities by \$9,917,674.

Actuarially Determined Contribution

| Item | 2020 | 2021 |
|---|----------------------|----------------------|
| 1) Normal Cost | \$ 107,000 | \$ 39,000 |
| 2) Amortization Payments | 25,718,872 | 21,680,426 |
| 3) Actuarially Determined Contribution: (1) + (2) | \$ 25,825,872 | \$ 21,719,426 |
| 4) Actual Contribution made October 1st | 24,305,000 | 21,315,000 |
| Actual Contribution made November 1st | 1,642,000 | - |
| Actual Contribution made October 3rd and Allocated to the PYE 2022 | - | 400,000 |
| 5) Excess (Shortfall): (4) - (3) | \$ 121,128 | \$ (4,426) |

Funding Policy

The funding policy of Halifax Health is to contribute an amount on the first day of the plan year (10/1) that is equal to the estimated actuarially determined contribution for the plan year using estimated liabilities and market value of assets. Upon completion of the annual valuation, if the actuarially determined contribution for the plan year is significantly different from the estimate, Halifax Health may make an additional contribution.

Based on our prior estimate, Halifax contributed \$21,315,000 on October 1, 2021. This amount is about \$400,000 less than the Actuarially Determined Contribution. A contribution was made on October 3, 2022 of which \$400,000 is allocated to the plan year ending September 30, 2022.

| COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS | | | |
|---|----------------------------|--------------------|-----------------------|
| ITEM | ACTUARIAL VALUATION AS OF: | | |
| | October 1, 2021 | October 1, 2020 | |
| 1. Participant Data | | | |
| a) Number of active participants | | 262 | 304 |
| b) Total annual payroll | \$ | 21,589,425 | 23,098,147 |
| c) Present Value of future salaries | \$ | 98,131,205 | 107,414,978 |
| d) Number of retired participants and beneficiaries | | 1,122 | 1,090 |
| e) Total annualized benefits for (d) | | 23,086,216 | 20,945,384 |
| f) Number of terminated vested participants | | 437 | 476 |
| g) Total annualized benefits for (f) | | 2,762,283 | 3,318,130 |
| 2. Assets | | | |
| a) Actuarial Value | | 348,041,687 | 288,165,405 |
| b) Market Value | | 348,041,687 | 288,165,405 |
| 3. Liabilities | | | |
| a) Present Value of future benefits for: | | | |
| -Active participants | \$ | 57,966,262 | \$ 63,940,760 |
| -Terminated vested participants | | 31,210,209 | 37,045,375 |
| -Retired participants and beneficiaries | | 297,222,105 | 277,484,974 |
| Total | \$ | 386,398,576 | \$ 378,471,109 |
| b) Actuarial Accrued Liability | | 386,398,576 | 378,471,109 |
| c) Unfunded Actuarial Accrued Liability: (3)(b) - (2)(a) | | 38,356,889 | 90,305,704 |
| 4. Present Value of Accrued Benefits | | | |
| Inactive participants and beneficiaries | \$ | 328,432,314 | \$ 314,530,349 |
| Active participants | | 57,966,262 | 63,940,760 |
| Nonvested accrued benefits | | 0 | 0 |
| Total | | 386,398,576 | 378,471,109 |
| <i>See Exhibit V for further details</i> | | | |
| 5. Pension Contribution for Year Beginning on Valuation Date | | | |
| a) Normal Cost | \$ | 39,000 | \$ 107,000 |
| b) Payment to amortize unfunded liability | | 21,680,426 | 25,718,872 |
| c) Expected (or actual for prior year) contributions | | 21,315,000 | 25,947,000 |
| d) (c) as % of payroll | | 98.73% | 112.33% |
| e) Amount to be contributed by participants | | 0 | 0 |
| f) (e) as % of payroll | | 0 | 0 |
| 6. Past contributions | | | |
| a) Recommended for years ending 9/30/2021 and 9/30/2020 respectively (beginning of year amount) | \$ | 25,825,872 | \$ 23,620,657 |
| b) Amount contributed by participants | | 0 | 0 |
| c) Actual contributions made by Halifax Health, years ending 9/30/2021 and 9/30/2020 respectively | | 25,947,000 | 23,472,000 |
| 7. Net actuarial gain (loss) | | 40,395,092 | (8,857,799) |

Summary of Risk Measures

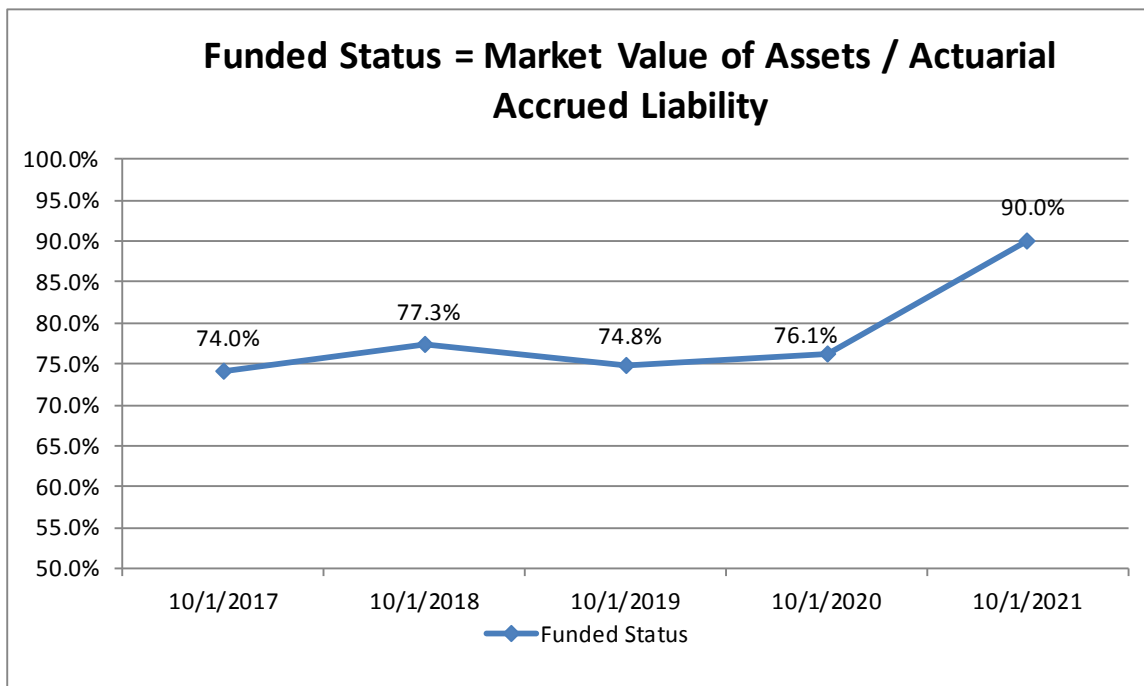
The valuation of a defined benefit plan is dependent upon uncertain events. Although your organization is subject to many sources of risk, it is important that Halifax Health understands that the results provided in this report represent only a single measurement of potential results based on the assumptions and methods identified herein. These assumptions and methods, although chosen in accordance with appropriate actuarial guidelines, can not predict the future with certainty. Thus, fluctuations in results will occur. As such, we are including this section to alert Halifax Health to potential sources of deviation. The summary provided below is not intended to be a complete and exhaustive list of all risks facing the Plan, but is intended to help Halifax Health understand the effect to which variations have and may affect your plan.

Investment Risk

As your Plan's assets are invested in a portfolio in which returns are subject to market fluctuations, deviations in investment returns from that expected by Halifax Health and/or the Plan's investment managers will occur. All pension plans are required to have an investment and funding policy, so it is important to review and update that policy, as needed, to reflect changes in the organization and Plan. Some considerations that may be useful in evaluating such are the following:

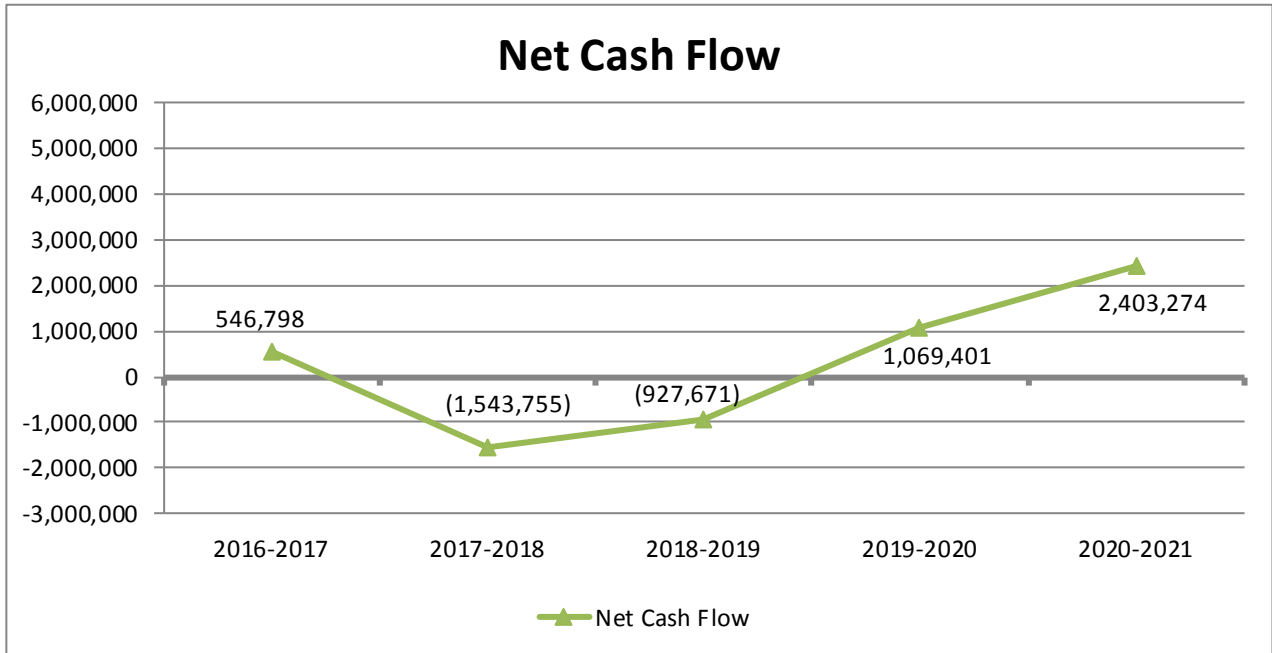
- A. The current funded status of the Plan:

The following exhibit presents the Plan's historical funded status using the ratio of the Plan's Market Value of Assets to Actuarial Accrued Liability.



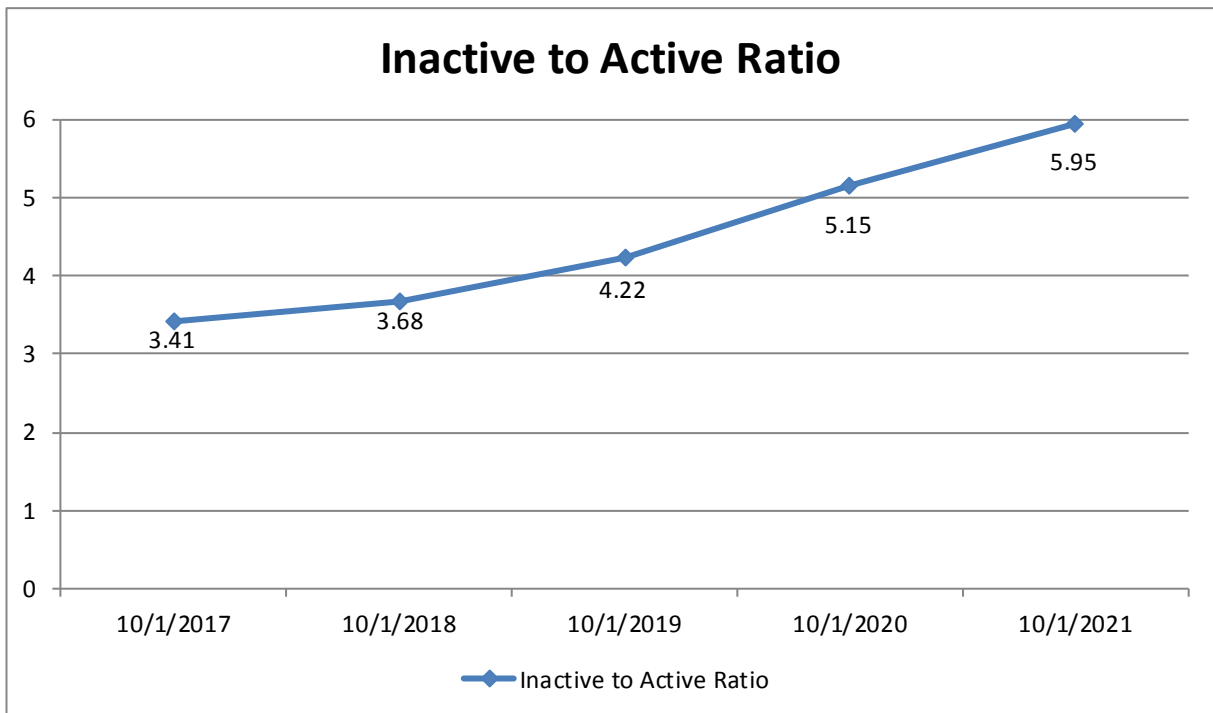
- B. Net Cash Flows

If annual contributions do not exceed the sum of annual benefit payments and annual expenses of the Plan, future contributions to the Plan will be subject to greater volatility due to investment risk. In order to maintain the Plan’s funded percentage, the investment returns plus contributions must keep pace with the growth of the liability due to benefits earned and interest cost offset by benefit payments and expenses. Thus, negative cash flows put greater emphasis on investment return and/or higher future contributions. The exhibit below shows a 5-year history of the Plan’s net cash flows using Contributions less Benefit Payments less Expenses:



C. Plan Maturity

An increasing percentage of inactive members to active members may put greater stress on a Plan. Inactive participants are participants that are no longer employed by the Plan sponsor (or no longer in a pension eligible position). Typically inactive participants are older and may have accumulated substantial benefits under the Plan, which means the Plan may have large upcoming obligations to pay benefits. As the Plan is frozen to new entrants, this ratio will continue to increase in the future.

Longevity Risk

One of the key assumptions in any funding determination/analysis is the assumed rate or rates of mortality that will be experienced by the underlying covered population. As many Plans are not of sufficient size to produce mathematically credible results based on the experience of the underlying population, most Plans utilize mortality rates that are broadly seen as indicative of general pension eligible populations. Thus, the rates utilized are likely not specific to the health characteristics of the specific participants covered by the Plan. That being said, if the covered participants receive annuities and live longer than expected, they will receive payments over that longer lifetime. Alternatively, if they do not live as long as expected, they will receive payments over a shorter period.

Please note that the mortality tables used for development of the actuarially determined contribution for funding purposes for the Plan are based on the most recent tables used under the Florida Retirement System. These mortality tables do not reflect the specific demographic characteristics of the participants in the Plan and, as such, may overstate or understate the true liability associated with the Plan.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. In accordance with ERISA and Part VII, Chapter 112, Florida Statutes, the amounts disclosed in this report have been certified by the Enrolled Actuary or Actuaries who have signed below and who are members of the American Academy of Actuaries. This valuation reflects a June 19, 1998 ruling by the Internal Revenue Service, as well as an opinion by ERISA counsel, that the Halifax Pension Plan is a “governmental plan,” as defined in Code section 414(d).

Our calculations were based on financial data and the employee data furnished by Halifax Health as of October 1, 2021. While the scope of our engagement did not call for us to perform an audit or independent verification of this information, we have reviewed this information for reasonableness, but have not audited it. The accuracy of the results is dependent upon the accuracy and completeness of the underlying information which is the responsibility of those who supply the data. Our calculations were also based on the provisions of the Plan in effect on October 1, 2021, which are summarized in Exhibit VII and the actuarial assumptions and methods described in Exhibit VI.

The valuation was based upon generally accepted actuarial methods, and we performed such tests as we considered necessary to assure the accuracy of the results. We certify that the amounts presented in the accompanying report have been appropriately determined according to the actuarial assumptions and methods stated herein and fully and fairly disclose the actuarial position of the Plan.

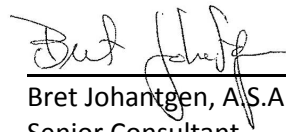
This actuarial valuation was prepared and completed under our direct supervision and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of the Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan’s assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Respectfully submitted,

BPAS ACTUARIAL AND PENSION SERVICES, LLC



Sarah E. Dam, F.S.A., E.A.
Senior Vice President
Member of the American Academy of Actuaries
Enrolled Actuary No. 20-05623



Bret Johantgen, A.S.A., E.A.
Senior Consultant
Member of the American Academy of Actuaries
Enrolled Actuary No. 20-06040

November 10, 2022

SED:BGJ:klh

n:\largeplan\client\halhea5150\ret\2022\reports\halifax health pension valuation report 10-1-2021.doc

| ACTIVE PARTICIPANTS | |
|---|--------------|
| (1) Active at October 1, 2020 | 304 |
| (2) Terminations During Year With Vested Rights | (10) |
| (3) Terminations During Year Without Vested Rights | 0 |
| (4) Deaths | (2) |
| (5) Retired | (33) |
| (6) New Participants or Rehires | 7 |
| (7) Lump Sum Distribution | (4) |
| (8) Adjustments (Includes employees leaving or returning to covered status) | 0 |
| (9) Active at October 1, 2021 | 262 |
| RETIRED PARTICIPANTS & BENEFICIARIES | |
| (1) Retirees at October 1, 2020 | 1,090 |
| (2) Deaths with Beneficiary | (5) |
| (3) Deaths with No Beneficiary | (25) |
| (4) Lump Sum Distributions | 0 |
| (5) Certain Provision Expired | 0 |
| (6) New Retirees & Beneficiaries | 62 |
| (7) Adjustments (Includes two participants previously indicated as receiving but who actually are deferred beneficiaries) | 0 |
| (8) Retirees at October 1, 2021 | 1,122 |
| TERMINATED VESTED PARTICIPANTS & DEFERRED BENEFICIARIES | |
| (1) Terminated Vested at October 1, 2020 | 476 |
| (2) New Terminated Vested or Deferred Beneficiary | 10 |
| (3) Lump Sum Distributions | (16) |
| (4) Deaths | (4) |
| (5) Adjustments (Including employees returned to covered status, data adjustment for participants previously indicated as receiving but who actually are deferred beneficiaries, participant determined to never have entered the plan) | 0 |
| (6) Retired | (22) |
| (7) Terminated Vested at October 1, 2021 | 437 |

| SUMMARY OF ASSETS | |
|--------------------------|-----------------------|
| (1) Cash | \$ 921,866 |
| (2) Bonds | 100,564,302 |
| (3) Stocks | 191,734,571 |
| (4) Other | 54,820,948 |
| Total Plan Assets | \$ 348,041,687 |

| RECONCILIATION OF ASSETS | |
|---|-----------------------|
| (1) Assets as of October 1, 2020 | \$ 288,165,405 |
| (2) Contributions for the 2020-2021 Plan Year | 25,947,000 |
| (3) Interests and Dividends | 4,142,701 |
| (4) Realized Appreciation of Assets | 10,128,038 |
| (5) Unrealized Depreciation of Assets | 43,202,269 |
| (6) Benefit Payments | (23,504,827) |
| (7) Investment Expenses | 0 |
| (8) Administrative Expenses | (38,899) |
| Assets as of September 30, 2021 | \$ 348,041,687 |

Note: All investments are valued at fair market value. The investment return for the 2020-2021 plan year, based on market value and net of investment expenses, was 19.86%

| Actuarial Gain/Loss - Year Ending September 30, 2021 | |
|---|------------------------|
| (1) Actuarial Accrued Liability at 10/1/2021 | 386,398,576 |
| (2) Actuarial Accrued Liability (prior to assumption changes) at 10/1/2021 | 376,480,902 |
| (3) Assets at 10/1/2021 (Market Value) | 348,041,687 |
| (4) Unfunded Actuarial Accrued Liability at 10/1/2021: (1) - (3) | 38,356,889 |
| (5) Unfunded Actuarial Accrued Liability (prior to assumption changes) at 10/1/2021: (2) - (3) | 28,439,215 |
| (6) Supplemental Actuarial Accrued Liability due to assumption changes: (4) - (5) | \$ 9,917,674 |
| (7) Unfunded Actuarial Accrued Liability at 10/1/2020 | 90,305,704 |
| (8) Normal Cost, 10/1/2020 | 107,000 |
| (9) Interest on (7) and (8) @ 6.75% | 6,102,858 |
| (10) Employer Contributions, Beginning of Year 2020 | 25,947,000 |
| (11) Interest on (10) @ 6.75% | 1,734,255 |
| (12) Expected Unfunded Actuarial Accrued Liability at 10/1/2021: =(7) + (8) + (9) - (10) - (11) | 68,834,307 |
| (13) Actuarial (Gain)/Loss: (5) - (12) | \$ (40,395,092) |

Summary of Amortization Payments as of October 1, 2021

| Date Established | Type of Base (Original Plan) | Initial Base | Minimum Amortization Period Initial | Minimum Amortization Period Remaining | Minimum Unamortized Balance | Minimum Amortization Amount | |
|------------------|------------------------------|---------------|-------------------------------------|---------------------------------------|-----------------------------|-----------------------------|-----------------------|
| 10/1/2012 | Fresh Start - UAL | \$ 90,148,782 | 10 | 1 | \$ 11,906,916 | \$ 11,906,916 | |
| 10/1/2013 | SAAL (Actuarial Gain) | (3,558,094) | 10 | 2 | (908,526) | (468,562) | |
| 10/1/2013 | SAAL (Assumption Change) | 43,725,645 | 10 | 2 | 11,164,855 | 5,758,146 | |
| 10/1/2014 | SAAL (Actuarial Loss) | 3,174,179 | 10 | 3 | 1,177,719 | 417,538 | |
| 10/1/2014 | SAAL (Assumption Change) | 2,540,094 | 10 | 3 | 942,452 | 334,129 | |
| 10/1/2015 | SAAL (Actuarial Loss) | 28,799,757 | 10 | 4 | 13,806,822 | 3,784,272 | |
| 10/1/2015 | SAAL (Assumption Change) | (6,046,657) | 10 | 4 | (2,898,809) | (794,526) | |
| 10/1/2016 | SAAL (Actuarial Gain) | (2,116,286) | 10 | 5 | (1,229,417) | (277,784) | |
| 10/1/2016 | SAAL (Assumption Change) | (2,194,272) | 10 | 5 | (1,274,717) | (288,020) | |
| 10/1/2017 | SAAL (Actuarial Gain) | (6,374,807) | 10 | 6 | (4,309,596) | (835,893) | |
| 10/1/2017 | SAAL (Assumption Change) | 503,583 | 10 | 6 | 340,441 | 66,032 | |
| 10/1/2018 | SAAL (Actuarial Loss) | 4,221,252 | 10 | 7 | 3,229,789 | 552,950 | |
| 10/1/2018 | SAAL (Assumption Change) | 28,380 | 10 | 7 | 21,713 | 3,717 | |
| 10/1/2019 | SAAL (Actuarial Loss) | 23,766,325 | 10 | 8 | 20,167,706 | 3,110,131 | |
| 10/1/2019 | SAAL (Assumption Change) | 1,864,882 | 10 | 8 | 1,582,508 | 244,044 | |
| 10/1/2020 | SAAL (Actuarial Loss) | 8,857,799 | 10 | 9 | 8,209,084 | 1,158,044 | |
| 10/1/2020 | SAAL (Assumption Change) | 7,573,146 | 10 | 9 | 7,018,515 | 990,092 | |
| 10/1/2021 | SAAL (Actuarial Gain) | (40,395,092) | 10 | 10 | (40,395,092) | (5,276,194) | |
| 10/1/2021 | SAAL (Assumption Change) | 9,917,674 | 10 | 10 | 9,917,674 | 1,295,394 | |
| | | | | | TOTAL CHARGES: | \$ 89,486,194 | \$ 29,621,405 |
| | | | | | TOTAL CREDITS: | \$ (51,016,157) | \$ (7,940,979) |
| | | | | | | \$ 38,470,037 | \$ 21,680,426 |

UAL-Unfunded Actuarial Accrued Liability
SAAL-Supplemental Actuarial Accrued Liability

Summary of Future Amortization Payments

| Date Established | Type of Base | Minimum Unamortized Balance | | | Minimum Amortization Amounts | | | Date Base is Fully Amortized |
|-----------------------|--------------------------|-----------------------------|------------------------|------------------------|------------------------------|-----------------------|-----------------------|------------------------------|
| | | 10/1/2022 | 10/1/2023 | 10/1/2024 | 10/1/2022 | 10/1/2023 | 10/1/2024 | |
| 10/1/2012 | Fresh Start - UAL | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | 9/30/2022 |
| 10/1/2013 | SAAL (Actuarial Gain) | (468,562) | 0 | 0 | (468,562) | 0 | 0 | 9/30/2023 |
| 10/1/2013 | SAAL (Assumption Change) | 5,758,145 | 0 | 0 | 5,758,145 | 0 | 0 | 9/30/2023 |
| 10/1/2014 | SAAL (Actuarial Loss) | 809,593 | 417,539 | 0 | 417,538 | 417,539 | 0 | 9/30/2024 |
| 10/1/2014 | SAAL (Assumption Change) | 647,864 | 334,128 | 0 | 334,129 | 334,128 | 0 | 9/30/2024 |
| 10/1/2015 | SAAL (Actuarial Loss) | 10,674,016 | 7,337,577 | 3,784,270 | 3,784,272 | 3,784,272 | 3,784,270 | 9/30/2025 |
| 10/1/2015 | SAAL (Assumption Change) | (2,241,061) | (1,540,560) | (794,526) | (794,526) | (794,526) | (794,526) | 9/30/2025 |
| 10/1/2016 | SAAL (Actuarial Gain) | (1,013,489) | (783,526) | (538,615) | (277,784) | (277,784) | (277,784) | 9/30/2026 |
| 10/1/2016 | SAAL (Assumption Change) | (1,050,832) | (812,395) | (558,459) | (288,020) | (288,020) | (288,020) | 9/30/2026 |
| 10/1/2017 | SAAL (Actuarial Gain) | (3,699,494) | (3,049,735) | (2,357,742) | (835,893) | (835,893) | (835,893) | 9/30/2027 |
| 10/1/2017 | SAAL (Assumption Change) | 292,246 | 240,918 | 186,254 | 66,032 | 66,032 | 66,032 | 9/30/2027 |
| 10/1/2018 | SAAL (Actuarial Loss) | 2,850,834 | 2,447,246 | 2,017,425 | 552,950 | 552,950 | 552,950 | 9/30/2028 |
| 10/1/2018 | SAAL (Assumption Change) | 19,166 | 16,453 | 13,564 | 3,717 | 3,717 | 3,717 | 9/30/2028 |
| 10/1/2019 | SAAL (Actuarial Loss) | 18,166,317 | 16,034,838 | 13,764,813 | 3,110,131 | 3,110,131 | 3,110,131 | 9/30/2029 |
| 10/1/2019 | SAAL (Assumption Change) | 1,425,464 | 1,258,212 | 1,080,089 | 244,044 | 244,044 | 244,044 | 9/30/2029 |
| 10/1/2020 | SAAL (Actuarial Loss) | 7,509,358 | 6,764,149 | 5,970,502 | 1,158,044 | 1,158,044 | 1,158,044 | 9/30/2030 |
| 10/1/2020 | SAAL (Assumption Change) | 6,420,270 | 5,783,140 | 5,104,596 | 990,092 | 990,092 | 990,092 | 9/30/2030 |
| 10/1/2021 | SAAL (Actuarial Gain) | (37,401,626) | (34,213,585) | (30,818,321) | (5,276,194) | (5,276,194) | (5,276,194) | 9/30/2031 |
| 10/1/2021 | SAAL (Assumption Change) | 9,182,728 | 8,400,011 | 7,566,417 | 1,295,394 | 1,295,394 | 1,295,394 | 9/30/2031 |
| TOTAL CHARGES: | | \$ 63,756,001 | \$ 49,034,211 | \$ 39,487,930 | \$ 17,714,488 | \$ 11,956,343 | \$ 11,204,674 | |
| TOTAL CREDITS: | | \$ (45,875,064) | \$ (40,399,801) | \$ (35,067,663) | \$ (7,940,979) | \$ (7,472,417) | \$ (7,472,417) | |
| TOTAL NET: | | \$ 17,880,937 | \$ 8,634,410 | \$ 4,420,267 | \$ 9,773,509 | \$ 4,483,926 | \$ 3,732,257 | |

Contribution for Plan Year Ending September 30, 2022

| A. ACTUARIALLY DETERMINED CONTRIBUTION | |
|--|-------------------|
| (1) Normal Cost as of October 1, 2021 | \$ 39,000 |
| (2) Net Minimum Amortization Amounts (Exhibit III-B) | 21,680,426 |
| (3) Actuarially Determined Contribution for Plan Year October 1, 2021 - September 30, 2022: (1) + (2) | 21,719,426 |
| (4) Actual Contribution made October 2021 | \$ 21,315,000 |
| (5) Excess (Shortfall): (4) - (3) | \$ (404,426) |
| (6) Additional contribution for plan year ending September 30, 2022 | \$ 400,000 |

| B. ALLOCATION OF CONTRIBUTION BY PARTICIPATING EMPLOYER BASED ON ACTUAL CONTRIBUTION MADE ON OCTOBER 1, 2021 | |
|---|----------------------|
| Halifax Staffing, Inc. | \$ 20,075,577 |
| Halifax Hospice, Inc. | 1,239,423 |
| Total: | \$ 21,315,000 |

| C. ALLOCATION OF ADDITIONAL CONTRIBUTION BY PARTICIPATING EMPLOYER MADE ON SEPTEMBER 30, 2022 | |
|--|-------------------|
| Halifax Staffing, Inc. | \$ 376,741 |
| Halifax Hospice, Inc. | 23,259 |
| Total: | \$ 400,000 |

The allocation of the contribution between employers is based on the methodology used to determine expense allocation for the fiscal year ending September 30, 2022, which is the present value of future salaries based on the October 1, 2021 active data.

Halifax Health makes a contribution on the first day of the plan year equal to an estimated amount. Differences between the actuarially determined contribution and the estimate will occur. Halifax may make an additional contribution if the prior estimate is not a reasonable approximation of the actuarially determined contribution for the plan year. No additional amount is recommended at this time for the plan year ending September 30, 2022.

Actuarial Present Value of Accumulated Plan Benefits

| (A) CHANGES IN ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS | |
|---|-----------------------|
| (1) Actuarial present value of accumulated plan benefits as of September 30, 2020 | \$ 378,471,109 |
| (2) Increase (decrease) during the year attributable to | |
| (a) Increase for interest due to the decrease in the discount period | 24,766,465 |
| (b) Actuarial (gain)/loss | (3,251,845) |
| (c) Assumption Change | 9,917,674 |
| (d) Benefits paid | (23,504,827) |
| (e) Net increase | 7,927,467 |
| (3) Actuarial present value of accumulated plan benefits as of September 30, 2021 | \$ 386,398,576 |
| (B) STATEMENT OF ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS AS OF SEPTEMBER 30, 2021 | |
| (1) Actuarial present value of accumulated plan benefits: | |
| (a) Vested benefits: | |
| (i) Participants currently receiving payments | \$ 297,222,105 |
| (ii) Other Participants | 89,176,471 |
| Sub-total | \$ 386,398,576 |
| (b) Non-vested benefits | 0 |
| (2) Total actuarial present value of accumulated plan benefits | \$ 386,398,576 |
| (3) Plan Assets (at Market) as of September 30, 2021 | \$ 348,041,687 |

The actuarial assumptions should reasonably reflect the anticipated experience under the Plan. We will continue to monitor the actuarial assumptions and make changes when necessary. Any changes in assumptions are noted in the applicable sections below.

The actuarial assumptions used in this valuation are summarized below:

Mortality rates: Sex-distinct headcount-weighted below-median Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy retirees Healthy Retiree Tables, set back 1 year for Males, adjusted for mortality improvements using MP-2021 on a fully generational basis, as prescribed by the Florida Retirement System.

Interest: *Prior to October 1, 2021: 6.75% per annum, compounded annually.
After October 1, 2021: 6.50% pre annum, compounded annually.*

Salary Scale: N/A

Turnover: Rates at sample ages are shown below:

| AGE | RATE |
|-----|-------|
| 20 | 17.9% |
| 25 | 17.2% |
| 30 | 15.8% |
| 35 | 13.7% |
| 40 | 11.3% |
| 45 | 8.4% |
| 50 | 5.1% |
| 55 | 1.7% |

Due to limited available experience, the assumption utilized was selected based on the client's future expectations.

Disability: None assumed.

Retirement: Rates of retirement for active participants are as follows:

| Age | Probability of Retirement |
|---------------------------------------|---------------------------|
| Prior to 59, with 30 years of service | 15% |
| Prior to 62, with 30 years of service | 10% |
| 62 | 25% |
| 63 | 20% |
| 64 | 20% |
| 65 | 33% |
| 66 | 50% |
| 67 | 20% |
| 68 | 20% |
| 69 | 20% |
| 70 | 100% |

Calculations for terminated vested participants assume a retirement age of 62.

Rates of retirement were determined based on a March 2015 experience study using valuation data from October 1, 2011 through September 30, 2014. Based on more recent experience along with our future expectation we have made a change from the prior year retirement rates used in the valuation. Specifically we have increased the rate from 10% to 15% for ages prior to age 59 with 30 years of service.

Cost of Living: 3.0% per annum, compounded annually.

Administrative Expenses: Actual prior year's administrative expenses rounded up to the nearest \$1,000 (\$39,000 for October 1, 2021).

**Assumed Form of Payment
For Future Retirements:**

Upon Termination:

25% elect cash-out

75% elect annuity

Upon Retirement:

0% elect cash-out

100% elect annuity

For valuation purposes, the mortality table used to value the cash-out is the applicable mortality table for the determination of present values under IRC Section 417(e)(3)(B). This table is currently a 50/50 blend of male and female rates from the 2021 sex distinct optional

combined mortality tables, as prescribed under IRC Section 430. The discount rate is 6.50%. The assumed funding adjustment factor is 95%.

**Cash-Out Funding Adjustment
Factor for Future Retirements:** 95%

Married Percentage: 100%

Actuarial Cost Method

The funding method (actuarial cost method) is the Unit Credit Cost Method without projection.

Under this cost method, as a result of the amendment freezing benefit accruals, there is no actuarial Normal Cost amount. The Actuarial Accrued Liability is determined as the actuarial present value of benefits earned prior to the date of determination for each participant. In future years, actuarial gains and losses will result in the establishment of Supplemental Actuarial Accrued Liabilities. All Actuarial Accrued Liabilities are amortized by contributions made by the employer for this purpose.

Asset Valuation Method

Market Value of Assets.

Actuarial Valuation Software

For purposes of developing the projected future benefit payments as well as determining accrued liabilities and normal costs as of the valuation date, we utilized the ProVal software platform developed by Winklevoss Technologies. We believe this externally developed valuation system is appropriate, was used for its intended purpose, and did not produce unreasonable results.

Summary of Plan Provisions

Effective Date of Plan

October 1, 1992.

Anniversary Date of Plan

October 1, 1992 and each October 1st thereafter.

Plan Year

Each period of 12 consecutive months beginning on October 1.

Eligibility

On October 1, 1992, each employee of the Halifax Hospice, Inc. who was covered by the Florida Retirement System on September 30, 1992, is immediately eligible to participate in this plan. Future employees of the Hospice are eligible when they have completed one (1) year of service, provided they have attained age 21. Employees whose employment is covered by a collective bargaining agreement shall not be eligible to participate in this plan unless such agreement expressly provides for such participation.

On February 6, 1994, each employee of Halifax Staffing, Inc. who was covered under the Florida Retirement System is immediately eligible to participate in this plan. Future employees of Halifax Staffing, Inc. are eligible when they have completed one (1) year of service, provided they have attained age 21.

On March 20, 1994, each employee of Halifax Home Health, Inc. who was a participant in the Halifax Management System, Inc. Money Purchase Pension Plan is immediately eligible to participate in this plan. All other employees are eligible when they have completed one (1) year of service, provided they have attained age 21.

On October 1, 1994, employees of Associates In Medicine, Inc. are eligible to participate in the plan provided they have completed one (1) year of service and have attained age 21.

Notwithstanding the above, employees whose initial hire date or rehire date is on or after October 1, 2000, and temporary and per diem employees are not eligible to participate in the plan.

Normal Retirement Date

The earlier of attainment of age 62 or completion of 30 Benefit Years.

Early Retirement Date

Upon completion of 10 Benefit Years.

Disability Retirement Date

Total and permanent disability, with a minimum of 10 Benefit Years.

Normal Retirement Benefit

A monthly annuity of 1.6% of high-3 year average compensation for each Benefit Year. For a participant of this Plan as of October 1, 1992, (February 6, 1994, for employees of Halifax Staffing, Inc.) such benefit is reduced by any vested benefit payable from the Florida Retirement System. Average compensation is generally based on total pay during a calendar year, excluding bonuses and severance pay, subject to a maximum of \$250,000 (adjusted for changes in the cost-of-living after 2012). However, compensation used for years before October 1, 1992 (February 6, 1994, for employees of Halifax Staffing, Inc.) is based on pay used to determine benefits under the Florida Retirement System. Effective October 1, 2013, benefit accruals were frozen for active participants.

Later Retirement Benefit

A monthly annuity equal to the accrued benefit as of the date of later retirement (based on compensation and service as of that date) and substituting for 1.6%, in accordance with the following schedule:

| | |
|--|-------|
| Age 63, or 31 Benefit Years | 1.63% |
| Age 64, or 32 Benefit Years | 1.65% |
| Age 65 or later, or 33 Benefit Years or more | 1.68% |

Early Retirement Benefit

A monthly annuity equal to the accrued benefit at the Early Retirement Date, reduced by 5/12% for each month that the Benefit Commencement Date precedes age 62.

Disability Retirement Benefit

A monthly annuity equal to the accrued benefit as of the date of disability, with no actuarial reduction (subject to a minimum disability pension, before the reduction for the FRS offset, of 25% of average compensation). Payments cease if the disability ends before attainment of age 62 and continue if the participant is still disabled at age 62.

Benefit Years

For participants as of October 1, 1992, (February 6, 1994, for employees of Halifax Staffing, Inc.), Benefit Years shall include all years of service credited under the Florida Retirement System through September 30, 1992, (February 6, 1994, for employees of Halifax Staffing, Inc.), as well as service with Halifax Hospice, Inc. and Halifax Staffing, Inc. after that date.

Benefit Years for employees of Halifax Home Health, Inc. who were participants in the Halifax Management System, Inc. Money Purchase Pension Plan shall not include service before March 20, 1994. Benefit Years for employees of Associates in Medicine, Inc. shall not include any service with a partnership or P.C. before its purchase by or merger with Associates in Medicine, Inc.

Effective for plan years beginning on and after October 1, 2000, a Benefit Year will be credited only if a participant has completed at least 1,000 hours of service in that Plan Year. Effective October 1, 2013, benefit years were frozen for active participants.

Accrued Benefit Prior to Normal Retirement Date

Based on average compensation and Benefit Years as of the date of determination.

Cost-of-Living Increase

Generally, a 3% increase annually after retirement.

Vesting

A participant will become vested in his Accrued Benefit in accordance with the following schedule:

| Vesting Years | Vested Percentage |
|---------------|-------------------|
| Less than 5 | 0% |
| 5 or more | 100% |

In addition, a participant is 100% vested upon satisfaction of the requirements for Disability, Early or Normal Retirement. For employees affected by certain mergers, as defined in the plan document, the five year vesting requirement is waived. Vested benefits may be forfeited in the event of certain misconduct, as defined in the plan document.

Vesting Year

Vesting Years shall generally be calculated in accordance with Benefit Years, however vesting years are not frozen.

Termination Benefit

A deferred benefit commencing at age 62 based on the participant's Vested Accrued Benefit as of his date of termination.

Normal Form of Retirement Benefit

If the participant is not married, benefits are determined on a life annuity form of benefit. However, if a participant is married, and does not elect otherwise, the normal form of benefit payment will be an actuarially reduced joint and 100% survivor annuity, with the spouse as beneficiary.

Optional Forms of Retirement Benefit

Actuarially reduced joint and 50% or joint and 66²/₃% survivor annuity, or joint and 75% survivor annuity, or 10 year certain and life annuity.

Death Benefit

The survivor portion of an actuarially reduced joint and 100% survivor annuity, reduced further to reflect payment before the participant would have attained age 62, is payable to the participant's spouse or designated financial dependent at the earlier of the participant's death or earliest retirement date. Further, if the designated financial dependent is not the spouse, the survivor portion of the joint and survivor annuity may be limited to something less than 100%, pursuant to IRS regulations.

Early Retirement Incentives

Special incentives were offered to a selected group of participants in September 1995, March 2001 and July 2008.

2005 and 2010 Amendments

Effective January 1, 2005 and October 1, 2010, plan amendments increased benefits for certain participants. The plan was also amended and restated, effective October 1, 2010, for GUST and other Federal legislation.

2012 Amendment

Prior to October 1, 2012, changes to the plan were adopted to 1) freeze benefit accruals for active participants, effective October 1, 2013, and 2) offer a cash-out option to all participants. The cash-out offering to all terminated vested participants and retired participants (including beneficiaries) was made during a 90-day window period which ended on March 31, 2013. Terminated vested participants who elected not to take the cash-out during the 90-day period will again have the opportunity to do so when they retire and become eligible to receive benefits. A cash-out to active participants who retire after March 31, 2013 will be offered when they terminate employment and again at normal retirement date.

Basis for Cash-out Assumption

The cash-out amount prior to January 1, 2014, was calculated based on the following assumptions: 1994 Group Annuity Mortality Table (sex-distinct) projected to 2000, 7.25% interest, no cost-of-living adjustment, retirement at age 62 for active and terminated vested participants and a Funding Adjustment Factor of 85.934%. The Funding Adjustment Factor is designed to make sure that the plan remains equitably funded for participants who elect not to take the cash-out and is subject to change periodically based on the funded status of the plan.

For the cash-out amount after December 31, 2013 and prior to January 1, 2018, the following assumptions were used:

| | |
|----------------------------|--|
| Mortality Table: | RP-2000 Mortality Table Projected to the Plan Year with Scale AA |
| Interest Rate: | 6.75% |
| Funding Adjustment factor: | 95% |

For the cash-out amount on or after January 1, 2018 and prior to October 1, 2021, the following assumptions were used:

| | |
|----------------------------|--|
| Mortality Table: | The applicable mortality table for the determination of present values under IRC Section 417(e)(3)(B). |
| Interest Rate: | 6.75% |
| Funding Adjustment factor: | 95% |

For the cash-out amount on or after October 1, 2021, the following new assumptions are used:

| | |
|----------------------------|--|
| Mortality Table: | The applicable mortality table for the determination of present values under IRC Section 417(e)(3)(B). |
| Interest Rate: | 6.50% |
| Funding Adjustment factor: | 95% |

Other assumptions remain unchanged.

Employee Distribution by Age, Service and Compensation

| Attained Age | Years of Service | | | | | | | | | | | |
|--------------|------------------|------------|----------|------------|----------|------------|----------|------------|----------|------------|-----------|---------------|
| | Under 1 | | 1 to 4 | | 5 to 9 | | 10 to 14 | | 15 to 19 | | 20 to 24 | |
| | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. |
| Under 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 to 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 to 34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 to 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 to 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 55,950 |
| 45 to 49 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18 | 86,412 |
| 50 to 54 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18 | 84,507 |
| 55 to 59 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16 | 91,327 |
| 60 to 64 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24 | 80,549 |
| 65 to 69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 72,042 |
| 70 & up | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84 | 83,130 |

| Attained Age | 25 to 29 | | 30 to 34 | | 35 to 39 | | 40 & up | | Total | |
|--------------|-----------|---------------|-----------|---------------|-----------|---------------|-----------|---------------|------------|---------------|
| | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. | # | Avg. Comp. |
| Under 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 to 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 to 34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 to 39 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40 to 44 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 55,950 |
| 45 to 49 | 10 | 83,178 | 1 | 0 | 0 | 0 | 0 | 0 | 29 | 82,980 |
| 50 to 54 | 23 | 78,056 | 11 | 66,907 | 0 | 0 | 0 | 0 | 52 | 77,931 |
| 55 to 59 | 24 | 82,324 | 19 | 65,696 | 4 | 72,583 | 1 | 0 | 64 | 78,308 |
| 60 to 64 | 29 | 88,486 | 15 | 74,067 | 9 | 68,383 | 6 | 50,594 | 83 | 78,666 |
| 65 to 69 | 3 | 91,520 | 6 | 77,910 | 7 | 77,634 | 3 | 61,211 | 23 | 76,402 |
| 70 & up | 0 | 0 | 2 | 56,030 | 1 | 0 | 1 | 0 | 4 | 66,676 |
| Total | 89 | 83,635 | 54 | 68,406 | 21 | 72,192 | 11 | 55,560 | 259 | 78,176 |

(1) Compensation per participant is limited to \$250,000 as applicable during the final year of benefit accrual.

(2) Excludes 3 employees receiving minimum benefits under Code 401(a)(9)

(3) Average compensation has been removed for categories with only 1 employee for privacy protection

TABLE TWO

Age Distribution of Non-Active Members

| Age | Retirees and Beneficiaries | Total Annualized Benefits |
|--------------------|----------------------------|---------------------------|
| Under 55 | 15 | \$ 366,235 |
| 55-59 | 36 | 930,327 |
| 60-64 | 160 | 4,675,403 |
| 65-69 | 271 | 6,133,271 |
| 70-74 | 294 | 5,773,229 |
| 75-79 | 197 | 3,477,788 |
| 80-84 | 89 | 1,045,894 |
| 85 and over | 60 | 684,072 |
| Total | 1,122 | \$ 23,086,219 |
| Average Age | 71.63 | |

| Age | Vested Terminations | Total Annualized Benefits |
|--------------------|---------------------|---------------------------|
| Under 25 | 0 | \$0 |
| 25-29 | 0 | 0 |
| 30-34 | 0 | 0 |
| 35-39 | 0 | 0 |
| 40-44 | 11 | 45,867 |
| 45-49 | 42 | 253,654 |
| 50-54 | 95 | 500,339 |
| 55-59 | 154 | 1,254,779 |
| 60-64 | 98 | 549,472 |
| 65-69 | 19 | 105,155 |
| 70 and over | 18 | 53,017 |
| Total | 437 | \$ 2,762,283 |
| Average Age | 56.49 | |

TABLE THREE

Expected Benefit Payment Projection

The following is a projection of benefit payments expected to be paid from the trust during the next ten plan years.

