

# VIRGINIA BANKERS ASSOCIATION

Benefits Corporation

## VBA BENEFITS CORPORATION BOARD

### **Agenda**

VBA Benefits Corporation Board Meeting  
November 17, 2023, 10:00am  
Capitol Room, VBA Office

- I. Welcome and Call to Order
- II. Approval of August 18, 2023 Minutes
- III. COO Report – Laurie Milligan, VBA
- IV. Financial Report – Stacy Puckett, VBA
  - Financial Results through September 2023 and Preliminary 2024 Budget
- V. VBABC Investment Committee Report (3<sup>rd</sup> Quarter 2023 Investment Performance) - Michelle Austin, Chairman
- VI. VBA Master Defined Benefit Plans Update – Bill Reid, SageView Consulting Group
- VII. Other Business
- VIII. Executive Session

**Minutes of the  
VBA Benefits Corporation  
Board Meeting  
August 18, 2023 at 10:00am  
VBA Capitol Room**

**In Attendance:** Chairman John R. Caldwell, Michelle R. Austin, Elizabeth T. Beale, Thomas F. Cherry, Barry C. Elswick, Melody D. Emswiler, Brandon C. Lorey, W. Mark Nelson, Jay A. Stafford

**Unable to Attend:** James E. Hendricks

**VBA Staff:** DeMarion Johnston, Laurie Milligan, Stacy Puckett, John Snead, Bruce Whitehurst

**Guests:** MMA – Jennifer Doyle, Tom Mackay

**Call to Order**

A quorum being present, Chairman John Caldwell called the meeting to order. John recognized the passing of Board member, Peter Clements and expressed thanks for his years of service to VBA Benefits Corporation and the banking industry.

Notice of the meeting was properly given more than five days before the meeting and materials were also sent in advance, including:

- May 19, 2023 Minutes
- 2<sup>nd</sup> Quarter 2023 Investment Performance Board Report
- Financial Report; 2<sup>nd</sup> Quarter 2023 Results
- COO Report and Board Administrative Issues
- August 10, 2023 Health & Welfare Committee Meeting Minutes
- 2024 Health & Welfare Plan Renewal Recommendations

**Approval of Minutes**

The minutes from the May 19, 2023 meeting were approved as written.

**VBA Benefits Corporation Investment Committee Report**

Michelle Austin updated the Board on items discussed at the VBA Benefits Corporation Investment Committee meeting held on August 10, 2023. The Committee approved the May 11<sup>st</sup> meeting minutes as written. SageView presented the 2<sup>nd</sup> quarter 2023 investment performance and provided a legislative update to the Committee.

**Financial Report**

Stacy Puckett presented second quarter 2023 financial results for the Group Medical and Dental Trust, Group Insurance Trust, VBA Benefits Corporation, and Retirement Plan Trusts. The Board members discussed and approved the financials as written.

**ERISA Law Firm RFP Update**

Demarion Johnston provided an update on the ERISA Law Firm RFP process. 10 proposals were submitted and four firms were chosen as finalists based on services and fees: Groom Law Group, Nixon Peabody, Troutman (incumbent) and Williams Mullen. Finalist interviews were held at the VBA office

during the first two weeks of August. Benefits Corp. is preparing to negotiate best and final offers, with a potential recommendation before the November Board meeting. The staff will keep the Board apprised of progress. Board members discussed and asked questions.

#### **COO Report and Board Administrative Issues**

Laurie Milligan presented the VBA Benefits Corporation's proposed 2024 health & welfare administrative fees. The Board discussed and approved increasing the Medical administrative fee an additional \$0.50 as written and the rest of recommended administrative fees as written. Laurie updated the Board on the health and welfare initiatives that included an update of the Department of Labor audit of the Medical & Dental Trust. Laurie also updated the Board on 2023 retirement initiatives that included SECURE Act 2.0 provision changes in 2024 and program growth opportunities. Laurie then reviewed Board members' role as a plan fiduciary for the employee benefit programs as defined by ERISA. The Board approved authorization of the 2023-2024 VBA Benefits Corporation Officers.

#### **Health & Welfare Plans Update**

Tom Mackay and Jennifer Doyle presented the VBA's 2024 proposed health and welfare renewals which included the Board's Health & Welfare Committee's recommended plan changes. Tom also presented an update on coverage of gene therapy medications and the 2024 stop loss insurance renewal which was received after the Board materials were provided. The Board asked questions and approved the recommended plan changes and move forward with the proposed 2024 stop loss insurance renewal contingent on written confirmation of negotiated renewal provisions. Next, the Board approved adding coverage for gene therapy effective January 1, 2024 and to participate in Anthem's Gene Therapy Solution, which removes gene therapy claims from experience when determining stop-loss renewal rates, in exchange for paying capitated per employee per month fees.

#### **Adjourn to Executive Session**

There being no other business, the meeting adjourned to executive session.

Submitted by: John Snead, Vice President, Member Relations

**VBA BENEFITS CORPORATION BOARD  
VIRTUAL MEETING  
Tuesday, September 19, 2023**

**Attendees:** Chairman John Caldwell, Michelle Austin, Beth Beale, Barry Elswick, Brandon Lorey, Mark Nelson, Jay Stafford

**Unable to Attend:** Tom Cherry, Melody Emswiler, Jay Hendricks

**VBA Staff:** DeMarion Johnston, Laurie Milligan, Stacy Puckett, John Snead, Bruce Whitehurst

A quorum being present, Chairman Caldwell called this special Board meeting to order at 3:00pm. There was one topic for discussion which was to review the VBA Benefits Corporation Request for Proposal for Legal Services (RFP) process and recommendations. Materials were provided on September 18<sup>th</sup>, one day prior to the meeting. Ms. Milligan presented an overview which included the following:

- Background on why the RFP was released this spring, which included due diligence, retirement of Evelyn Traub, longtime Troutman ERISA attorney, significant fee increases and lack of proactive communications.
- RFP process steps and timeline. Ten law firms submitted competitive proposals and four firms were selected as finalists to meet with Benefits Corp. for in-person presentations: Groom Law Group, Nixon Peabody, Williams Mullen and incumbent, Troutman Pepper. After interviews, Williams Mullen and Troutman Pepper were selected to hold further discussions and negotiations.
- Selection criteria included approach to fees, legal team expertise, and service. After subsequent discussions to clarify the financial aspects of the proposal, the staff selected to award Williams Mullen the contract to provide VBA Benefits Corporation legal services, subject to Board approval.

After the presentation, Board members asked questions and further discussed. A motion was made, seconded and the Board unanimously approved to transition VBA Benefits Corporation legal services from Troutman Pepper to Williams Mullen as soon as reasonably practical.

Chairman Caldwell reminded the Board to keep the decision confidential until both Troutman and Williams Mullen can be notified. The meeting was adjourned at approximately 3:30 pm.

Submitted by: Laurie Milligan, President & COO

# COO Report

VBA Benefits Corporation  
Board Meeting

November 17, 2023

A large white circle containing the Virginia Bankers Association logo. The logo consists of the words "VIRGINIA BANKERS" in a blue serif font, "ASSOCIATION" in a larger blue serif font, and "Benefits Corporation" in a smaller blue sans-serif font below it.

VIRGINIA BANKERS  
ASSOCIATION  
Benefits Corporation

# 2023 Health & Welfare Plan Initiatives

- Department of Labor (DOL) audit update
- 2022 990 tax returns for Group Medical & Dental Trust and Group Insurance Trust filed on November 15, 2022; sent to H&W Committee on November 4<sup>th</sup>
- Wellbeing Initiatives:
  - Wellbeing Summit – early 2024
  - Assist banks in creating a wellbeing strategy, including communications
  - Potential point solutions:
    - Digital weight loss/metabolic solution
    - Hello Heart digital cardiovascular solution - PILOT

# Hello Heart Proposed PILOT

## VBA statistics from PATH data analytics:

- 1,037 adult members have a medical claim for hypertension
- 699 adult members have a pharmacy claim for hypertension
- Average cost is \$1,564 per year

## Introduce Hello Heart pilot (similar to Maine Bankers Association):

- Provide 70 pilot spots for entire population in 2024
- \$588 per enrolled
- Total spend absorbed by Trust is \$41,160
- Launch in February to kick off American Heart Month
- Market pilot to all employees; engagement criteria will be: (1) BP reading of 130/80 (2) taking blood pressure medication OR (3) females ages 52 or older
- Goal is to create long-term behavioral change and shift members from high risk to moderate or low risk for heart disease.

Key capabilities  
enable users to  
**understand and  
manage** the top heart  
disease risk factors



## Tracking

of blood pressure,  
cholesterol, medication,  
activity, and weight

## Detection

of irregularities in  
blood pressure  
and pulse

Digital  
Coaching  
personalized  
with AI

Reporting  
shareable with  
physicians

DEI  
by design



# The heart health package

- ✓ Blood pressure, cholesterol, medication, physical activity and weight tracking
- ✓ Risk detection for critically high readings, blood pressure spikes and irregular heartbeat
- ✓ Personalized AI digital coaching driving behavior change
- ✓ Shareable clinician reports
- ✓ Diversity, equity, and inclusion by design



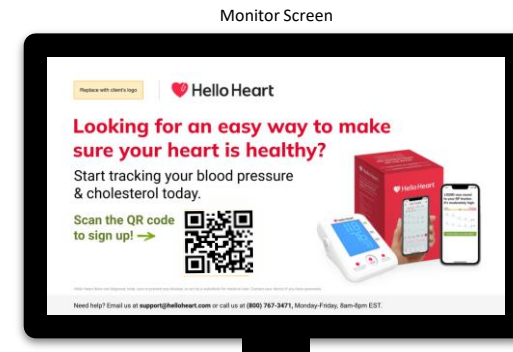
## What's included:



Personal heart monitor and app for each user



Enrollment email & postcard at launch and quarterly communications



Assets to support your internal communication plans



Onsite enrollment events (if applicable)

Line of Coverage	VBABC Administrative Fees	Expenses
Defined Contribution:	20 basis points on assets; annual base fee for settlor expenses: \$1,000	Overhead, legal, audit, consulting fees
Defined Benefit:	9 basis points on assets	Legal, audit and consulting fees
Non-qualified Deferred Comp Plans:	Range of 30 to 45 basis points based on asset size. <i>NEW: pass on distribution fees to plan sponsors; \$100/distribution charged by Voya</i>	Voya recordkeeping and transaction fees; overhead; legal fees

## 2023 Retirement Plan Initiatives

- SECURE ACT 2.0; *requirement for catch up contributions be in Roth is delayed until 1/1/2026.*
- NQDC Plan 2024 Open Enrollment in process
- 2024 VBA Benefits Corp. Retirement Fees – see chart to left. No change to current fees. *Board approval*

# Tentative 2024 VBA Benefits Corp. Board and Investment Committee Dates

	Investment Committee	VBA Benefits Corp. Board In person/Zoom
Q1 2024	Friday, 2/23 @ 9:00am (in person)	Friday, 2/23 @ 10:30am
Q2 2024	Thursday, 5/9 @ 9:00am (Virtual)	Friday, 5/17 @ 10:00am
Q3 2024	Thursday, 8/15 @ 9:00am (Virtual)	Friday, 8/23 @ 10:00am
Q4 2024	Thursday, 11/14 @ 9:00am (Virtual)	Friday, 11/22 @ 10:00am

# VBA Benefits Corporation Team



**Cindy Beazley, Benefits Coordinator (2007)**

- Responds to HR and employee questions; resolve issues with carriers
- Primary on phones
- H&W and retirement



**Gabby Bond, Benefit Systems Manager (2018)**

- Bswift configuration, programming, project management
- Team communications lead
- H&W



**Pam Connelly, Director Benefit Plan Analysis (2012)**

- Self-funded medical, Rx and dental plans lead
- Health & welfare renewals
- Monthly minimum premium billing and quarterly IBNR estimates



**Vicky Heller, Benefit Analyst (2022)**

- Responds to HR and employee questions; resolve issues with carriers
- Primary on answering and assigning emails from the benefits mailbox
- H&W and retirement



**Laurie Milligan, President & COO (2012)**

- Overall operations and governance of Benefits Corp.
- Strategic planning
- Member relations
- Oversight of H&W and retirement programs and initiatives



**John Snead, VP Member Relations (2012)**

- Primary conduit between member banks and Benefits Corp. team
- Strategic planning
- H&W and retirement



**Bobbi Weimer, Director of Operations & Compliance (2000)**

- Project lead for annual open enrollment and ACA activities
- Manages overall bswift relationship
- Oversees annual compliance projects
- H&W

Benefits Mailbox ([benefits@vabankers.org](mailto:benefits@vabankers.org)) and 1 (800) 643-5599 Support

# Appendix

**YTD 2023 Health Plan Utilization**  
**YTD 2023 Dental Plan Utilization**

## Dashboard

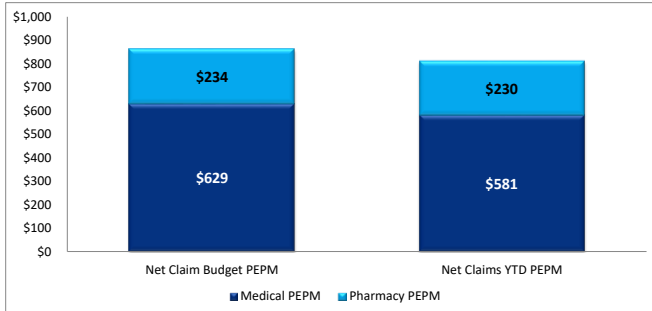
Group: **Virginia Bankers Association**  
 Plan Year: 1/1/2023  
 Current Period: September

### Stop Loss Terms:

Specific Coverage	\$400,000	Paid	Med-Rx
Aggregate Coverage	115%	Paid	Med-Rx

	September	YTD
Total Subscribers	7,267	66,056
Medical Claims	\$3,794,427	\$38,783,797
Pharmacy Claims	\$1,924,282	\$15,187,709
Stop Loss Claim Credits	(\$292)	(\$374,654)
Rx Rebates & Reconciliation*	(\$2,220,466)	(\$6,220,094)
Administration Fees	\$316,480	\$2,876,760
VBA Admin Fees	\$57,649	\$523,966
Stop Loss & RxAssurance Premium	\$437,691	\$3,978,553
ACA Fees	\$2,979	\$27,083
<b>Total Claims &amp; Fixed Expenses</b>	<b>\$4,312,752</b>	<b>\$54,783,121</b>
Total Budget	\$6,614,271	\$60,119,762
Over / (Under) Total Budget	(\$2,301,519)	(\$5,336,642)
PEPM Over / (Under) Total Budget	(\$316.71)	(\$80.79)
<b>Percent Over / Under Budget</b>	<b>-34.8%</b>	<b>-8.9%</b>

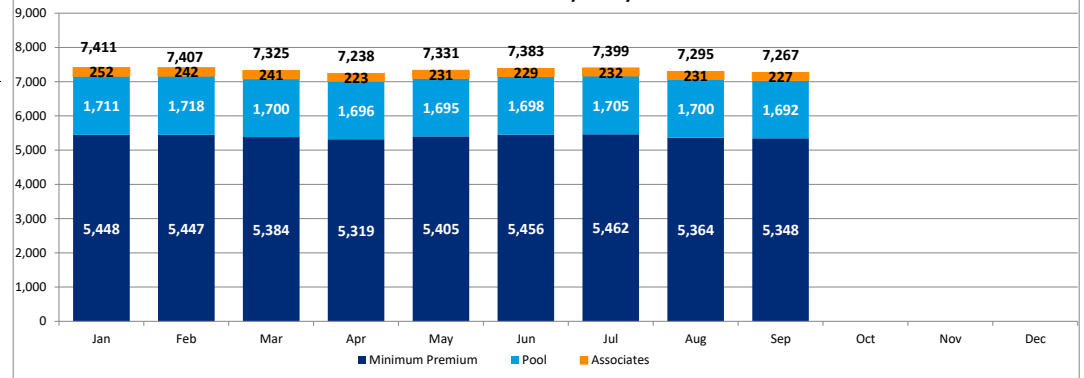
\* Rx rebates are shown in the month paid.



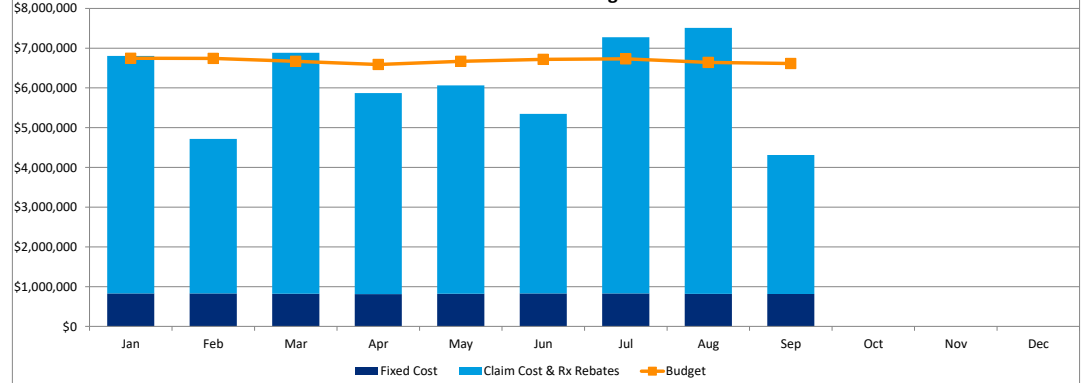
### MMA Commentary

- 1) September total costs were 34.8% below budget (\$2,301,519 below), bringing plan year to date total costs to 8.9% below budget (\$5,336,642 below).
- 2) Medical claims PEPM for the plan year to date were 7.5% below expected.
- 3) Pharmacy claims PEPM for the plan year to date were 1.7% below expected.
- 4) There were 34 claimants over \$150,000 through September.
- 5) The Pool and Associates had a combined estimated surplus of \$3,148,180.
- 6) The Minimum Premium Banks had an estimated surplus of \$2,188,461.
- 7) The Minimum Premium banks had an estimated \$5,751,339 in internal pooling fees with internal pooling claims of \$5,094,741 resulting in a surplus of \$656,598.
- 8) The Pool and Associates had an estimated \$3,240,678 in internal pooling fees with internal pooling claims of \$1,058,111 resulting in a surplus of \$2,182,567.

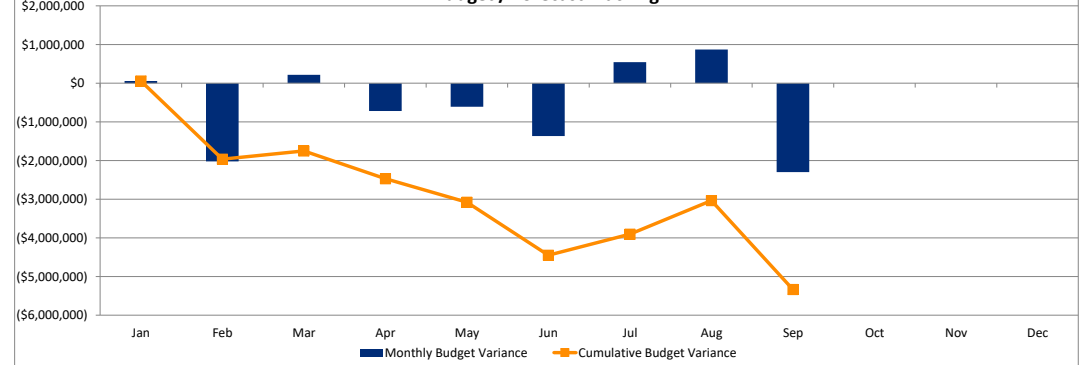
### Enrollment by Entity



### Total Cost vs. Budget



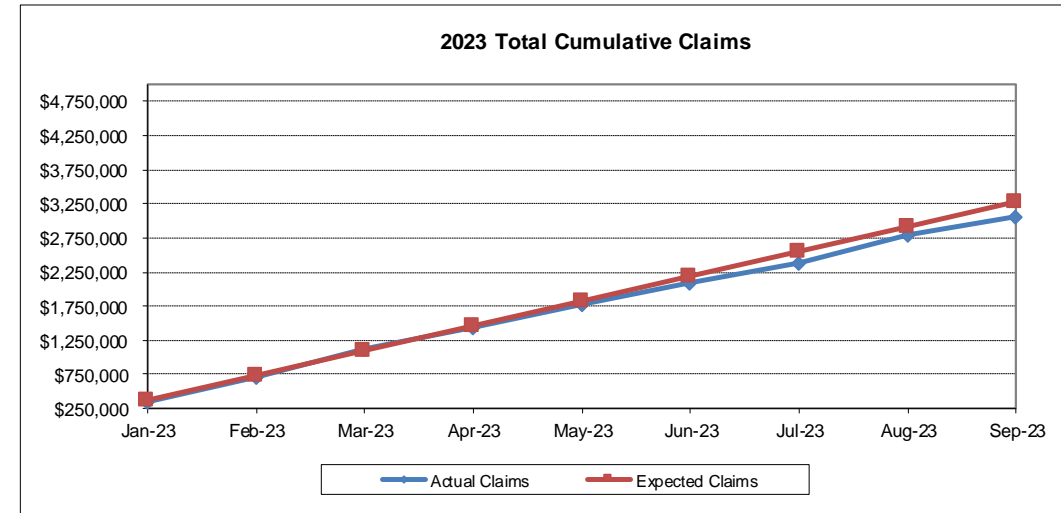
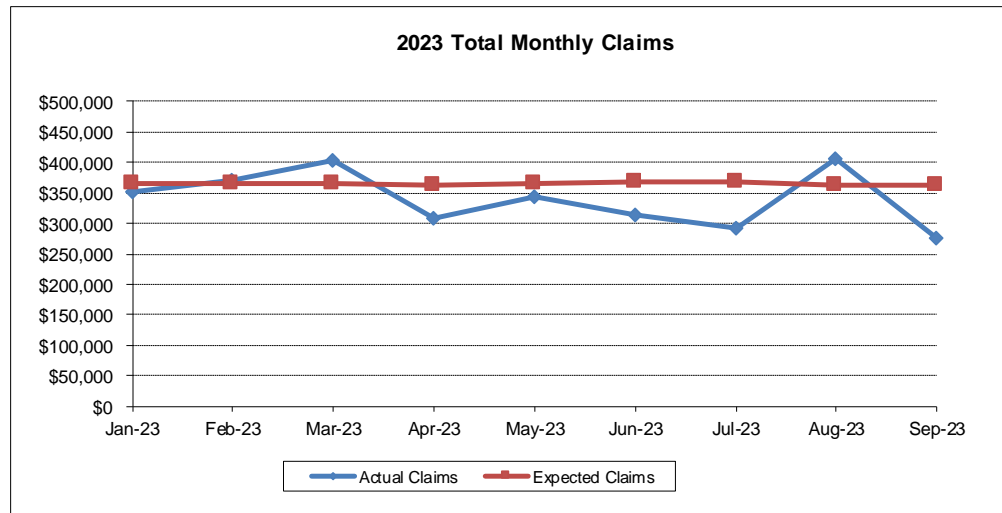
### Budget / Forecast Tracking





# YTD 2023 Dental Plan Claims Experience

		Monthly Claims		Cumulative Claims	
2023 Policy Year	Monthly Enrollment	Actual Claims	Expected Claims	Total Actual Claims	Total Expected Claims
Jan-23	7,135	\$353,256	\$365,383	\$353,256	\$365,383
Feb-23	7,140	\$369,863	\$365,639	\$723,118	\$731,022
Mar-23	7,120	\$403,863	\$364,615	\$1,126,981	\$1,095,637
Apr-23	7,089	\$308,784	\$363,028	\$1,435,765	\$1,458,665
May-23	7,161	\$344,885	\$366,715	\$1,780,650	\$1,825,380
Jun-23	7,171	\$314,119	\$367,227	\$2,094,769	\$2,192,607
Jul-23	7,172	\$292,006	\$367,278	\$2,386,775	\$2,559,885
Aug-23	7,105	\$406,556	\$363,847	\$2,793,331	\$2,923,732
Sep-23	7,071	\$276,724	\$362,106	\$3,070,055	\$3,285,838
<b>Total</b>		\$3,070,055	\$3,285,838		



**VBA Group Medical and Dental Trust**  
**Statement of Net Assets**  
**9/30/2023**

	<u>9/30/2023</u>	<u>9/30/2022</u>
<b>Assets</b>		
Checking Account	15,236	71,227
Investments	19,655,781	23,409,888
Sageview Investment	7,704,244	-
Accrued Interest Receivable	120,986	154,002
Accounts Receivable - General	8,664,030	6,412,717
Total Assets	36,160,277	30,047,834
<b>Liabilities</b>		
Accounts Payable	3,739,160	3,520,666
Medical IBNR	7,267,038	7,351,192
Dental IBNR	178,000	192,000
Total Liabilities	11,184,198	11,063,858
<b>Net Assets</b>	<u>24,976,079</u>	<u>18,983,976</u>
Prior year end net assets	17,455,471	20,604,511
Year to date net income	<u>7,520,608</u>	<u>(1,620,535)</u>
Current net assets	<u>24,976,079</u>	<u>18,983,976</u>



**VBA Group Medical and Dental Trust**  
**Statement of Changes in Net Assets**  
**(self-funded trust)**

	<b>Actual 9/30/2023</b>	<b>Forecast 2023</b>	<b>2023 Annual Budget</b>	<b>Preliminary 2024 Budget</b>
<b>Income:</b>				
Premium from members:				
Medical Premiums	60,535,000	80,935,000	82,935,000	55,525,000
Dental Premiums	3,627,504	4,821,500	4,844,000	3,633,000
<b>Total premiums from members:</b>	<b>64,162,504</b>	<b>85,756,500</b>	<b>87,779,000</b>	<b>59,158,000</b>
Investment Return	824,437	1,095,000	50,000	800,000
<b>Total Income</b>	<b>64,986,941</b>	<b>86,851,500</b>	<b>87,829,000</b>	<b>59,958,000</b>
<b>Expenses:</b>				
Paid to insurance companies:				
Medical Claims & Fixed Costs	54,031,772	74,432,000	82,935,000	55,525,000
Dental Claims & Fixed Costs	3,320,891	4,514,900	4,844,000	3,633,000
<b>Total premiums paid:</b>	<b>57,352,663</b>	<b>78,946,900</b>	<b>87,779,000</b>	<b>59,158,000</b>
Increase (decrease) in provision for IBNR	136,791	136,790	-	-
VEBA Investment Fees	19,497	27,000	30,000	30,000
<b>Total Other Deductions:</b>	<b>156,288</b>	<b>163,790</b>	<b>30,000</b>	<b>30,000</b>
<b>Total Expenses</b>	<b>57,508,951</b>	<b>79,110,690</b>	<b>87,809,000</b>	<b>59,188,000</b>
<b>Income before unrealized gains/(losses)</b>	<b>7,477,990</b>	<b>7,740,810</b>	<b>20,000</b>	<b>770,000</b>
Unrealized Gain/Loss on Investments	42,618	42,618		
<b>Net Income</b>	<b>7,520,608</b>	<b>7,783,428</b>	<b>20,000</b>	<b>770,000</b>

**SBA Group Insurance Trust**  
**Statement of Net Assets**  
**9/30/2023**

	<u>9/30/2023</u>	<u>9/30/2022</u>
<b>Assets</b>		
Investments	40,435	46,032
Total Assets	40,435	46,032
<b>Liabilities</b>		
Accounts Payable	1,985	8,216
Total Liabilities	1,985	8,216
<b>Net Assets</b>	<u>38,450</u>	<u>37,816</u>
Prior year end net assets	38,430	23,357
Year to date net income	20	14,459
Current net assets	<u>38,450</u>	<u>37,816</u>

**State Bankers Association Group Insurance Trust**  
**Statement of Changes in Net Assets**  
**(fully-insured trust)**

	<b>Actual</b>	<b>Forecast</b>	<b>2023 Annual</b>	<b>Preliminary</b>
	<b>9/30/2023</b>	<b>2023</b>	<b>Budget</b>	<b>2024</b>
				<b>Budget</b>
<b>Income:</b>				
Premiums from members:				
Medicare Supp Premiums	338,758	450,000	439,800	276,000
Group Life Premiums	2,171,574	2,880,000	2,912,000	1,817,000
Long Term Care Premiums	52,356	69,600	75,000	65,000
Long Term Disability Premiums	1,247,587	1,657,200	1,595,000	1,110,550
Short Term Disability Premiums	298,649	398,000	350,000	290,000
Vision Premiums	609,900	810,000	800,000	540,000
Voluntary Benefits	829,342	1,098,000	950,000	895,000
<b>Total premiums from members:</b>	<b>5,548,166</b>	<b>7,362,800</b>	<b>7,121,800</b>	<b>4,993,550</b>
Investment Return	2,351	3,000	750	2,000
<b>Total Income</b>	<b>5,550,517</b>	<b>7,365,800</b>	<b>7,122,550</b>	<b>4,995,550</b>
<b>Expenses:</b>				
Premiums paid to insurance companies:				
Medicare Supplement Premiums	338,758	450,000	439,800	276,000
Group Life Premiums	2,171,574	2,880,000	2,912,000	1,817,000
Long Term Care Premiums	52,356	69,600	75,000	65,000
Long Term Disability Premiums	1,247,587	1,657,200	1,595,000	1,110,550
Short Term Disability Premiums	298,649	398,000	350,000	290,000
Vision Premiums	609,900	810,000	800,000	540,000
Voluntary Benefits	828,768	1,098,000	950,000	895,000
<b>Total premiums paid:</b>	<b>5,547,592</b>	<b>7,362,800</b>	<b>7,121,800</b>	<b>4,993,550</b>
VEBA Investment Fees	2,905	3,275	2,500	3,000
<b>Total Expenses</b>	<b>5,550,497</b>	<b>7,366,075</b>	<b>7,124,300</b>	<b>4,996,550</b>
Net Income	20	(275)	(1,750)	(1,000)

**VBA Benefits Corporation**  
**Balance Sheet**  
**9/30/2023**

	<u>9/30/2023</u>	<u>9/30/2022</u>
<b>Assets</b>		
Cash & Cash Equivalents	755,747	657,533
Investments	3,360,979	3,155,316
Accounts Receivable	343,517	264,378
Accrued Interest Receivable	19,337	11,313
Deferred Tax Asset/Liability	135,992	32,343
Income Tax Receivable	98,964	76,743
Prepaid Assets	1,985	82,102
Current Assets	4,716,521	4,279,728
Furniture & Fixtures	174,234	163,910
Automobiles	45,000	-
Less: Accumulated Depreciation	(166,567)	(154,290)
Current Value	52,667	9,620
Investment in LLC	1,045,000	1,045,000
Total Assets	<u>5,814,188</u>	<u>5,334,348</u>
<b>Liabilities</b>		
Accounts Payable	222,784	176,846
Accrued Pension Liability	15,275	-
Total Liabilities	238,059	176,846
<b>Owners Equity</b>		
Retained Earnings	5,256,530	5,616,848
Common Stock	1,000	1,000
Current Year Earnings	318,599	(460,346)
Total Owners Equity	<u>5,576,129</u>	<u>5,157,502</u>
Total Liabilities & Equity	<u>5,814,188</u>	<u>5,334,348</u>

**VBA Benefits Corporation**  
**Income Statement**

	<b>Actual 9/30/2023</b>	<b>Forecasted 2023</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
<b>Income:</b>				
Medical Fees	528,963	703,000	707,000	678,500
Dental Fees	95,781	127,300	128,400	116,000
Group Life & AD&D Fees	435,364	577,000	585,000	460,700
Vision Fees	39,018	52,000	52,000	48,700
Long Term Care Fees	40,742	54,000	60,000	40,000
Long Term Disability Fees	141,633	187,690	191,500	159,000
Short Term Disability Commissions	11,118	15,304	19,000	15,000
Flex Cafeteria Fees	34,806	34,806	34,200	33,800
Voluntary Benefits Commission	84,800	108,800	75,000	60,000
Health and welfare fees	1,412,225	1,859,900	1,852,100	1,611,700
Management Fees-DB	59,802	79,000	68,000	72,000
Management Fees-DC	593,341	726,300	690,000	829,000
Non-Qualified Fees	226,939	300,000	292,000	309,200
Defined benefit, contribution and nonqualifie	880,082	1,105,300	1,050,000	1,210,200
Investment Return	54,180	69,200	38,000	50,000
HSA Income	2,209	2,950	1,200	2,000
Miscellaneous Income		-	1,500	1,500
Subtotal Other Income	56,389	72,150	40,700	53,500
Total Income	2,348,696	3,037,350	2,942,800	2,875,400

**VBA Benefits Corporation  
Income Statement**

	<b>Actual 9/30/2023</b>	<b>Forecasted 2023</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
<b>Expenses:</b>				
Salaries & Benefits	1,136,663	1,493,075	1,540,750	1,620,000
Benefits Administration				
Cobra Administration	20,391	27,950	40,000	23,000
Recordkeeping NQ	184,160	247,932	266,550	236,910
	204,551	275,882	306,550	259,910
Office Expenses				
Memberships & Subscriptions	6,329	8,385	8,200	9,000
Postage	137	200	1,500	500
Property Taxes & Bus. Licenses	1,932	2,000	2,700	2,400
Office Supplies	5,743	7,845	7,200	7,700
Equipment Maintenance	33,296	35,900	34,000	37,500
Telephone	12,218	16,000	16,000	11,330
	59,655	70,330	69,600	68,430
Consulting				
Consulting & Technology	297,512	396,100	485,200	338,200
Health Renewal	120,150	160,200	160,500	167,000
Section 125 discrimination testing		30,000	30,000	33,750
Other Consulting	30,600	40,050	41,000	41,000
	448,262	626,350	716,700	579,950
Professional fees				
Audit & Tax Fees	69,850	72,850	72,850	67,750
Legal Fees - Troutman Sanders	88,301	118,658	117,000	145,000
	158,151	191,508	189,850	212,750
Meetings				
Benefits Seminars	-	205	15,000	15,000
Board of Directors	813	1,320	1,200	1,200
	813	1,525	16,200	16,200
Insurance	27,843	27,900	24,700	28,060
Marketing	3,510	6,510	8,500	8,000
Education & Training	1,523	3,000	6,000	11,850
Travel	31,616	42,000	37,000	32,000
Travel and Education	33,139	45,000	43,000	43,850
Depreciation	11,511	15,690	17,950	31,250
Other Operating Expenses				
Miscellaneous Expense	1,453	1,680	6,000	6,000
	1,453	1,680	6,000	6,000
Total Expenses	2,085,551	2,755,450	2,939,800	2,874,400
Pretax Income/(Loss)	263,145	281,900	3,000	1,000
Unrealized Gain\Loss on Investment	55,454	55,454		
Tax Expense				
Net Income/(Loss)	318,599	337,354	3,000	1,000

# RETIREMENT PLAN TRUSTS UNDER VBA BENEFITS OVERSIGHT

September 30, 2023

Statement of Changes in Net Assets Available for Benefits (Trust basis, excludes contribution accruals)

	9 mos Plan yr ended 12/31/23	12 mos Plan yr ended 12/31/22	12 mos Plan yr ended 9/30/23	12 mos Plan yr ended 9/30/22	NonQualified Plans 9/30/23	NonQualified Plans 9/30/22
	Defined Contribution 1/1-12/31/23	Defined Contribution 1/1-12/31/22	Defined Benefit 10/1/22-9/30/23	Defined Benefit 10/1/21-9/30/22		
Increase (decrease) in net assets resulting from investment income	18,267,110	(52,908,769)	7,146,894	(26,947,144)		
Employer contributions	9,695,677	14,757,969	7,852,000	428,056		
Employee contributions	19,208,138	18,373,908	-	-		
Transfers from other trust	48,873,845	29,369,591	-	-		
Total employee/employer contributions	77,777,660	62,501,468	7,852,000	9,625,378		
Total additions	96,044,770	9,592,699	14,998,894	(26,519,088)		
Benefits paid to participants	31,495,777	27,063,729	6,289,978	14,155,511		
Plan terminations	-	7,366,580	9,994,574	-		
Increase (decrease) in net assets	64,548,993	(24,837,610)	(1,285,658)	(40,674,599)		
<b>Net assets - beginning of period</b>	<b>306,996,836</b>	<b>331,834,446</b>	<b>81,374,170</b>	<b>122,048,769</b>		
<b>Net assets - end of period</b>	<b>371,545,828</b>	<b>306,996,836</b>	<b>80,088,512</b>	<b>81,374,170</b>	<b>73,415,276</b>	<b>65,349,847</b>



## VBA Benefits Corporation Investment Plan Committee Meeting

### 2<sup>nd</sup> Quarter 2023 Meeting Minutes

**Meeting Date:** August 10, 2023  
**Time:** 9:00 A.M.  
**Location:** Virtual

#### Meeting Attendees

**Committee Chair:** Michelle Austin  
**Voting Members:** John Caldwell, Laurie Milligan, Jay Stafford, Bruce Whitehurst  
**VBA Staff:** DeMarion Johnston, Stacy Puckett, John Snead  
**SageView Advisory Group:** Ken Barnes, Dee Spivey  
**Absent:** Thomas Cherry, Leesa Christian, Jay Hendricks, Matt Vance

#### Meeting Topics

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- Prior Meeting Minutes
- Follow-Up Items from Prior Meeting
- Investment Review (All Plans)
- Administrative Items: SECURE 2.0 Update, SageView Financial Wellness

#### Open Items

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**Approval of Prior Meeting Minutes:** The minutes from the prior meeting were approved by the Committee with no changes.

#### Investment Review

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##### Defined Benefit Plans

**Total Plan Assets:** \$86,831,159.12

**Investment Performance:** SageView provided an overview of the performance of the Plan's investment alternatives.

Core Option Investment Review:

- 15 of the 16 core mutual funds passed SageView scoring criteria.
- Average core option SageView score is 18<sup>th</sup> percentile.

**Watch List Summary:** SageView reviewed the Plan's investment alternatives designated for the *Watch List*.

Investment Name	Watch List Date	Qualitative / Quantitative	SageView 3(38) Action
PIMCO Long Duration Total Return Instl	9/30/22	Qualitative	Continue on Watch
PIMCO Long-Term Credit Bond Instl	6/30/22	Quantitative	Continue on Watch



PIMCO Investment Grade Credit Bond Instl	3/31/22	Quantitative	Continue on Watch
MFS Growth Equity Fund CL S	3/31/23	Qualitative	Continue on Watch

### Defined Contribution Plans

**Total Plan Assets:** \$364,599,032.08

**Investment Performance:** SageView provided an overview of the performance of the Plan's investment alternatives.

Core Option Investment Review:

- 17 of the 17 core investments passed SageView scoring criteria.
- Average core option SageView score is 17<sup>th</sup> percentile.

Target-Date Fund Review:

- 12 of the 12 Vanguard Target Retire Target Date funds passed SageView scoring criteria.
- Average target date SageView score is 16<sup>th</sup> percentile.
- 63.71% of assets are allocated to a target date option.

**Watch List Summary:** SageView reviewed the Plan's investment alternatives designated for the *Watch List*.

Investment Name	Watch List Date	Qualitative / Quantitative	SageView 3(38) Action
Goldman Sachs Stable Value Inst CI 1	N/A	N/A	Replace with S share class of the investment*
MFS Growth R6	3/31/23	Qualitative	Continue on Watch. Investment will be replaced by the S share class of the CIT*

\*Investment Changes effective in September 2023.

**Plan Portfolio Weighted Expense:**

- **Weighted Expense Ratio:** 0.16%

### Non-Qualified Plans

**Total Plan Assets:** \$74,933,390.85

**Investment Performance:** SageView provided an overview of the performance of the Plan's investment alternatives.

Core Option Investment Review:

- 15 of the 15 core mutual funds passed SageView scoring criteria.
- Average core option SageView score is 12<sup>th</sup> percentile.

Asset Allocation Fund Review:

- 3 of the 4 Vanguard LifeStrategy funds passed SageView scoring criteria.
- Average asset allocation investment SageView score is 37<sup>th</sup> percentile.

**Watch List Summary:** SageView reviewed the Plan's investment alternatives designated for the *Watch List*.

Investment Name	Watch List Date	Qualitative / Quantitative	SageView 3(38) Action
MFS Growth R6	3/31/23	Qualitative	Continue on Watch
Vanguard LifeStrategy Income Inv	12/31/22	Quantitative	Continue on Watch

Vanguard LifeStrategy Moderate Gr Inv	12/31/22	Quantitative	Continue on Watch
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**Plan Portfolio Weighted Expense:**

- **Weighted Expense Ratio:** 0.21%

## VEBA Plan

**Total Plan Assets:** \$7,881,803

**Plan Portfolio Performance:** 4.07% in Q2.

SageView reviewed two recent investment changes that took place on July 28<sup>th</sup>. SageView removed the commodities exposure and mapped the funds to the REIT investment. SageView also replaced American Funds EuroPacific Growth with Clearbridge International Growth. The change in international investments was made to utilize a more pure developed market strategy as American Funds EuroPacific Growth can hold up to 30% in Emerging Market equity.

## Administrative Items

**SECURE 2.0 Update:** As part of an ongoing discussion, SageView provided the Committee with an overview of significant provisions of the legislation that may require either implementation and or a decision about whether to adopt the provision next year. Also discussed were several Act provisions that still require additional clarification and/or potential corrections by the government. SageView will continue to provide detailed information as more provisions become effective and as guidance is issued.

**SageView Financial Wellness:** SageView shared with the Committee the Q2 Financial Wellness Workshop replay and the link to its corresponding presentation content. The Q3 Financial Wellness Workshop – Retirement Readiness invitation link was also provided. Each themed workshop will be available three times during each quarter. VBA Banks had a total of 40 employees join the most recent Wellness Workshops.

## Follow-Up Items

**Follow-Up Items:** The following items will be addressed following the meeting:

- SageView will email the Q2 2023 Meeting Minutes for review and approval.
- There are 5 Banks currently not offering Roth contributions. VBA will work with those Banks to allow Roth contributions by year end.

*As there was no further business, the meeting was adjourned.*

## Adopted on:



## Retirement Plans Overview

Period Ending 9/30/2023

Ken Barnes, CFP®, CIMA®, Senior Investment Consultant

Dee Spivey, CPFA®AIF®, Retirement Plan Consultant



**VIRGINIA BANKERS  
ASSOCIATION**  
Benefits Corporation

SEE WHERE YOU'RE GOING

# MEETING AGENDA

1

Defined Benefit Plans Update

2

Defined Contribution Plans Update

3

NQDC Plans Update

4

VEBA Update

5

Cost Benchmarking

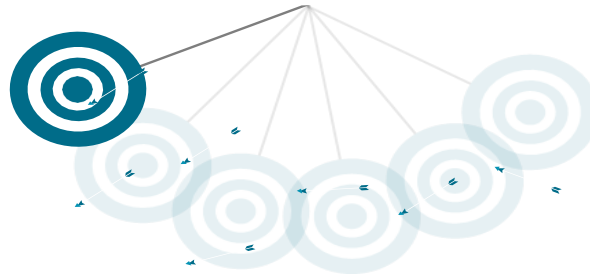


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# Defined Benefit Plans Update



# Market Overview – An Uneven Market Rally



- The Leading Economic Index,\* a monthly measure that provides an early indication of turning points in the economic cycle, has fallen every consecutive month for nearly a year and a half.
- April 1, 2022 marked the first yield curve inversion\* of this cycle. Inversions have historically been bellwethers of economic recessions. Since 1978, the average time that has elapsed between initial inversions and the ensuing recessions has been 14 months. We now stand at 18 months.

Number of yield curve inversions since 1978	7
Number of recessions following inversions	6*
Longest span between inversion and recession	22 months (Jan 2006)
Shortest span between inversion and recession	6 months (Aug 2019)
Average span	14.3 months
Current span	18 months

## Potential triggers for a recession include:

- **Resumption of Student Loan Payments**
  - » October marks the first time in more than three years that 44 million federal student loan borrowers will be required to make monthly repayments. This is likely to weigh on consumer spending.
- **Labor Strikes**
  - » The direct and indirect costs of the UAW strike has broad consequences for the overall economy. Of the UAW's 400,000+ active members, 146,000 are autoworkers with General Motors, Ford, or Stellantis.
- **Political Uncertainty**
  - » The latest resolution extended government funding until November 17<sup>th</sup>. Growing political animus could result in gridlock.



\*The Leading Economic Index includes both financial and non-financial components. Data points include: *Leading Credit Index, S&P 500 Index, Interest Rate Spread, Consumer Expectations, ISM Index of New Orders, Building Permits, Average Weekly Hours, Manufacturers' New Orders, Average Weekly Initial Claims*

\* All references to yield curve inversions reference the first instance in which the yield on a 10-year Treasury note falls below that of 2-year Treasury note.

\* The June 1998 yield curve inversion coincided with the Russian debt default but was not followed by a U.S. economic recession.



# Market Overview – By the Numbers

## Equities Out of Steam



Equity markets retreated in the third quarter as bullish investor sentiment from the first half of the year waned. Earlier predictions of a Fed pivot failed to materialize, and the reality of a “higher for longer” interest rate environment prompted a selloff. September was particularly painful, with the S&P 500 falling nearly 5%. Despite the difficult quarter, equity markets remain positive for the year and analyst earnings estimates remain strong.

**-3.94%**

NASDAQ  
Q3 Return

**13.07%**

S&P 500 YTD

**17.8x**

S&P 500 Forward P/E  
(25-yr average 16.8x)

## 10 Year Treasury Surging



10-year Treasury yields rose to 16-year highs, likely a result of several factors: (1) growing recognition that a near-term Fed pivot is unlikely, (2) the Fed's exit as the primary purchaser of Treasury debt, (3) sustained, near-record U.S. deficits (\$1.7 trillion for FYE 2023) that has driven new Treasury issuance higher, and (4) reduced Treasury demand from China and Japan. The change in the supply/demand dynamics are leading investors to demand more compensation for the risk of holding this debt.

**4.59%**

10 Year Treasury  
(0.69% as pf  
9/30/2020)

**\$0.98 trillion**

FYE 2019  
federal deficit

**AA+**

Fitch IDR of USA  
(formerly AAA)

## US Economy Keeps Humming



Third-quarter GDP projections remain strong after September's non-farm payrolls report meaningfully exceeded expectations. Though total job openings are below their March 2022 peak, unemployment remains low and wage growth above its historical average. After two months of decline, U.S. Industrial Production beat expectations in July and August. Retail sales also rose unexpectedly in both months. The U.S. economy is not showing obvious signs of stalling, even as consumers grapple with higher prices.

**3.8%**

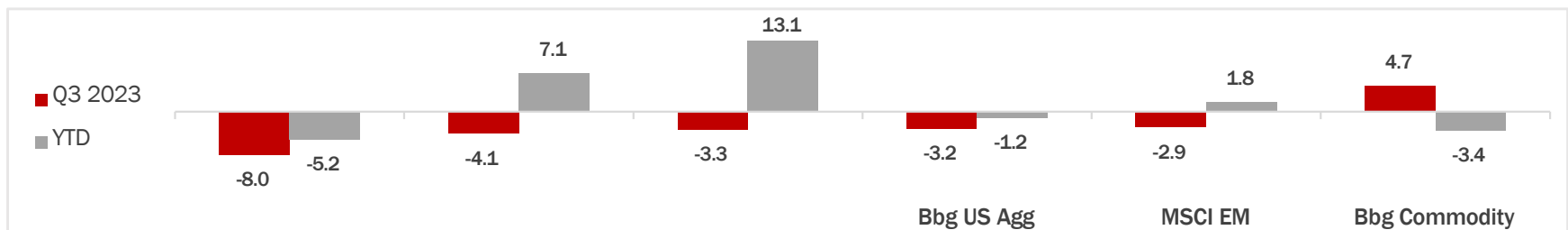
Unemployment  
Rate

**6**

Consecutive months  
of increased retail  
sales

**4.5%**

August 2023  
Wage Growth  
(4% 50-yr avg)



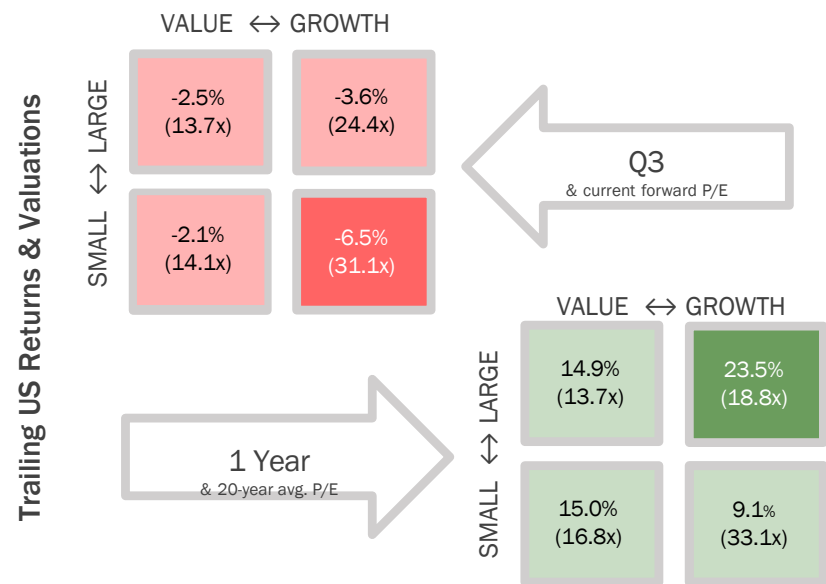
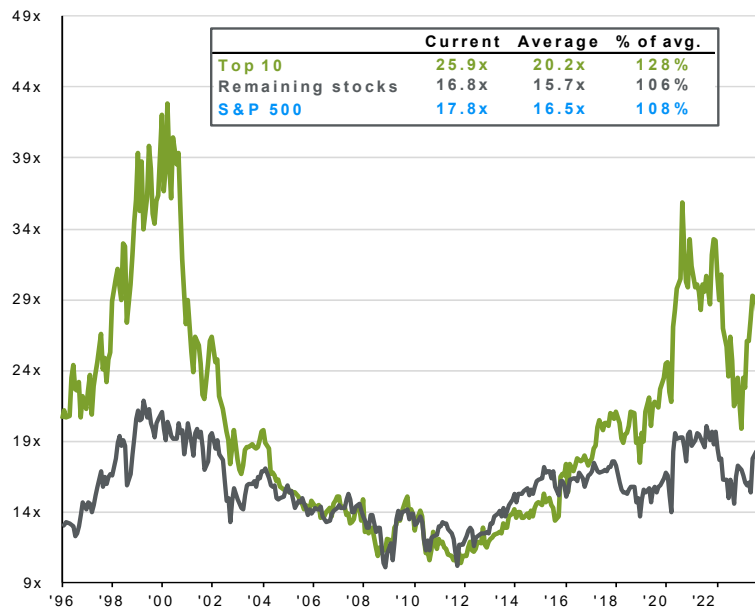




# Equities

Narrow leadership continues to define the U.S. stock market in 2023, as a small group of richly valued Technology and/or Communications Services names are responsible for a disproportionate share of S&P 500 returns. The index has never been so heavily concentrated across so few names, even after the earnings contributions for those companies have fallen significantly from their 2021 highs.

Forward P/E ratio of the top 10 stocks in the S&P 500



Returns pertain to Morningstar categories. Valuations pertain to the Russell style indices.

Weight of the top 10 stocks in the S&P 500



6

Earnings contribution of the top 10 S&P 500 stocks







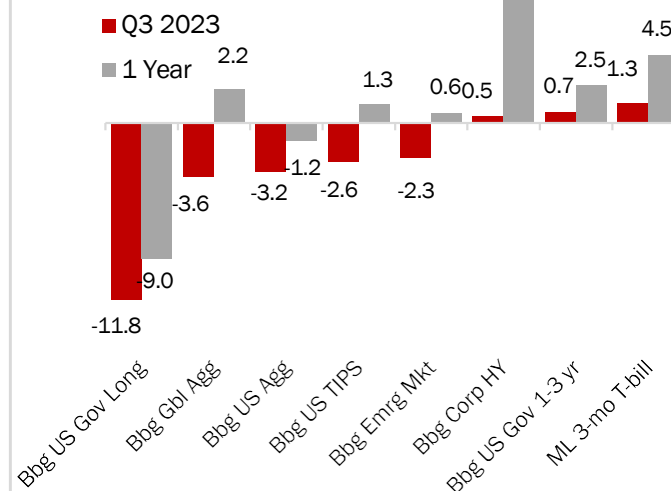
# Fixed Income

Intermediate and longer-dated Treasuries sold off during the quarter as yields rose and markets adjusted to a “higher for longer” interest rate mentality. The Fed’s shrinking balance sheet, the government’s expanding deficits, and waning foreign demand all contributed to higher yields. The 10-2 Treasury spread has been negative since April of 2022, but the yield curve is quickly becoming less inverted.

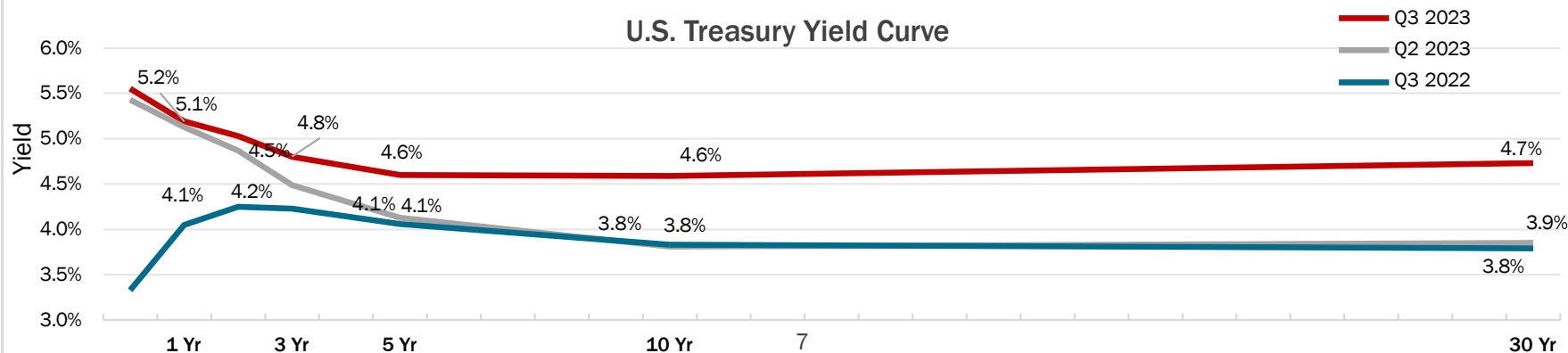
### U.S. 10-Year Treasury Yield



### Fixed Income Market Returns



### U.S. Treasury Yield Curve





## Asset Allocation by Fund

Fund	% of Plan Assets	Total Assets
PIMCO Long Duration Total Return Instl	18.60%	\$14,900,438.21
PIMCO Long-Term Credit Bond Instl	15.66%	\$12,543,953.39
Fidelity® 500 Index	8.77%	\$7,023,232.10
MFS Growth Equity Fund CL S	8.64%	\$6,921,828.19
Vanguard Equity-Income Adm	8.42%	\$6,741,683.11
T. Rowe Price Overseas Stock I	8.27%	\$6,623,794.28
Fidelity® Total International Index	8.12%	\$6,499,934.55
JPMorgan Emerging Markets Equity R6	5.54%	\$4,435,579.51
Cohen & Steers Real Estate Securities Z	5.11%	\$4,096,248.20
PIMCO Investment Grade Credit Bond Instl	4.30%	\$3,441,265.77
Victory Sycamore Established Value R6	2.15%	\$1,720,399.46
Fidelity® Extended Market Index	2.12%	\$1,695,272.20
JPMorgan Mid Cap Growth R6	1.92%	\$1,536,760.10
PIMCO RAE US Small Instl	1.18%	\$947,029.63
Wasatch Core Growth Institutional	1.08%	\$864,515.05
Voya Fixed Account	0.12%	\$96,577.99
<b>Total Market Value:</b>	<b>100.00%</b>	<b>\$80,088,511.74</b>

Lee Bank and Essex Bank paid out their lump sums on or around 3/1/2023. Blue Ridge Bank (Bay Banks Plan) paid out lump sums from the Voya Fixed Account in Q3 2023.



## Fund Score Summary

	# of Funds	Average SageView Score
Total Available Standalone Investments	16	20
Core Investments	16	20
Asset Allocation Investments	0	NA



# Fund Score Summary

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
PIMCO Long Duration Total Return Instl	PLRIX	68%	47%	22%	64%	62%	30%	62%	30%	87%	60%
PIMCO Long-Term Credit Bond Instl	PTCIX	21%	46%	64%	25%	18%	36%	18%	1%	70%	7%
PIMCO Investment Grade Credit Bond Instl	PIGIX	50%	52%	68%	37%	66%	44%	27%	16%	80%	55%
Vanguard Equity-Income Adm	VEIRX	33%	39%	42%	35%	16%	70%	13%	17%	3%	10%
MFS Growth Equity Fund CL S	WAAAHX	58%	54%	19%	62%	93%	82%	54%	29%	5%	54%
Victory Sycamore Established Value R6	VEVRX	15%	21%	15%	11%	4%	23%	8%	2%	8%	2%
JPMorgan Mid Cap Growth R6	JMGMX	22%	37%	4%	41%	12%	14%	51%	1%	15%	2%
PIMCO RAE US Small Instl	PMJIX	4%	31%	83%	10%	4%	12%	64%	4%	6%	5%
Wasatch Core Growth Institutional	WIGRX	7%	37%	78%	13%	6%	35%	18%	45%	47%	9%
T. Rowe Price Overseas Stock I	TROIX	33%	43%	34%	30%	36%	22%	63%	47%	20%	28%
JPMorgan Emerging Markets Equity R6	JEMWX	51%	46%	46%	91%	30%	4%	88%	16%	15%	45%
Cohen & Steers Real Estate Securities Z	CSZIX	21%	35%	38%	42%	15%	4%	33%	4%	19%	4%

Fund Name	Ticker	Expense Ratio	Tracking Error (3 Yrs)	RSquared (3 Yrs)	Beta (3 Yrs)	SageView Normalized Ranking
Fidelity® 500 Index	FXAIX	6%	5%	7%	57%	3%
Fidelity® Extended Market Index	FSMAX	13%	18%	15%	57%	10%
Fidelity® Total International Index	FTIHX	20%	24%	28%	15%	13%



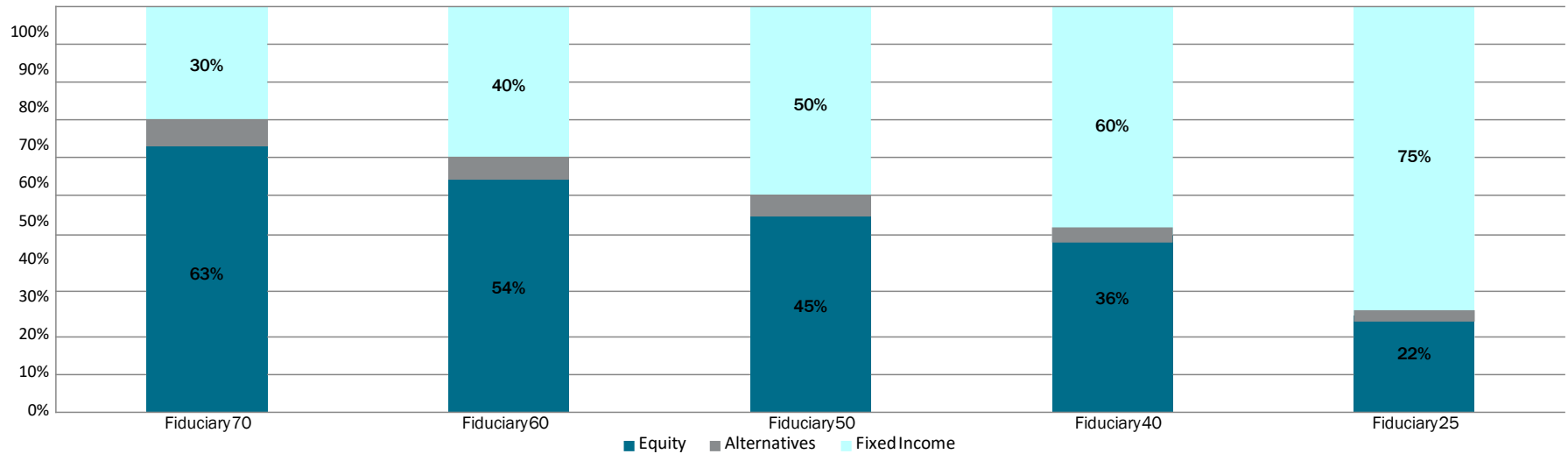
## 9/30/2023 Portfolio Performance vs Benchmark

Portfolio Name	3 month	1 Year	Inception
SV Fiduciary 25	-7.02%	3.52%	-3.77%
SV Fiduciary 25 Benchmark	-7.89%	2.64%	-5.15%
SV Fiduciary 40	-6.37%	6.35%	-1.26%
SV Fiduciary 40 Benchmark	-7.00%	6.07%	-2.14%
SV Fiduciary 50	-5.99%	8.06%	0.42%
SV Fiduciary 50 Benchmark	-6.40%	8.39%	-0.10%
SV Fiduciary 60	-5.67%	9.87%	1.95%
SV Fiduciary 60 Benchmark	-5.82%	10.74%	1.85%
SV Fiduciary 70	-5.26%	11.66%	3.53%
SV Fiduciary 70 Benchmark	5.23%	13.12%	3.87%

- The Pension Plans converted to Voya and the new asset allocation and investments at the beginning of June. Since inception is 6/1/2020.
- Benchmarks are a blend of the following indexes: Russell 3000, MSCI ACWI ex USA and Barclays Capital Long Government/Credit Index.
- Performance is not actual plan performance as it does not account for cash flows and portfolios moving from the strategic allocations.



# Model Portfolio Target Allocations



Model Allocations	Fiduciary 70	Fiduciary 60	Fiduciary 50	Fiduciary 40	Fiduciary 25
Fidelity S&P 500 Index	10%	9%	7%	6%	3%
MFS Growth Class S	10%	8%	7%	6%	3%
Vanguard Equity-Income Adm	10%	8%	7%	6%	3%
Fidelity Extended Market Index	3%	2%	2%	1%	1%
Victory Sycamore Established Value R6	2%	2%	2%	1%	1%
JPMorgan Mid Cap Growth R6	2%	2%	2%	1%	1%
PIMCO RAE US Small I	2%	2%	1%	1%	1%
Wasatch Core Growth Institutional	2%	2%	1%	1%	1%
Fidelity Total International Index	8%	7%	6%	5%	3%
T. Rowe Price Overseas Stock I	8%	7%	6%	5%	3%
JPMorgan Emerging Markets Equity R6	6%	5%	4%	3%	2%
Cohen & Steers Real Estate Securities Z	7%	6%	5%	4%	3%
PIMCO Long Term Credit	10%	14%	17%	21%	26%
PIMCO Moderate Duration	14%	18%	23%	27%	34%
PIMCO Long Duration Total Return	6%	8%	10%	12%	15%

On 11/1/2023 SageView rebalanced the portfolios and changed the weightings of the LDI investments to better align with the aggregate liabilities of the Plans. SageView also removed the Investment Grade Credit fund and replaced it with the PIMCO Moderate Duration Fund.



# 11/1 Investment Change

Fund PeerGroup Idx	% of Assets	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	Ticker	SageView Rank
<i>Current Investment</i>										
PIMCO Investment Grade Credit Bond Instl	4.30	-2.98	0.46	3.67	-4.75	0.60	2.52	1.04	PIGIX	55
<i>Alternative investment for consideration</i>										
PIMCO Moderate Duration Instl	-	-0.47	0.99	2.40	-2.82	1.17	1.48	0.49	PMDRX	30
Cat. Avg. : Morningstar Intermediate Core-Plus Bond		-2.85	-0.51	1.28	-4.48	0.26	1.35	0.74		
Idx : Bloomberg US Agg Bond TR USD		-3.23	-1.21	0.64	-5.21	0.10	1.13			

= Current
  = Addition
  = Alternative



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Voya Fixed Account	Stable Value	0.12%	NA	NA	4.00	NA	NA	NA	0.38	N/A
ICE BofA US 3M Trsy Bill TR USD*			1.31	3.60	4.47	1.70	1.72	1.11		
Cat: Morningstar US SA Stable Value			0.73	2.07	2.63	1.70	1.82	1.64	0.57	
PIMCO Long Duration Total Return Instl	Long-Term Bond	18.60%	-9.20	-4.62	-3.22	-11.43	-0.90	2.38	1.73	3 <sup>RD</sup> QUAR
Bloomberg US Govt/Credit Long TR USD*			-9.37	-5.40	-2.93	-11.90	-1.21	1.94		
Cat: Morningstar Long-Term Bond			-7.07	-2.64	0.80	-9.06	-0.29	2.50	0.64	
PIMCO Long-Term Credit Bond Instl	Long-Term Bond	15.66%	-7.49	-2.72	1.77	-9.13	-0.13	3.24	0.99	TOP DEC
Bloomberg US Govt/Credit Long TR USD*			-9.37	-5.40	-2.93	-11.90	-1.21	1.94		
Cat: Morningstar Long-Term Bond			-7.07	-2.64	0.80	-9.06	-0.29	2.50	0.64	
PIMCO Investment Grade Credit Bond Instl	Corporate Bond	4.30%	-2.98	0.46	3.67	-4.75	0.60	2.52	1.04	3 <sup>RD</sup> QUAR
Bloomberg US Credit TR USD*			-3.01	0.03	3.47	-4.83	0.86	2.12		
Cat: Morningstar Corporate Bond			-2.69	0.45	3.74	-4.47	0.85	2.05	0.67	
Vanguard Equity-Income Adm	Large Value	8.42%	-2.00	-1.12	12.64	12.02	7.80	9.70	0.19	TOP DEC
Russell 1000 Value TR USD*			-3.16	1.79	14.44	11.05	6.23	8.45		
Cat: Morningstar Large Value			-2.53	1.78	14.86	11.82	6.44	8.38	0.90	
Fidelity® 500 Index	Large Blend	8.77%	-3.27	13.07	21.61	10.14	9.90	11.90	0.02	Pass
S&P 500 TR USD*			-3.27	13.07	21.62	10.15	9.92	11.91		
Cat: Morningstar Large Blend			-3.23	9.90	19.11	9.30	8.58	10.41	0.79	
MFS Growth Equity Fund CL S	Large Growth	8.64%	-2.76	20.84	25.35	3.65	NA	NA	0.38	3 <sup>RD</sup> QUAR
Russell 1000 Growth TR USD*			-3.13	24.98	27.72	7.97	12.42	14.48		
Cat: Morningstar Large Growth			-3.59	19.80	23.43	4.27	9.05	11.62	0.96	
Victory Sycamore Established Value R6	Mid-Cap Value	2.15%	-4.06	-0.22	12.76	15.69	8.69	10.92	0.54	TOP DEC
Russell Mid Cap Value TR USD*			-4.46	0.54	11.05	10.98	5.18	7.92		
Cat: Morningstar Mid-Cap Value			-3.25	2.19	14.25	13.89	5.74	7.51	0.98	

\*Investment Policy Benchmark





# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Fidelity® Extended Market Index	Mid-Cap Blend	2.12%	-3.37	8.89	14.44	4.69	4.51	7.92	0.04	Pass
DJ US Completion Total Stock Mkt TR USD*			-3.38	8.76	14.28	4.58	4.40	7.79		
Cat: Morningstar Mid-Cap Blend			-3.89	4.04	14.02	9.74	5.67	8.01	0.92	
JPMorgan Mid Cap Growth R6	Mid-Cap Growth	1.92%	-5.36	8.96	15.55	2.11	8.80	11.11	0.70	TOP DEC
Russell Mid Cap Growth TR USD*			-5.22	9.88	17.47	2.61	6.97	9.94		
Cat: Morningstar Mid-Cap Growth			-5.32	8.01	13.25	1.64	5.79	8.98	1.08	
PIMCO RAE US Small Instl	Small Value	1.18%	2.69	7.86	23.74	24.27	8.51	NA	0.50	TOP DEC
Russell 2000 Value TR USD*			-2.96	-0.53	7.84	13.32	2.59	6.19		
Cat: Morningstar Small Value			-2.09	3.36	15.00	16.71	4.52	6.53	1.14	
Wasatch Core Growth Institutional	Small Growth	1.08%	-1.74	13.99	21.64	6.57	7.27	10.61	1.05	TOP DEC
Russell 2000 Growth TR USD*			-7.32	5.24	9.59	1.09	1.55	6.72		
Cat: Morningstar Small Growth			-6.52	4.67	9.12	2.22	3.75	7.77	1.17	
Fidelity® Total International Index	Foreign Large Blend	8.12%	-3.98	5.04	20.56	3.67	2.59	NA	0.06	Pass
MSCI ACWI Ex USA IMI NR USD*			-3.49	5.30	20.19	3.77	2.57	3.48		
Cat: Morningstar Foreign Large Blend			-4.48	5.96	22.90	4.34	2.82	3.61	0.92	
T. Rowe Price Overseas Stock I	Foreign Large Blend	8.27%	-4.60	6.02	23.76	5.53	3.23	4.18	0.67	2ND QUAR
MSCI ACWI Ex USA NR USD*			-3.77	5.34	20.39	3.74	2.58	3.35		
Cat: Morningstar Foreign Large Blend			-4.48	5.96	22.90	4.34	2.82	3.61	0.92	
JPMorgan Emerging Markets Equity R6	Diversified Emerging Mkts	5.54%	-7.02	-0.96	10.05	-6.92	2.05	3.26	0.79	2ND QUAR
MSCI EM NR USD*			-2.93	1.82	11.70	-1.73	0.55	2.07		
Cat: Morningstar Diversified Emerging Mkts			-2.96	3.97	13.93	-0.34	1.44	2.11	1.14	
Cohen & Steers Real Estate Securities Z	Real Estate	5.11%	-8.47	-3.17	0.66	3.93	4.21	7.72	0.75	TOP DEC
FTSE Nareit Equity REITs TR USD*			-7.13	-2.14	2.99	5.76	2.77	5.96		
Cat: Morningstar Real Estate			-7.45	-3.31	0.52	3.23	2.16	5.23	1.08	

\*Investment Policy Benchmark



# Watch List

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
PIMCO Long Duration Total Return Instl 18.60 <i>Long-Term Bond</i>	06/30/2023	09/30/2022	<p>Watch List (9/30/2023): Scott Mather, portfolio manager and tenured member of PIMCO, took an abrupt personal leave of absence in October 2022. It was shared the Mather would not be returning and retiring from the firm a couple months later in December of 2022. Mather was one of two successors to Bill Gross and a pivotal member of both the Total Return team and the firm. No details were provided on his departure. Mather's macro views were influential across the industry. For the PIMCO Low Duration fund, co portfolio manager Jerome Schneider remains on the strategy. In conjunction with Mather's leave of absence, they added Jelle Brons (Executive Vice President), Daniel Hyman (Managing Director), and Marc Seidner (CIO Non-traditional strategies) to the strategy. Collectively, they represent a very experienced four-person portfolio management team in the industry (~27 years of average manager experience). There have not been any changes to the strategy or team. The strategy's more conservative nature has lagged the peer group over the trailing 1-year in a challenging fixed income environment, however, more recent performance has been better. Given the experienced and stable team over the past year, deep analytical resources, and long-standing approach and track record, this strategy should be considered for removal on the watch list.</p> <p>While the investment will be removed from the watch list for qualitative reasons, the investment will remain on watch for receiving a failing SageView score.</p>	Continue On Watch
PIMCO Long-Term Credit Bond Instl 15.66 <i>Long-Term Bond</i>	06/30/2022	-	After receiving a failing Sageview score in Q2 and Q3, the investment received a passing SageView score for 4 consecutive quarters.	Remove From Watch
PIMCO Investment Grade Credit Bond Instl 4.30 <i>Corporate Bond</i>	03/31/2022	-	Investment will be replaced by PIMCO Moderate Duration to better align the duration of the bond portfolio with the liabilities.	Replace



# Watch List

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
MFS Growth Equity Fund CL S 8.64 Large Growth	09/30/2023	03/31/2023	Watch List (9/30/2023): On January 16th, portfolio manager Paul Gordon took an abrupt leave of absence from the MFS Growth fund. Paul has been a named portfolio manager since 2017. In early April, it was announced that Gordon is officially retiring from MFS due to health reasons. No other details were provided. Co-portfolio managers Eric Fischman and Bradford Mak remain on the fund. Fischman has been on the fund for more than twenty years while Bradford is a more recent addition. Aside from Gordon's departure, there has been no change to the investment philosophy or process. Given the nature of Gordon's departure, watch list is warranted.	Continue On Watch

# 2

## Defined Contribution Plans Update



# Asset Allocation by Fund

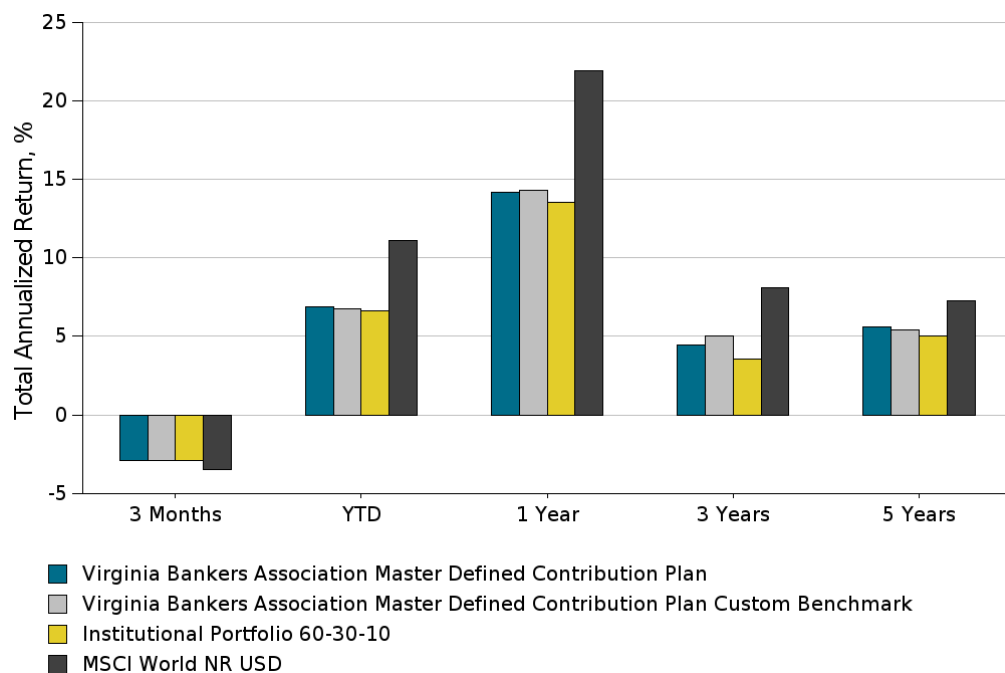
Fund	% of Plan Assets	Total Assets
Vanguard Target Retire 2030 Tr II	11.71%	\$43,490,386.93
Vanguard Target Retire 2025 Tr II	10.68%	\$39,674,865.78
Vanguard Target Retire 2035 Tr II	10.44%	\$38,776,528.00
Fidelity® 500 Index	8.03%	\$29,836,172.67
Goldman Sachs Stable Value Inst Cl S	7.92%	\$29,431,006.87
Vanguard Target Retire 2040 Tr II	6.49%	\$24,113,026.68
Vanguard Target Retire 2045 Tr II	6.12%	\$22,730,366.07
MFS Growth Equity Fund CL S	5.20%	\$19,327,741.15
Vanguard Target Retirement 2050 Trust II	4.66%	\$17,305,556.67
Vanguard Target Retirement Inc Trust II	3.41%	\$12,656,646.48
Vanguard Equity-Income Adm	3.21%	\$11,938,992.37
Vanguard Target Retirement 2055 Trust II	2.51%	\$9,331,628.12
Vanguard Target Retire 2020 Tr II	2.45%	\$9,111,305.97
Voya Intermediate Bond R6	1.82%	\$6,759,549.26
Fidelity® Extended Market Index	1.63%	\$6,050,063.01
JPMorgan Mid Cap Growth R6	1.57%	\$5,833,167.69
Wasatch Core Growth Institutional	1.44%	\$5,335,847.80
Fidelity® US Bond Index	1.42%	\$5,284,506.29
American Funds Europacific Growth R6	1.36%	\$5,065,006.50
Fidelity® Total International Index	1.25%	\$4,628,059.18
Victory Sycamore Established Value R6	1.12%	\$4,154,527.85
PIMCO RAE US Small Instl	1.03%	\$3,834,365.52
Vanguard Target Retire 2060 Tr II	1.00%	\$3,699,425.57
Vanguard Target Retirement 2070 Trust II	0.85%	\$3,152,373.28
Company Stock	0.78%	\$2,893,200.06
JPMorgan Emerging Markets Equity R6	0.70%	\$2,590,781.99
Cohen & Steers Real Estate Securities Z	0.55%	\$2,041,941.67
Vanguard Target Retirement 2065 Trust II	0.26%	\$979,452.04
PIMCO Real Return Instl	0.23%	\$836,244.09
Voya Government Money Market A	0.18%	\$683,092.57
<b>Total Market Value:</b>	<b>100.00%</b>	<b>\$371,545,828.13</b>



# Plan Performance vs Custom Benchmark

Performance As Of September 30, 2023	3 Month	YTD	1 Year	3 Year	5 Year	Std Dev 5 Yr	Prospectus Exp Ratio
Virginia Bankers Association Master Defined Contribution Plan	-2.89	6.86	14.19	4.48	5.61	13.84	0.16
Virginia Bankers Association Master Defined Contribution Plan Custom Benchmark	-2.94	6.79	14.29	5.05	5.42	13.83	NA
Virginia Bankers Association Master Defined Contribution Plan Custom Category Averages Benchmark	-3.21	5.85	13.05	4.10	4.70	14.47	0.74
Institutional Portfolio 60-30-10	-2.92	6.62	13.55	3.57	5.03	11.85	NA
MSCI World NR USD	-3.46	11.10	21.95	8.08	7.26	18.48	NA

<sup>1</sup>Industry Average Exp Ratio 0.89%. Based on plan assets \$50Mil+



Benchmark	Weight
S&P Target Date 2030 TR USD	11.71%
S&P Target Date 2025 TR USD	10.68%
S&P Target Date 2035 TR USD	10.44%
ICE BofA US 3M Trsy Bill TR USD	8.11%
S&P 500 TR USD	8.03%
S&P Target Date 2040 TR USD	6.49%
S&P Target Date 2045 TR USD	6.12%
Russell 1000 Growth TR USD	5.20%
S&P Target Date 2050 TR USD	4.66%
S&P Target Date Retirement Income TR USD	3.41%
Bloomberg US Agg Bond TR USD	3.24%
Russell 1000 Value TR USD	3.21%
S&P Target Date 2055 TR USD	2.51%
S&P Target Date 2020 TR USD	2.45%
DJ US Completion Total Stock Mkt TR USD	1.63%
Russell Mid Cap Growth TR USD	1.57%
Russell 2000 Growth TR USD	1.44%
MSCI ACWI Ex USA Growth NR USD	1.36%

<sup>1</sup>Industry Average Expense Ratio Source: 401(k) Averages Book, 20th Edition, published by HR Investment Consultants

The Institutional Portfolio 60-30-10 consists of 60% MSCI World NR USD, 30% Bloomberg US Agg Bond TR USD and 10% ICE BofA US 3M Trsy Bill TR USD



## Fund Score Summary

	# of Funds	Average SageView Score
Total Available Standalone Investments	29	18
Core Investments	17	18
Asset Allocation Investments	12	17





# Fund Score Summary

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
Voya Intermediate Bond R6	IIBZX	34%	47%	17%	37%	32%	15%	45%	11%	8%	13%
PIMCO Real Return Instl	PRRIX	29%	32%	42%	38%	30%	5%	66%	4%	49%	16%
Vanguard Equity-Income Adm	VEIRX	33%	39%	42%	35%	16%	70%	13%	17%	3%	10%
MFS Growth Equity Fund CL S	WAAAHX	58%	54%	19%	62%	93%	82%	54%	29%	5%	54%
Victory Sycamore Established Value R6	VEVRX	15%	21%	15%	11%	4%	23%	8%	2%	8%	2%
JPMorgan Mid Cap Growth R6	JMGMX	22%	37%	4%	41%	12%	14%	51%	1%	15%	2%
PIMCO RAE US Small Instl	PMJIX	4%	31%	83%	10%	4%	12%	64%	4%	6%	5%
Wasatch Core Growth Institutional	WIGRX	7%	37%	78%	13%	6%	35%	18%	45%	47%	9%
American Funds Europacific Growth R6	RERGX	38%	50%	7%	37%	41%	33%	51%	16%	6%	17%
JPMorgan Emerging Markets Equity R6	JEMWX	51%	46%	46%	91%	30%	4%	88%	16%	15%	45%
Cohen & Steers Real Estate Securities Z	CSZIX	21%	35%	38%	42%	15%	4%	33%	4%	19%	4%
Vanguard Target Retirement Inc Trust II	NA	38%	43%	27%	49%	24%	53%	28%	30%	7%	19%
Vanguard Target Retire 2020 Tr II	NA	35%	43%	35%	52%	31%	50%	39%	22%	7%	27%
Vanguard Target Retire 2025 Tr II	NA	22%	39%	38%	35%	23%	30%	44%	6%	5%	14%
Vanguard Target Retire 2030 Tr II	NA	26%	42%	51%	37%	27%	43%	34%	5%	6%	17%
Vanguard Target Retire 2035 Tr II	NA	36%	45%	47%	50%	29%	54%	19%	16%	6%	19%
Vanguard Target Retire 2040 Tr II	NA	40%	46%	31%	54%	32%	48%	28%	13%	6%	16%
Vanguard Target Retire 2045 Tr II	NA	32%	42%	34%	38%	25%	40%	32%	13%	6%	11%
Vanguard Target Retirement 2050 Trust II	NA	30%	44%	25%	37%	23%	52%	35%	14%	7%	12%
Vanguard Target Retirement 2055 Trust II	NA	36%	46%	36%	47%	25%	58%	31%	8%	6%	18%
Vanguard Target Retire 2060 Tr II	NA	36%	46%	28%	48%	27%	68%	30%	11%	7%	19%
Vanguard Target Retirement 2065 Trust II	NA	32%	44%	24%	36%	12%	65%	8%	39%	5%	11%
Vanguard Target Retirement 2070 Trust II	NA	NA	NA 22	NA	NA	NA	NA	NA	NA	NA	NA





# Index Fund Score Summary

Fund Name	Ticker	Expense Ratio	Tracking Error (3 Yrs)	RSquared (3 Yrs)	Beta (3 Yrs)	SageView Normalized Ranking
Fidelity® US Bond Index	FXNAX	11%	37%	41%	29%	15%
Fidelity® 500 Index	FXAIX	6%	5%	7%	57%	3%
Fidelity® Extended Market Index	FSMAX	13%	18%	15%	57%	10%
Fidelity® Total International Index	FTIHX	20%	24%	28%	15%	13%



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Voya Government Money Market A	Money Market-Taxable	0.18%	1.25	3.50	4.39	1.67	1.53	0.90	0.40	NA
ICE BofA US 3M Trsy Bill TR USD*			1.31	3.60	4.47	1.70	1.72	1.11		
Cat: Morningstar Money Market - Taxable			1.23	3.42	4.25	1.58	1.45	0.88	0.41	
Goldman Sachs Stable Value Inst Cl S	Stable Value	7.92%	0.65	1.88	2.44	1.75	1.97	1.72	0.28	See Attached
ICE BofA US 3M Trsy Bill TR USD*			1.31	3.60	4.47	1.70	1.72	1.11		
Cat: Morningstar US SA Stable Value			0.73	2.07	2.63	1.70	1.82	1.64	0.57	
Fidelity® US Bond Index	Intermediate Core Bond	1.42%	-3.15	-1.02	0.65	-5.21	0.11	1.10	0.03	Pass
Bloomberg US Agg Bond TR USD*			-3.23	-1.21	0.64	-5.21	0.10	1.13		
Cat: Morningstar Intermediate Core Bond			-2.97	-0.87	0.77	-5.02	-0.01	1.00	0.58	
Voya Intermediate Bond R6	Intermediate Core-Plus Bond	1.82%	-2.66	-0.05	1.60	-4.72	0.46	1.80	0.30	TOP QUAR
Bloomberg US Agg Bond TR USD*			-3.23	-1.21	0.64	-5.21	0.10	1.13		
Cat: Morningstar Intermediate Core-Plus Bond			-2.85	-0.51	1.28	-4.48	0.26	1.35	0.74	
PIMCO Real Return Instl	Inflation-Protected Bond	0.23%	-2.32	-0.79	1.89	-1.94	2.17	1.71	0.67	TOP QUAR
Bloomberg US Treasury US TIPS TR USD*			-2.60	-0.78	1.25	-1.98	2.12	1.74		
Cat: Morningstar Inflation-Protected Bond			-1.30	-0.12	1.97	-1.55	1.83	1.33	0.61	
Vanguard Equity-Income Adm	Large Value	3.21%	-2.00	-1.12	12.64	12.02	7.80	9.70	0.19	TOP DEC
Russell 1000 Value TR USD*			-3.16	1.79	14.44	11.05	6.23	8.45		
Cat: Morningstar Large Value			-2.53	1.78	14.86	11.82	6.44	8.38	0.90	
Fidelity® 500 Index	Large Blend	8.03%	-3.27	13.07	21.61	10.14	9.90	11.90	0.02	Pass
S&P 500 TR USD*			-3.27	13.07	21.62	10.15	9.92	11.91		
Cat: Morningstar Large Blend			-3.23	9.90	19.11	9.30	8.58	10.41	0.79	
MFS Growth Equity Fund CL S	Large Growth	5.20%	-2.76	20.84	25.35	3.65	NA	NA	0.38	3RD QUAR
Russell 1000 Growth TR USD*			-3.13	24.98	27.72	7.97	12.42	14.48		
Cat: Morningstar Large Growth			-3.59	19.80	23.43	4.27	9.05	11.62	0.96	

\*Investment Policy Benchmark



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Victory Sycamore Established Value R6	Mid-Cap Value	1.12%	-4.06	-0.22	12.76	15.69	8.69	10.92	0.54	TOP DEC
Russell Mid Cap Value TR USD*			-4.46	0.54	11.05	10.98	5.18	7.92		
Cat: Morningstar Mid-Cap Value			-3.25	2.19	14.25	13.89	5.74	7.51	0.98	
Fidelity® Extended Market Index	Mid-Cap Blend	1.63%	-3.37	8.89	14.44	4.69	4.51	7.92	0.04	Pass
DJ US Completion Total Stock Mkt TR USD*			-3.38	8.76	14.28	4.58	4.40	7.79		
Cat: Morningstar Mid-Cap Blend			-3.89	4.04	14.02	9.74	5.67	8.01	0.92	
JPMorgan Mid Cap Growth R6	Mid-Cap Growth	1.57%	-5.36	8.96	15.55	2.11	8.80	11.11	0.70	TOP DEC
Russell Mid Cap Growth TR USD*			-5.22	9.88	17.47	2.61	6.97	9.94		
Cat: Morningstar Mid-Cap Growth			-5.32	8.01	13.25	1.64	5.79	8.98	1.08	
PIMCO RAE US Small Instl	Small Value	1.03%	2.69	7.86	23.74	24.27	8.51	NA	0.50	TOP DEC
Russell 2000 Value TR USD*			-2.96	-0.53	7.84	13.32	2.59	6.19		
Cat: Morningstar Small Value			-2.09	3.36	15.00	16.71	4.52	6.53	1.14	
Wasatch Core Growth Institutional	Small Growth	1.44%	-1.74	13.99	21.64	6.57	7.27	10.61	1.05	TOP DEC
Russell 2000 Growth TR USD*			-7.32	5.24	9.59	1.09	1.55	6.72		
Cat: Morningstar Small Growth			-6.52	4.67	9.12	2.22	3.75	7.77	1.17	
Fidelity® Total International Index	Foreign Large Blend	1.25%	-3.98	5.04	20.56	3.67	2.59	NA	0.06	Pass
MSCI ACWI Ex USA IMI NR USD*			-3.49	5.30	20.19	3.77	2.57	3.48		
Cat: Morningstar Foreign Large Blend			-4.48	5.96	22.90	4.34	2.82	3.61	0.92	
American Funds Europacific Growth R6	Foreign Large Growth	1.36%	-6.33	5.15	19.64	0.08	3.11	4.64	0.47	TOP QUAR
MSCI ACWI Ex USA Growth NR USD*			-7.31	2.61	15.84	-1.86	2.54	3.92		
Cat: Morningstar Foreign Large Growth			-7.81	3.66	18.15	-1.45	2.86	4.39	1.04	
JPMorgan Emerging Markets Equity R6	Diversified Emerging Mkts	0.70%	-7.02	-0.96	10.05	-6.92	2.05	3.26	0.79	2 <sup>ND</sup> QUAR
MSCI EM NR USD*			-2.93	1.82	11.70	-1.73	0.55	2.07		
Cat: Morningstar Diversified Emerging Mkts			-2.96	3.97	13.93	-0.34	1.44	2.11	1.14	

\*Investment Policy Benchmark



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Cohen & Steers Real Estate Securities Z	Real Estate	0.55%	-8.47	-3.17	0.66	3.93	4.21	7.72	0.75	TOP DEC
FTSE Nareit Equity REITs TR USD*			-7.13	-2.14	2.99	5.76	2.77	5.96		
Cat: Morningstar Real Estate			-7.45	-3.31	0.52	3.23	2.16	5.23	1.08	
Vanguard Target Retirement Inc Trust II	Target-Date Retirement	3.41%	-2.41	3.15	7.05	-0.12	2.72	3.64	0.08	TOP QUAR
S&P Target Date Retirement Income TR USD*			-2.61	2.75	7.38	0.22	2.59	3.48		
Cat: Morningstar Target-Date Retirement			-2.62	2.56	6.81	-0.15	2.31	3.18	0.66	
Vanguard Target Retire 2020 Tr II	Target-Date 2020	2.45%	-2.63	4.19	9.39	1.46	3.62	5.30	0.08	2ND QUAR
S&P Target Date 2020 TR USD*			-2.73	3.96	9.96	1.91	3.44	4.95		
Cat: Morningstar Target-Date 2020			-2.99	3.48	9.05	1.35	3.23	4.74	0.61	
Vanguard Target Retire 2025 Tr II	Target-Date 2025	10.68%	-2.99	5.20	11.57	2.26	4.14	5.88	0.08	TOP QUAR
S&P Target Date 2025 TR USD*			-2.80	4.35	10.97	3.03	4.02	5.56		
Cat: Morningstar Target-Date 2025			-3.25	3.83	9.84	1.76	3.50	5.09	0.66	
Vanguard Target Retire 2030 Tr II	Target-Date 2030	11.71%	-3.24	5.93	13.12	3.05	4.55	6.36	0.08	TOP QUAR
S&P Target Date 2030 TR USD*			-2.98	5.30	12.96	4.08	4.51	6.14		
Cat: Morningstar Target-Date 2030			-3.42	4.68	11.52	2.73	4.10	5.74	0.67	
Vanguard Target Retire 2035 Tr II	Target-Date 2035	10.44%	-3.30	6.65	14.65	3.98	5.01	6.88	0.08	TOP QUAR
S&P Target Date 2035 TR USD*			-3.14	6.34	15.18	5.24	5.07	6.72		
Cat: Morningstar Target-Date 2035			-3.61	5.72	13.68	3.90	4.68	6.33	0.68	
Vanguard Target Retire 2040 Tr II	Target-Date 2040	6.49%	-3.36	7.39	16.18	4.87	5.45	7.34	0.08	TOP QUAR
S&P Target Date 2040 TR USD*			-3.23	7.23	17.06	6.16	5.53	7.15		
Cat: Morningstar Target-Date 2040			-3.59	6.59	15.44	4.83	5.16	6.78	0.70	
Vanguard Target Retire 2045 Tr II	Target-Date 2045	6.12%	-3.42	8.11	17.73	5.79	5.93	7.67	0.08	TOP QUAR
S&P Target Date 2045 TR USD*			-3.33	7.79	18.32	6.72	5.81	7.41		
Cat: Morningstar Target-Date 2045			-3.71	7.36	16.84	5.56	5.52	7.05	0.70	

\*Investment Policy Benchmark



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Vanguard Target Retirement 2050 Trust II	Target-Date 2050	4.66%	-3.48	8.50	18.52	5.98	6.05	7.74	0.08	TOP QUAR
S&P Target Date 2050 TR USD*			-3.36	8.03	18.84	7.01	5.93	7.60		
Cat: Morningstar Target-Date 2050			-3.75	7.67	17.47	5.80	5.61	7.15	0.71	
Vanguard Target Retirement 2055 Trust II	Target-Date 2055	2.51%	-3.48	8.50	18.52	5.98	6.05	7.72	0.08	TOP QUAR
S&P Target Date 2055 TR USD*			-3.36	8.04	18.97	7.12	5.98	7.68		
Cat: Morningstar Target-Date 2055			-3.80	7.78	17.68	5.91	5.67	7.20	0.70	
Vanguard Target Retire 2060 Tr II	Target-Date 2060	1.00%	-3.48	8.51	18.54	5.99	6.07	7.74	0.08	TOP QUAR
S&P Target Date 2060+ TR USD*			-3.37	8.14	19.09	7.10	6.00	7.74		
Cat: Morningstar Target-Date 2060			-3.78	7.86	17.84	6.04	5.72	6.87	0.71	
Vanguard Target Retirement 2065 Trust II	Target-Date 2065+	0.26%	-3.49	8.49	18.51	5.97	6.08	NA	0.08	TOP QUAR
S&P Target Date 2065+ TR USD*			-3.37	8.16	19.00	7.16	6.04			
Cat: Morningstar Target-Date 2065+			-3.77	8.21	18.36	6.13	5.79	NA	0.70	
Vanguard Target Retirement 2070 Trust II	Target-Date 2065+	0.85%	-3.46	8.51	18.60	NA	NA	NA	0.08	NA
S&P Target Date 2065+ TR USD*			-3.37	8.16	19.00	7.16	6.04			
Cat: Morningstar Target-Date 2065+			-3.77	8.21	18.36	6.13	5.79	NA	0.70	

\*Investment Policy Benchmark



# Watch List

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
MFS Growth Equity Fund CL S 5.20 Large Growth	09/30/2023	03/31/2023	Watch List (9/30/2023): On January 16th, portfolio manager Paul Gordon took an abrupt leave of absence from the MFS Growth fund. Paul has been a named portfolio manager since 2017. In early April, it was announced that Gordon is officially retiring from MFS due to health reasons. No other details were provided. Co-portfolio managers Eric Fischman and Bradford Mak remain on the fund. Fischman has been on the fund for more than twenty years while Bradford is a more recent addition. Aside from Gordon's departure, there has been no change to the investment philosophy or process. Given the nature of Gordon's departure, watch list is warranted.	Continue On Watch

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## Non-Qualified Plans Update





## Asset Allocation by Fund

Fund	% of Plan Assets	Total Assets
Company Stock	41.02%	\$30,114,382.64
Vanguard LifeStrategy Growth Inv	22.06%	\$16,193,302.62
Vanguard Federal Money Market Investor	5.96%	\$4,376,121.94
Vanguard LifeStrategy Moderate Gr Inv	5.47%	\$4,019,466.15
Fidelity® 500 Index	4.52%	\$3,320,381.38
MFS Growth R6	3.21%	\$2,354,740.93
Vanguard Equity-Income Adm	2.94%	\$2,155,268.35
Vanguard LifeStrategy Cnsvr Gr Inv	2.63%	\$1,931,065.83
Vanguard LifeStrategy Income Inv	2.48%	\$1,817,917.06
Fidelity® US Bond Index	2.46%	\$1,806,015.87
Wasatch Core Growth Institutional	1.17%	\$858,888.58
American Funds Europacific Growth R6	1.13%	\$827,895.75
JPMorgan Mid Cap Growth R6	1.01%	\$739,987.05
Cohen & Steers Real Estate Securities Z	0.97%	\$711,852.05
PIMCO RAE US Small Instl	0.81%	\$593,452.71
Victory Sycamore Established Value R6	0.73%	\$534,523.96
JPMorgan Emerging Markets Equity R6	0.56%	\$408,551.05
Voya Intermediate Bond R6	0.51%	\$376,251.33
Fidelity® Extended Market Index	0.21%	\$155,837.22
Fidelity® Total International Index	0.16%	\$119,373.93
<b>Total Market Value:</b>	<b>100.00%</b>	<b>\$73,415,276.40</b>

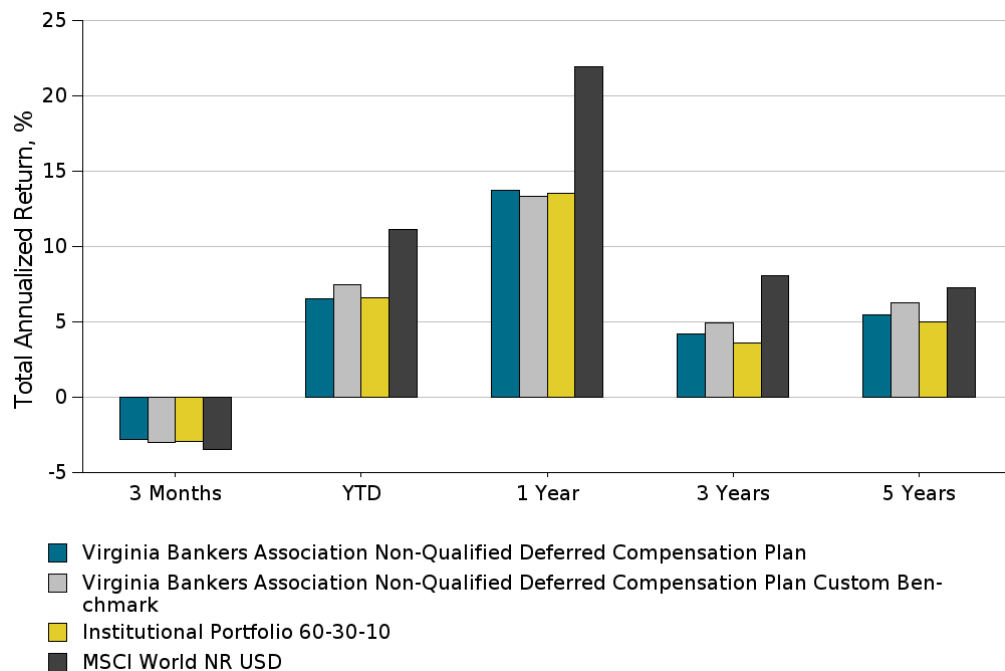




# Plan Performance vs Custom Benchmark

Performance As Of September 30, 2023	3 Month	YTD	1 Year	3 Year	5 Year	Std Dev 5 Yr	Prospectus Exp Ratio
Virginia Bankers Association Non-Qualified Deferred Compensation Plan	-2.83	6.54	13.72	4.20	5.47	13.19	0.20
Virginia Bankers Association Non-Qualified Deferred Compensation Plan Custom Benchmark	-3.04	7.45	13.31	4.90	6.29	13.59	NA
Virginia Bankers Association Non-Qualified Deferred Compensation Plan Custom Category Averages Benchmark	-2.82	5.19	11.81	4.37	4.37	14.28	0.90
Institutional Portfolio 60-30-10	-2.92	6.62	13.55	3.57	5.03	11.85	NA
MSCI World NR USD	-3.46	11.10	21.95	8.08	7.26	18.48	NA

<sup>1</sup>Industry Average Exp Ratio 0.89%. Based on plan assets \$50Mil+



Benchmark	Weight
Blend (78% Russell 3000 _22% Bar US Agg Bd)	22.06%
ICE BofA US 3M Trsy Bill TR USD	5.96%
Blend (60% Russell 3000 _40% Bar US Agg Bd)	5.47%
S&P 500 TR USD	4.52%
Russell 1000 Growth TR USD	3.21%
Bloomberg US Agg Bond TR USD	2.97%
Russell 1000 Value TR USD	2.94%
Blend (40% Russell 3000 _60% Bar US Agg Bd)	2.63%
Blend (23% Russell 3000 _77% Bar US Agg Bd)	2.48%
Russell 2000 Growth TR USD	1.17%
MSCI ACWI Ex USA Growth NR USD	1.13%
Russell Mid Cap Growth TR USD	1.01%
FTSE Nareit Equity REITs TR USD	0.97%
Russell 2000 Value TR USD	0.81%
Russell Mid Cap Value TR USD	0.73%
MSCI EM NR USD	0.56%
DJ US Completion Total Stock Mkt TR USD	0.21%
MSCI ACWI Ex USA IMI NR USD	0.16%

<sup>1</sup>Industry Average Expense Ratio Source: 401(k) Averages Book, 20th Edition, published by HR Investment Consultants

The Institutional Portfolio 60-30-10 consists of 60% MSCI World NR USD, 30% Bloomberg US Agg Bond TR USD and 10% ICE BofA US 3M Trsy Bill TR USD



## Fund Score Summary

	# of Funds	Average SageView Score
Total Available Standalone Investments	19	17
Core Investments	15	12
Asset Allocation Investments	4	38



# Fund Score Summary

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
Voya Intermediate Bond R6	IIBZX	34%	47%	17%	37%	32%	15%	45%	11%	8%	13%
Vanguard Equity-Income Adm	VEIRX	33%	39%	42%	35%	16%	70%	13%	17%	3%	10%
MFS Growth R6	MFEKX	44%	50%	21%	63%	34%	55%	31%	17%	12%	23%
Victory Sycamore Established Value R6	VEVRX	15%	21%	15%	11%	4%	23%	8%	2%	8%	2%
JPMorgan Mid Cap Growth R6	JMGMX	22%	37%	4%	41%	12%	14%	51%	1%	15%	2%
PIMCO RAE US Small Instl	PMJIX	4%	31%	83%	10%	4%	12%	64%	4%	6%	5%
Wasatch Core Growth Institutional	WIGRX	7%	37%	78%	13%	6%	35%	18%	45%	47%	9%
American Funds Europacific Growth R6	RERGX	38%	50%	7%	37%	41%	33%	51%	16%	6%	17%
JPMorgan Emerging Markets Equity R6	JEMWX	51%	46%	46%	91%	30%	4%	88%	16%	15%	45%
Cohen & Steers Real Estate Securities Z	CSZIX	21%	35%	38%	42%	15%	4%	33%	4%	19%	4%
Vanguard LifeStrategy Income Inv	VASIX	65%	55%	6%	91%	59%	60%	29%	77%	2%	57%
Vanguard LifeStrategy Cnsv Gr Inv	VSCGX	49%	51%	5%	83%	43%	55%	24%	54%	2%	35%
Vanguard LifeStrategy Moderate Gr Inv	VSMGX	56%	56%	27%	78%	53%	72%	25%	44%	2%	43%
Vanguard LifeStrategy Growth Inv	VASGX	35%	45%	32%	59%	36%	33%	45%	2%	2%	17%

Fund Name	Ticker	Expense Ratio	Tracking Error (3 Yrs)	RSquared (3 Yrs)	Beta (3 Yrs)	SageView Normalized Ranking
Fidelity® US Bond Index	FXNAX	11%	37%	41%	29%	15%
Fidelity® 500 Index	FXAIX	6%	5%	7%	57%	3%
Fidelity® Extended Market Index	FSMAX	13%	18%	15%	57%	10%
Fidelity® Total International Index	FTIHX	20%	24%	28%	15%	13%



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Vanguard Federal Money Market Investor	Money Market-Taxable	5.96%	1.32	3.70	4.61	1.75	1.67	1.07	0.11	NA
ICE BofA US 3M Trsy Bill TR USD*			1.31	3.60	4.47	1.70	1.72	1.11		
Cat: Morningstar Money Market - Taxable			1.23	3.42	4.25	1.58	1.45	0.88	0.41	
Fidelity® US Bond Index	Intermediate Core Bond	2.46%	-3.15	-1.02	0.65	-5.21	0.11	1.10	0.03	Pass
Bloomberg US Agg Bond TR USD*			-3.23	-1.21	0.64	-5.21	0.10	1.13		
Cat: Morningstar Intermediate Core Bond			-2.97	-0.87	0.77	-5.02	-0.01	1.00	0.58	
Voya Intermediate Bond R6	Intermediate Core-Plus Bond	0.51%	-2.66	-0.05	1.60	-4.72	0.46	1.80	0.30	TOP QUAR
Bloomberg US Agg Bond TR USD*			-3.23	-1.21	0.64	-5.21	0.10	1.13		
Cat: Morningstar Intermediate Core-Plus Bond			-2.85	-0.51	1.28	-4.48	0.26	1.35	0.74	
Vanguard Equity-Income Adm	Large Value	2.94%	-2.00	-1.12	12.64	12.02	7.80	9.70	0.19	TOP DEC
Russell 1000 Value TR USD*			-3.16	1.79	14.44	11.05	6.23	8.45		
Cat: Morningstar Large Value			-2.53	1.78	14.86	11.82	6.44	8.38	0.90	
Fidelity® 500 Index	Large Blend	4.52%	-3.27	13.07	21.61	10.14	9.90	11.90	0.02	Pass
S&P 500 TR USD*			-3.27	13.07	21.62	10.15	9.92	11.91		
Cat: Morningstar Large Blend			-3.23	9.90	19.11	9.30	8.58	10.41	0.79	
MFS Growth R6	Large Growth	3.21%	-2.82	20.73	25.32	3.59	9.63	12.84	0.50	TOP QUAR
Russell 1000 Growth TR USD*			-3.13	24.98	27.72	7.97	12.42	14.48		
Cat: Morningstar Large Growth			-3.59	19.80	23.43	4.27	9.05	11.62	0.96	
Victory Sycamore Established Value R6	Mid-Cap Value	0.73%	-4.06	-0.22	12.76	15.69	8.69	10.92	0.54	TOP DEC
Russell Mid Cap Value TR USD*			-4.46	0.54	11.05	10.98	5.18	7.92		
Cat: Morningstar Mid-Cap Value			-3.25	2.19	14.25	13.89	5.74	7.51	0.98	
Fidelity® Extended Market Index	Mid-Cap Blend	0.21%	-3.37	8.89	14.44	4.69	4.51	7.92	0.04	Pass
DJ US Completion Total Stock Mkt TR USD*			-3.38	8.76	14.28	4.58	4.40	7.79		
Cat: Morningstar Mid-Cap Blend			-3.89	4.04	14.02	9.74	5.67	8.01	0.92	

\*Investment Policy Benchmark



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
JPMorgan Mid Cap Growth R6	Mid-Cap Growth	1.01%	-5.36	8.96	15.55	2.11	8.80	11.11	0.70	TOP DEC
Russell Mid Cap Growth TR USD*			-5.22	9.88	17.47	2.61	6.97	9.94		
Cat: Morningstar Mid-Cap Growth			-5.32	8.01	13.25	1.64	5.79	8.98	1.08	
PIMCO RAE US Small Instl	Small Value	0.81%	2.69	7.86	23.74	24.27	8.51	NA	0.50	TOP DEC
Russell 2000 Value TR USD*			-2.96	-0.53	7.84	13.32	2.59	6.19		
Cat: Morningstar Small Value			-2.09	3.36	15.00	16.71	4.52	6.53	1.14	
Wasatch Core Growth Institutional	Small Growth	1.17%	-1.74	13.99	21.64	6.57	7.27	10.61	1.05	TOP DEC
Russell 2000 Growth TR USD*			-7.32	5.24	9.59	1.09	1.55	6.72		
Cat: Morningstar Small Growth			-6.52	4.67	9.12	2.22	3.75	7.77	1.17	
Fidelity® Total International Index	Foreign Large Blend	0.16%	-3.98	5.04	20.56	3.67	2.59	NA	0.06	Pass
MSCI ACWI Ex USA IMI NR USD*			-3.49	5.30	20.19	3.77	2.57	3.48		
Cat: Morningstar Foreign Large Blend			-4.48	5.96	22.90	4.34	2.82	3.61	0.92	
American Funds Europacific Growth R6	Foreign Large Growth	1.13%	-6.33	5.15	19.64	0.08	3.11	4.64	0.47	TOP QUAR
MSCI ACWI Ex USA Growth NR USD*			-7.31	2.61	15.84	-1.86	2.54	3.92		
Cat: Morningstar Foreign Large Growth			-7.81	3.66	18.15	-1.45	2.86	4.39	1.04	
JPMorgan Emerging Markets Equity R6	Diversified Emerging Mkts	0.56%	-7.02	-0.96	10.05	-6.92	2.05	3.26	0.79	2ND QUAR
MSCI EM NR USD*			-2.93	1.82	11.70	-1.73	0.55	2.07		
Cat: Morningstar Diversified Emerging Mkts			-2.96	3.97	13.93	-0.34	1.44	2.11	1.14	
Cohen & Steers Real Estate Securities Z	Real Estate	0.97%	-8.47	-3.17	0.66	3.93	4.21	7.72	0.75	TOP DEC
FTSE Nareit Equity REITs TR USD*			-7.13	-2.14	2.99	5.76	2.77	5.96		
Cat: Morningstar Real Estate			-7.45	-3.31	0.52	3.23	2.16	5.23	1.08	
Vanguard LifeStrategy Income Inv	Conservative Allocation	2.48%	-2.80	1.84	4.72	-2.53	1.50	2.76	0.11	3RD QUAR
Blend (23% Russell 3000 _77% Bar US Agg Bd)*			-3.22	1.84	5.08	-1.83	2.41	3.58		
Cat: Morningstar Conservative Allocation			-2.05	1.22	4.58	-0.74	1.41	2.51	1.01	

\*Investment Policy Benchmark



# Fund Performance Summary

Fund Benchmark Category	Asset Class	(%) of Plan	3 Month	YTD	1 Year	3 Years Annualized	5 Years Annualized	10 Years Annualized	Expense Ratio	SageView Ranking
Vanguard LifeStrategy Cnsvr Gr Inv	Moderately Conservative Allocation	2.63%	-2.99	3.73	8.53	-0.12	2.89	4.25	0.12	2 <sup>ND</sup> QUAR
Blend (40% Russell 3000 _60% Bar US Agg Bd)*			-3.22	4.13	8.41	0.66	4.04	5.35		
Cat: Morningstar Moderately Conservative Allocation			-2.67	2.50	7.25	1.00	2.60	3.71	0.94	
Vanguard LifeStrategy Moderate Gr Inv	Moderate Allocation	5.47%	-3.21	5.56	12.37	2.25	4.15	5.66	0.13	2 <sup>ND</sup> QUAR
Blend (60% Russell 3000 _40% Bar US Agg Bd)*			-3.22	6.85	12.38	3.58	5.85	7.39		
Cat: Morningstar Moderate Allocation			-2.67	4.55	10.53	3.65	4.41	5.74	1.04	
Vanguard LifeStrategy Growth Inv	Moderately Aggressive Allocation	22.06%	-3.40	7.42	16.25	4.63	5.36	7.00	0.14	TOP QUAR
Blend (78% Russell 3000 _22% Bar US Agg Bd)*			-3.23	9.32	15.99	6.20	7.39	9.17		
Cat: Morningstar Moderately Aggressive Allocation			-3.09	5.32	13.30	5.42	4.63	6.21	0.99	

\*Investment Policy Benchmark



# Watch List

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
MFS Growth R6 3.21 <i>Large Growth</i>	-	03/31/2023	Watch List (9/30/2023): On January 16th, portfolio manager Paul Gordon took an abrupt leave of absence from the MFS Growth fund. Paul has been a named portfolio manager since 2017. In early April, it was announced that Gordon is officially retiring from MFS due to health reasons. No other details were provided. Co-portfolio managers Eric Fischman and Bradford Mak remain on the fund. Fischman has been on the fund for more than twenty years while Bradford is a more recent addition. Aside from Gordon's departure, there has been no change to the investment philosophy or process. Given the nature of Gordon's departure, watch list is warranted.	Continue On Watch
Vanguard LifeStrategy Income Inv 2.48 <i>Conservative Allocation</i>	12/31/2022	-	After outperforming its category peers in 2018 - 2020 the investment significantly underperformed in 2021 and 2022. The funds in the lineup (Vanguard LifeStrategy Income VASIX, Vanguard LifeStrategy Conservative Growth VSCGX, Vanguard LifeStrategy Moderate Growth VSMGX, and Vanguard LifeStrategy Growth VASGX) target static equity exposures of 20%, 40%, 60%, and 80%, respectively. However, the LifeStrategy fixed-income portfolio has an effective duration of 6.5 years, while the allocation category averages land between 4.1 and 5.6 years, which translates to greater sensitivity to interest rate changes for this series. While duration has historically been a hedge against equity selloffs, interest rates rose while the market fell in 2022, causing this series to underperform. All four funds fell in the bottom two quintiles of their respective categories in 2022.	Continue On Watch



# Watch List

Fund Name/% of Plan Assets/Category	Quantitative Watch List Date (Plan level)	Qualitative Watch List Date (Global level)	Watch List Comments	Recommendation
Vanguard LifeStrategy Moderate Gr Inv 5.47 <i>Moderate Allocation</i>	12/31/2022	-	After outperforming its category peers in 2018 - 2020 the investment significantly underperformed in 2021 and 2022. The funds in the lineup (Vanguard LifeStrategy Income VASIX, Vanguard LifeStrategy Conservative Growth VSCGX, Vanguard LifeStrategy Moderate Growth VSMGX, and Vanguard LifeStrategy Growth VASGX) target static equity exposures of 20%, 40%, 60%, and 80%, respectively. However, the LifeStrategy fixed-income portfolio has an effective duration of 6.5 years, while the allocation category averages land between 4.1 and 5.6 years, which translates to greater sensitivity to interest rate changes for this series. While duration has historically been a hedge against equity selloffs, interest rates rose while the market fell in 2022, causing this series to underperform. All four funds fell in the bottom two quintiles of their respective categories in 2022.	Continue On Watch





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# VEBA Update

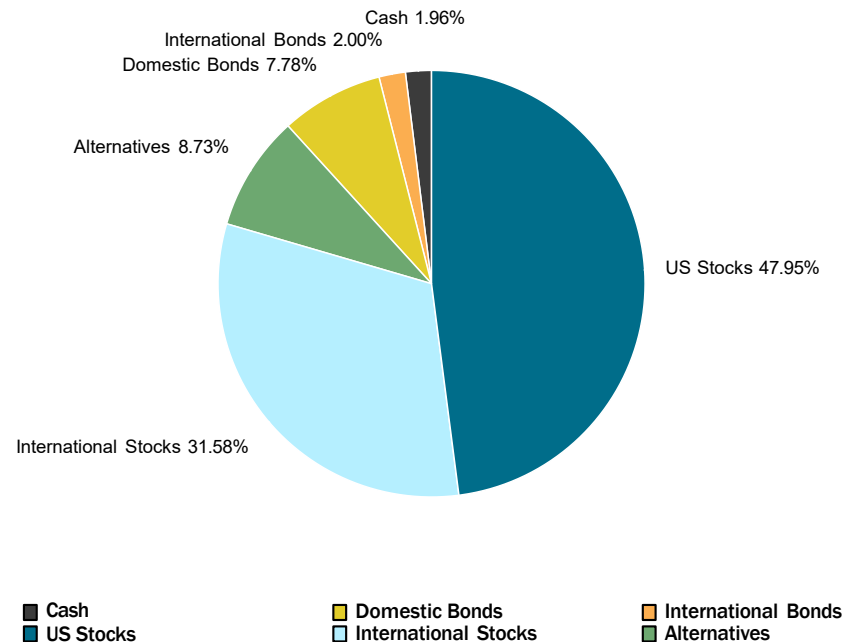
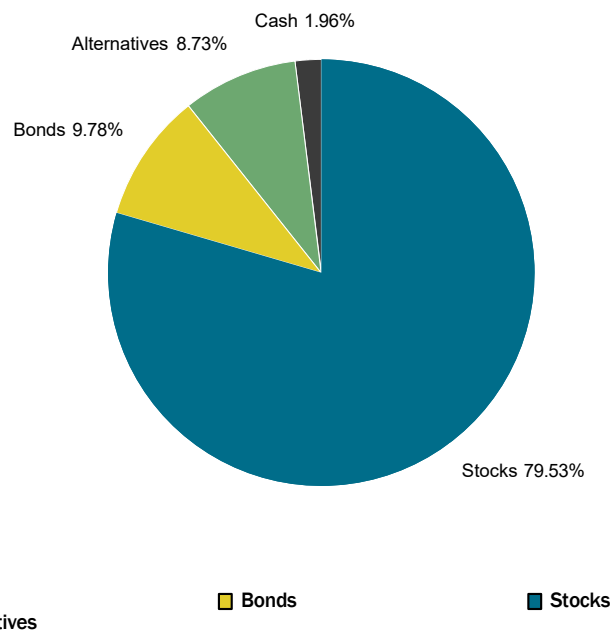


# Asset Allocation

Fund	% of Plan Assets	Total Assets
Vanguard Russell 1000 Growth ETF	16.82%	\$1,295,528.01
Vanguard Russell 1000 Value ETF	16.81%	\$1,295,461.12
Fidelity® International Small Cap	9.61%	\$740,042.67
PGIM Global Real Estate Z	8.73%	\$672,517.64
Schwab Emerging Markets Equity ETF™	7.95%	\$612,864.43
American Century Small Cap Value I	7.24%	\$557,736.39
JPMorgan Mid Cap Growth I	7.08%	\$545,243.89
Schwab International Equity ETF™	7.04%	\$542,678.34
ClearBridge International Growth I	6.97%	\$537,245.98
Loomis Sayles Core Plus Bond Y	3.71%	\$285,777.04
iShares Core US Aggregate Bond ETF	3.68%	\$283,379.74
Schwab US Treasury Money Ultra	1.77%	\$136,594.19
iShares Core International Aggt Bd ETF	1.47%	\$112,888.78
MFS Emerging Markets Debt I	0.53%	\$41,176.69
BlackRock High Yield Bond Instl	0.40%	\$30,470.69
Cash	0.19%	\$14,638.22
<b>Total Market Value:</b>	<b>100.00%</b>	<b>\$7,704,243.82</b>



# Portfolio Composition





## Trailing Performance

Category	Last Quarter End Value	Q3 2023 Return	Year to Date Net Return
Stocks	\$6,799,318	-4.13%	4.26%
Bonds	\$753,693	-2.87%	-0.56%
Money Market	\$14,638	-%	-%
Total	*\$7,567,650	-3.97%	2.79%

\* Does not include balance invested in the Schwab Money market as it is not billed as part of the account



## Fund Score Summary

	# of Funds	Average SageView Score
Total Available Standalone Investments	15	16
Core Investments	15	16
Asset Allocation Investments	0	NA



# Fund Score Summary

Fund Name	Ticker	Total Return Composite Ranking	Rolling 12 Mo Perf. (5 Yrs.)	RSquared (3 Yrs)	Modified Sharpe Ratio (36 Mos.)	Alpha (60 Mos.)	Up Capture Ratio (10 Yrs.)	Down Capture Ratio (10 Yrs.)	Batting Average (10 Yrs.)	Expense Ratio	SageView Normalized Ranking
Loomis Sayles Core Plus Bond Y	NERYX	32%	36%	37%	52%	26%	14%	47%	55%	34%	30%
BlackRock High Yield Bond Instl	BHYIX	22%	33%	2%	32%	24%	14%	43%	2%	21%	3%
MFS Emerging Markets Debt I	MEDIX	45%	42%	24%	56%	41%	69%	18%	30%	36%	28%
JPMorgan Mid Cap Growth I	HLGEX	24%	39%	5%	43%	14%	15%	56%	3%	39%	5%
American Century Small Cap Value I	ACVIX	26%	37%	40%	53%	12%	18%	55%	17%	28%	16%
ClearBridge International Growth I	LMGNX	36%	44%	57%	54%	33%	16%	25%	2%	29%	20%
Fidelity® International Small Cap	FISMX	7%	33%	68%	7%	8%	95%	3%	28%	42%	8%
PGIM Global Real Estate Z	PURZX	41%	48%	55%	59%	39%	29%	67%	12%	28%	43%

Fund Name	Ticker	Expense Ratio	Tracking Error (3 Yrs)	RSquared (3 Yrs)	Beta (3 Yrs)	SageView Normalized Ranking
iShares Core US Aggregate Bond ETF	AGG	13%	21%	23%	27%	6%
iShares Core International Aggt Bd ETF	IAGG	NA	NA	NA	NA	NA
Vanguard Russell 1000 Value ETF	VONV	21%	13%	16%	69%	18%
Vanguard Russell 1000 Growth ETF	VONG	18%	16%	15%	45%	17%
Schwab International Equity ETF™	SCHF	20%	2%	2%	9%	7%
Schwab Emerging Markets Equity ETF™	SCHE	16%	1%	1%	39%	2%



5

# Cost Benchmarking



# Cost Benchmarking

	Size	Voya Expense	SageView/VBA Expense	Weighted Investment Expense*	Total Expense	Industry Average Expense
Bank #1	Approx \$34M 333 Participants	0.10%	0.24%	0.16%	0.50%	0.81%
Bank #2	Approx \$8.8M 149 Participants	0.18%	0.24%	0.16%	0.58%	1.03%
Bank #3	Approx \$1.8M 28 Participants	0.36%	0.24%	0.16%	0.76%	1.46%

Bank 1 Benchmark: Industry average statistics are based on plans with average assets of \$50,000,000, average participant count of 500, \$100,00 average account balance. The source of all benchmarking data is most recent 401(k) Averages Book.

Bank 2 Benchmark: Industry average statistics are based on plans with average assets of \$10,000,000, average participant count of 200, \$50,000 average account balance. The source of all benchmarking data is most recent 401(k) Averages Book.

Bank 3 Benchmark: Industry average statistics are based on plans with average assets of \$1,250,000, average participant count of 25, \$50,000 average account balance. The source of all benchmarking data is most recent 401(k) Averages Book.

\* Weighted investment expense is for the entire Master Trust and not for the individual plan.

No representations or warranties are being made as to the tax effect, performance, past or future, or financial impact of this summary. This information is provided as an informal report; no warranties as to the accuracy or content are implied or expressed. The information above must be interpreted in the context of, and is qualified by, all the information contained in the prospectuses, where applicable, which have been or will be delivered to the appropriate investing parties prior to any offer being made. Note: Sector Weighting and/or Credit Analysis data reflect most current information available. Securities offered through Cetera Advisor Networks LLC, member SIPC. SageView is not affiliated with Cetera Advisor Networks LLC. Fund returns shown are net of fund expenses and sales charges.



A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The perspective creates a sense of height and architectural scale. A solid teal horizontal band is superimposed across the middle of the image, containing the text "SEE WHERE YOU'RE GOING" in white, uppercase, sans-serif font.

SEE WHERE YOU'RE GOING



## **SBA Master Defined Benefit and Cash Balance Pension Plans 2024 Update**

November 17, 2023

Bill Reid, FCA, EA



**VIRGINIA BANKERS  
ASSOCIATION**

SEE WHERE YOU'RE GOING



## Topics

- Contribution and Benefit Limits for 2024
- Recent Initiatives
- Secure 2.0
- Membership
- Changes Since Last Year
- PBGC Premiums
- Investment Performance
- 2023/2024 Valuation Process



# Contribution and Benefit Limits for 2024

Area of Impact	2024	2023	2022
<b><i>Pre-tax Dollar Limit</i></b>			
401(k) Contributions	\$23,000	\$22,500	\$20,500
403(b) Contributions	\$23,000	\$22,500	\$20,500
457 Contributions	\$23,000	\$22,500	\$20,500
<b><i>Highly Compensated Employee Compensation</i></b>			
Compensation	\$155,000	\$150,000	\$135,000
<b><i>Section 415 Limitations</i></b>			
Defined Benefit Plan	\$275,000	\$265,000	\$245,000
Defined Contribution Plan	\$69,000	\$66,000	\$61,000
<b><i>Key Employees (Top Heavy)</i></b>			
Officer	\$220,000	\$215,000	\$200,000
<b><i>Taxable Wage Base</i></b>			
Social Security	\$168,600	\$160,200	\$147,000
Medicare	Unlimited	Unlimited	Unlimited
<b><i>Compensation Limit</i></b>	\$345,000	\$330,000	\$305,000
<b><i>Catch-up Contributions</i></b>			
401(k), 403(b), 457	\$7,500	\$7,500	\$6,500



# Contribution and Benefit Limits for 2024

Area of Impact	2024	2023	2022
<b><i>Health Savings Accounts</i></b>			
<b><i>Annual Contribution Limit</i></b>			
Individual Coverage	\$4,150	\$3,850	\$3,650
Family Coverage	\$8,300	\$7,750	\$7,300
Catch-up Contributions	\$1,000	\$1,000	\$1,000
<b><i>High Deductible Plan</i></b>			
<b><i>Maximum Out-Of-Pocket Limit</i></b>			
Individual Coverage	\$8,050	\$7,500	\$7,050
Family Coverage	\$16,100	\$15,000	\$14,100
<b><i>Minimum Deductible</i></b>			
Individual Coverage	\$1,600	\$1,500	\$1,400
Family Coverage	\$3,200	\$3,000	\$2,800



## Recent Initiatives

- Visited with each participating bank in person to discuss valuation results and overall plan operation
- Paid out benefits and distributed assets for 3 banks due to plan termination
- Uploaded pension information to VOYA for inclusion on participant website
- Continued to work directly with VOYA on plan administration, participant inquiries, etc.
- Discussed ramifications of SECURE 2.0 on defined benefit and cash balance plans



# SECURE 2.0 for Defined Benefit Plans

- Required Minimum Distribution (RMD) Age Increases
  - Age 73 beginning in 2023
  - Age 75 beginning in 2033
  - Excise tax on missed RMD's reduced from 50% to 25%, and in some cases as low as 10%
  - Effective December 29, 2022
- Increase in Cash-out Threshold
  - Dollar amount in which a defined benefit plan may authorize a mandatory cash out of a vested terminated benefit without consent increases from \$5,000 to \$7,000
  - Effective January 1, 2024
- PBGC Variable Rate Premium (VRP)
  - Freezes VRP at the 2023 level of \$52 per \$1,000 of unfunded vested benefits
  - The VRP cap (\$652 per participant for 2023) and the flat rate premium (\$96 per participant for 2023) will continue to receive inflationary increases



# SECURE 2.0 for Defined Benefit Plans

- **New Disclosures for Lump Sum Window**
  - Effective when DOL issues final regulations, delayed at least until December 29, 2023
- **Annual Funding Notice**
  - Change content from beginning of plan year to end of plan year
  - Effective with the 2024 Plan Year
- **Recovery of Retirement Plan Overpayments**
  - Fiduciaries may decide not to recoup inadvertent overpayments
  - If fiduciary chooses to recover overpayments, certain limitation and protections apply
    - Cap on permissible reduction to future benefits
    - Prohibition on charging interest
    - Curb on threatening litigation and using collection agencies
  - Effective December 29, 2022





# Membership

<b>October 1 Plan Year (Traditional Plans)</b>	
Number, 10/1/22	6
Terminations	(2)
Additions	-
Mergers	-
Cash Balance Conversions	-
Number, 10/1/23	4
<b>January 1 Plan Year (Cash Balance Plans)</b>	
Number, 1/1/23	6
Terminations	(1)
Additions	-
Mergers	-
Cash Balance Conversions	-
Number, 1/1/24	5
<b>Plan Termination in Process</b>	-
<b>Plans Currently Under Review (Soft Freeze, Terminations)</b>	-
<b>Total Number of Participants</b>	
Last Valuation	983
Terminating Plans	-
Remaining	983
<b>Market Value of Assets</b>	
9/30/2023	\$80,087,000
Terminating Plans	\$0
Remaining Balance 9/30/23	\$80,087,000

## Plan Types

2 Ongoing  
2 Hard Frozen

## Plan Types

2 Ongoing  
3 Soft Frozen

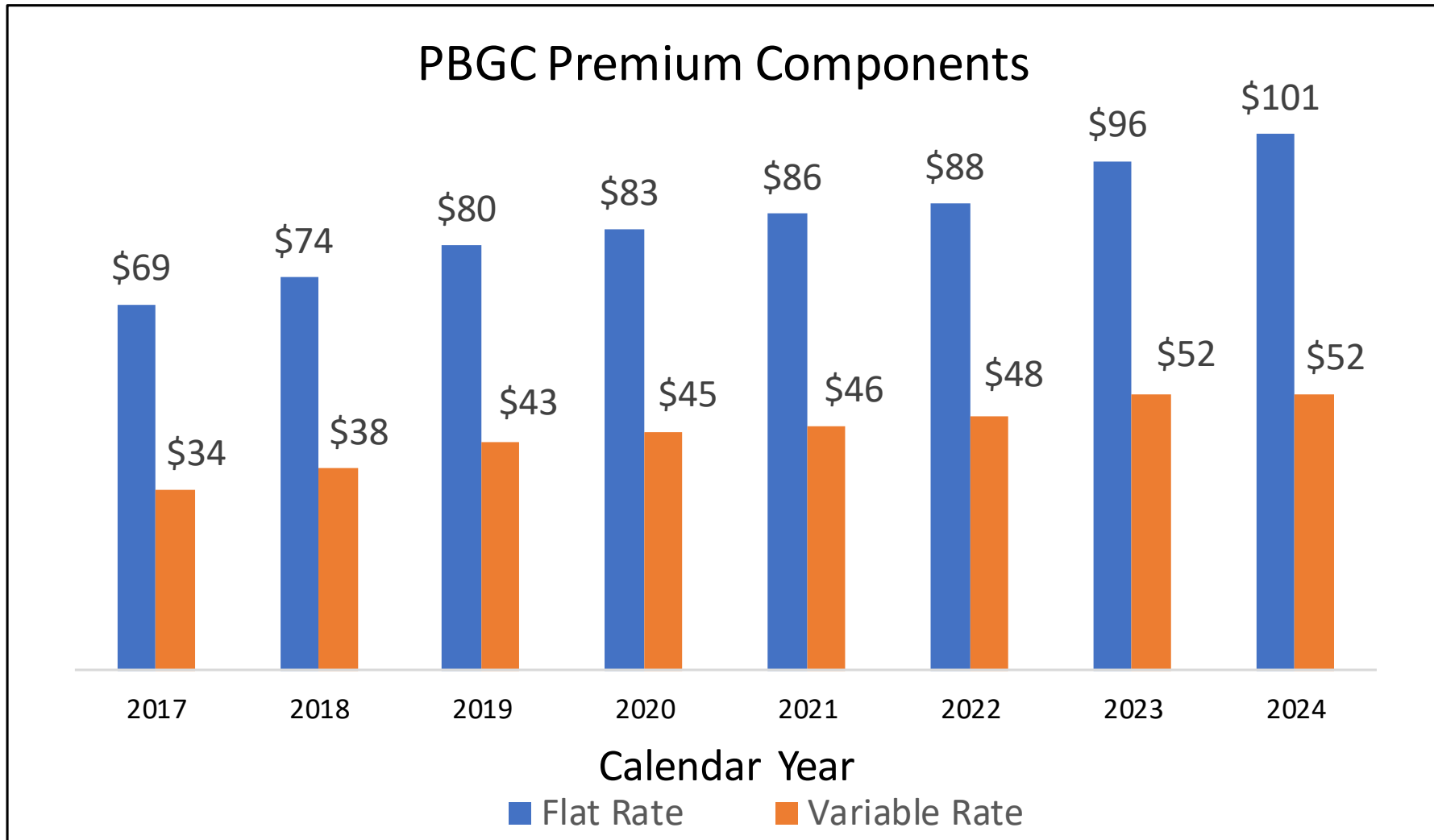


# Changes Since Last Year

- Financial statement expense and disclosure
  - Discount rates have increased approximately 100 bps since 12/31/2022 (through 10/31/2023)
  - Higher discount rates mean lower liabilities and vice-versa
- Cash contributions
  - Discount rates will remain inflated due to pension provisions included in the American Rescue Plan Act
  - Minimum required contributions are \$0 for all banks
- Cash Balance Plan interest crediting rate
  - Most plans based on December 10-Year Treasury rates with a 3% minimum
    - 3% minimum applied from 2012-2022
    - 3.62% applied for 2023
    - The 10-Year Treasury rate is 4.80% as of October 2023, the December rate will be used for 2024
  - Actual investment performance in excess of the crediting rate helps subsidize plan costs



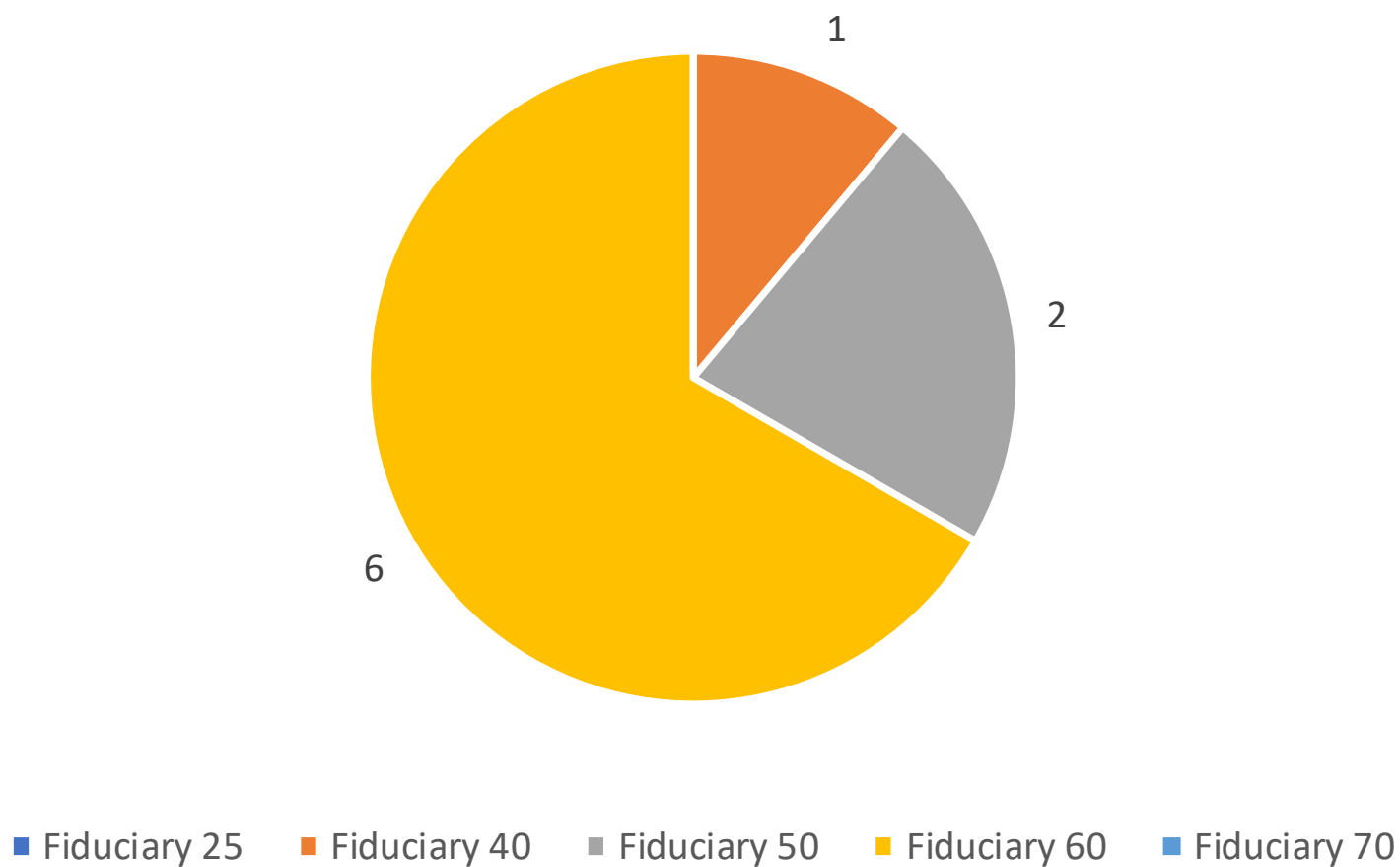
# PBGC Premiums



- Flat rate is per participant
- Variable rate is per \$1,000 of unfunded vested benefit liability

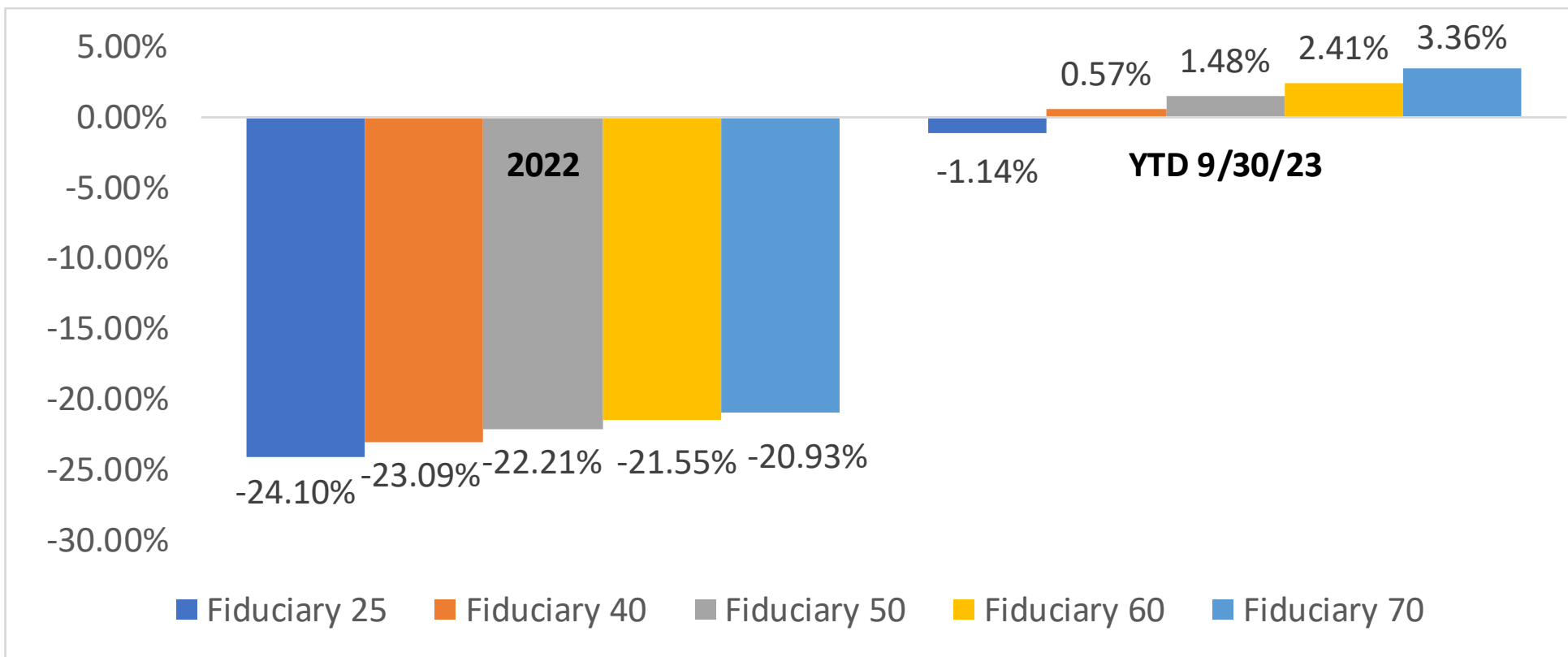


# Investment Performance Portfolio Elections





# Investment Performance



- 2023 assumed rate of return for expense purposes ranges from 5.50% to 7.25% depending on the portfolio



# 2023/2024 Valuation Process

- 2023 financial statement disclosures
  - Will utilize 12/31/2023 asset information and discount rate
  - Target delivery 3<sup>rd</sup> week in January 2024
- ERISA funding reports, benefit statements, etc.
  - Issued by 3<sup>rd</sup> week in December for October 1 plan years
  - Cash balance plans issued Q2 of 2024 for January 1 plan years
- Annual certification of funding percentage
  - 110% or more to avoid restrictions on lump sum payments to top paid group
  - 80% or more to avoid restrictions on lump sum payments to other participants
  - 60% or more to continue benefit accruals
    - All banks were above these levels last year
- Annual valuation summary with each bank in Q2 of 2024



THANK YOU