VIRGINIA BIRTH-RELATED
NEUROLOGICAL INJURY
COMPENSATION PROGRAM

November 14, 2024

The Honorable Susan Clarke Schaar
Clerk of the Senate
P. O. Box 396
Richmond, VA 23218

Dear Ms. Schaar:

In compliance with Virginia statue §38.2-5016(F), and §38.2-2015(B), please find enclosed a report regarding the investments of the Virginia Birth-Related Neurological Injury Program and the annual audit for 2020. Financial audits for subsequent years are in process and will be forwarded as available.

Of note, the Fund continues to be actuarially unsound; however, the most recent actuarial report states that it has sufficient assets to continue to pay for claimants' benefits for several years.

Thank you for support of the Virginia Birth-Related Neurological Injury Compensation Program. If you have any questions, please feel free to contact me.

On behalf of the Board of Directors,

Dawn McCoy

Dawn McCoy, MPP
Executive Director
Virginia Birth-Related Neurological Injury Compensation Program

Enc: Performance Report, 2020 Financial Report

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VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Richmond, Virginia

FINANCIAL REPORT

DECEMBER 31, 2020

C O N T E N T S

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Virginia Birth-Related Neurological
Injury Compensation Program
Richmond, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the Virginia Birth-Related Neurological Injury Compensation Program (the Program) as of December 31, 2020, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements for the year then ended as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of the Program as of December 31, 2020, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Claims Development Information on page 14 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that U.S. generally accepted accounting principles requires to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2024 on our consideration of the Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Program's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Program's internal control over financial reporting and compliance.

Yount, Hyde & Barbour, P.C.

Winchester, Virginia
October 22, 2024

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Statement of Net Position
December 31, 2020

Assets	
Current Assets	
Cash and cash equivalents	$ 16,569,691
Accrued interest and dividends	647,079
Total current assets	17,216,770
Noncurrent Assets	
Investments	596,336,722
Capital assets, net	14,018
Total noncurrent assets	596,350,740
Total assets	$ 613,567,510
Liabilities and Deferred Inflows	
Current Liabilities	
Accounts payable	$ 2,448,279
Accrued liabilities	2,236,359
Current portion of unpaid claims reserve	33,500,000
Total current liabilities	38,184,638
Noncurrent Liabilities	
Unpaid claims reserve:	
Admitted claims, less current position	422,400,000
Incurred but not reported claims	137,600,000
Total noncurrent liabilities	560,000,000
Total liabilities	598,184,638
Deferred Inflows, deferred assessment and fee receipts	26,593,992
Total liabilities and deferred inflows	624,778,630
Net Position (Deficit)	
Investment in capital assets, net	14,018
Unrestricted deficit	(11,225,138)
Total net position (deficit)	(11,211,120)
Total liabilities, deferred inflows, and net position (deficit)	$ 613,567,510

See Notes to Financial Statements.

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Statement of Revenues, Expenses, and Changes in Net Position
Year Ended December 31, 2020

Operating Revenues	
Participating hospitals	$ 3,564,515
Participating physicians	5,221,046
Mandated physician fees	4,652,365
Insurance fees	16,377,721
Miscellaneous revenue	3,000
Total operating revenues	29,818,647
Operating Expenses	
Provision for claims, net	49,143,907
General and administration	1,271,287
Total operating expenses	50,415,194
Operating (loss)	(20,596,547)
Nonoperating Income, net investment income	67,803,339
Change in net position	47,206,792
Net position (deficit) at beginning of year	(58,417,912)
Net position (deficit) at end of year	$ (11,211,120)

See Notes to Financial Statements.

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Statement of Cash Flows
Year Ended December 31, 2020

Cash Flows from Operating Activities	
Receipts from participating hospitals	$ 3,517,940
Receipts from participating physicians	5,152,826
Mandated physician fee receipts	4,591,575
Receipts from insurance companies	16,163,723
Payments on behalf of claimants	(24,028,602)
Payments to suppliers of goods and services	(1,340,015)
Payments to employees	(606,776)
Net cash provided by operating activities	3,450,671
Cash Flows from Investing Activities	
Earnings on investments	11,590,465
Cash paid for purchase of investments	(146,020,749)
Proceeds from sales of investments	129,890,221
Net cash (used in) investing activities	(4,540,063)
Net decrease in cash and cash equivalents	(1,089,392)
Cash and Cash Equivalents	
Beginning of year	17,659,083
End of year	$ 16,569,691
Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities	
Operating (loss)	$ (20,596,547)
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Increase (decrease) in:	
Accounts payable	(301,725)
Accrued liabilities	338,526
Deferred claims	(389,583)
Claims reserve	24,400,000
Net cash provided by operating activities	$ 3,450,671
Noncash Investing Activities, net appreciation in fair value of investments	$ 51,576,536

See Notes to Financial Statements.

VIRGINIA BIRTH-RELATED NEUROLOGICAL
INJURY COMPENSATION PROGRAM

Notes to Financial Statements

Note 1. Summary of Significant Accounting Politics

Nature of Organization

The Virginia Birth-Related Neurological Injury Compensation Program (the Program) was established under the Virginia Birth-Related Neurological Injury Compensation Act (I 987, c.540) (the Act). The Program is a related organization of the Commonwealth of Virginia of which elected officials are accountable as they appoint a voting majority of the Board of Directors (the Board). The Act creates a compensation program that assures lifetime care of infants with severe neurological injuries. The Program is funded through annual assessments of participating physicians and participating hospitals. Liability insurers and nonparticipating physicians contribute to the Program, if necessary, based upon actual experience of the Program. The Program receives no federal or state government funding.

Basis of Accounting

The Program operates as an enterprise fund subject to Governmental Accounting Standards Board (GASB) Codification Section Po20 - Public Entity Risk Pools.

The financial statement of the enterprise fund is presented on the accrual basis of accounting, using the economic resources measurement focus. Under this method of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported financial statement amounts and disclosures. Accordingly, actual results could differ from these estimates.

Cash Equivalents

Cash equivalents are defined as short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, the Program considers investments with original maturities of three months or less to be cash equivalents.

Investments

The Program's investments are stated at fair value based on quoted market prices, if available. The Program's investments consist of various index mutual funds and actively managed investments in separate accounts including large, mid, small cap equities, private equities, and fixed income securities. Mutual fund investments are valued at their quoted net asset value on the last trading day of the year. Equity securities are valued at the last reported sale price or, if no sale, the latest available bid price on the last business day of the year. Fixed income investments are valued using market evaluations (evaluated prices) from reputable and approved industry vendors and evaluations are based on available market data. The Program's Level 3 investments, excluding real estate held in trust, are valued based on amounts provided by the investment advisor or fund administrator, using unadjusted third-party transactions and quotations that are reviewed by management. All other investments, excluding real estate held in trust, are valued based on amounts provided by the investment advisor or fund administrator and reviewed by management.

Under guidelines established by the Board, the Program could, up until 1999, approve the purchase or construction of a home for the family of a claimant subject to certain restrictions. The home is held in a trust and remains the property of the Program, subject to use by the claimant's family during the term of the trust and subject to conditions imposed by the trust agreement. The trust expires upon the death or institutionalization of the claimant, and stipulates that during occupancy the family is responsible for the payment of utilities, general maintenance of the home, and certain other similar obligations. Real estate held in trust is carried at fair value based on third party appraisals, tax assessments, or other reasonable methodologies.

Capital Assets

Capital assets with a cost of $1,000 or more are recorded at cost. The costs of major improvements are capitalized while the cost of maintenance and repairs, which do not improve or extend the life of an asset, are expensed. Depreciation is provided over the assets' estimated useful lives, which is three to seven years for equipment and automobiles, using the straight-line method.

Deferred Inflows of Resources

Deferred inflows of resources represent amounts for which revenue recognition criteria have not been met due to a time requirement. It is the Program's policy to recognize mandated assessments, participating doctor and hospital fees, and insurance fees on a pro-rata basis over the period in which the assessment or coverage is related, which is one year.

Estimated Liability for Unpaid Claims

The liability for unpaid claims represents management's estimate, developed in conjunction with the assistance of the Commonwealth of Virginia's actuary, of the Program's discounted estimated cost of payments for both claimants admitted to the Program and an estimated number of not-yet-admitted claimants with birth dates prior to the date of the statement of net position that will be admitted to the Program subsequent to the date of the statement of net position. Changes in estimates of such costs are recognized in results of operations in the period in which the changes in estimate are made.

The development of liabilities for future benefit requires management to make estimates and assumptions regarding mortality, morbidity, lapse, expense, and investment experience. Such estimates are primarily based on historical experience and future expectations of these assumptions. The Program's actual incurred losses may vary significantly from the estimated amount included in the Program's financial statements. Management monitors actual experience and, if circumstances warrant, revises its assumptions and the related future policy benefit estimates.

Note 2. Deposits and Investments

Deposits

All cash of the Program is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. Seq. of the Code of Virginia or covered by federal depository insurance.

Investments

In accordance with the Virginia Birth-Related Injury Compensation Act, Section 38.2-5016 of the Code of Virginia, the Board is given the authority to invest the Program's funds in a careful and prudent manner at the advice of the investment advisor.

Credit Risk: - The Program's investment policy states that all fixed income securities held in the portfolio shall have a Standard & Poor's and/or equivalent credit quality rating of no less than Investment Grade. No more than 20% of the fair value of the fixed income portfolio shall be rated less than single "A" quality. The Program's fixed income portfolio at December 31, 2020 is as follows:

	Rating	Fair Value	Percent of Portfolio	Average Maturity (in Years)
Mutual funds:				
Western Asset Core Plus	BBB	$ 42,412,571	7.1%	12.7
Stone Ridge Reinsurance Risk Premium Interval Fund	(*)	13,890,679	2.3%	(*)
Vanguard Total Bond Market Index Fund	A	10,032,582	1.7%	8.6
Separate accounts:				
Richmond Capital Management	AA-	70,923,120	11.9%	7.6
Total		$ 137,258,952		

Note: Percent of Portfolio calculations exclude real estate held in trust.

(*) - Information not available for current year.

Interest Rate Risk: - The Program does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Program mitigates risk through relatively conservative asset allocations and investments.

Foreign Currency Risk: - The Program manages its risk associated with foreign currency fluctuations with the asset allocations outlined in its Investment Policy that limit its investments in international developed and emerging index funds up to 21% of its overall portfolio. The Program's investments subjected to foreign currency risk at December 31, 2020 include U.S. publicly traded mutual funds which have an international strategy totaling $138,655,155.

Custodial Credit Risk: - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Program will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Program's deposits are maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. Seq. of the Code of Virginia or covered by federal depository insurance. In addition, it is the Program's practice, although not a formal policy, that the investment accounts are held in the Program's name.

Investment Policy

In December 2017, the Program updated the formal investment policy that was adopted in March 2005. It is the policy that the investment and administration of its funds be made in accordance with the provisions of the Virginia Public Procurement Act and the Program follows the standards of investment prudence required of fiduciaries under the Virginia Uniform Prudent Investor Act. It is intent to be in compliance with all federal, state and local laws; and other regulations and statutes governing the investment of public funds.

The investment policy established the minimum and maximum percentages of the portfolio permitted in each of the following instruments:

Asset Class	Lower Limit	Upper Limit
Domestic Equity	12%	40%
International Equity	5%	32%
Fixed Income/Cash Equivalents	15%	45%
Alternatives	10%	46%

Fair Value Measurements

Accounting standards (GASB 72) establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The Program uses valuation approaches that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Program determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

- Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Program establishes valuation processes and procedures to ensure that the valuation techniques are fair and consistent, and valuation inputs are supportable. Valuations determined by the Program are supported by market data, third-party pricing sources, industry-accepted pricing models, counterparty prices, or other methods the Program deems to be appropriate.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. For the year ended December 31, 2020, the application of valuation techniques applied has been consistent.

	Fair Value Investments			
	(Level 1)	(Level 2)	(Level 3)	Total
Alternative funds	$ --	$ --	$ 85,131,319	$ 85,131,319
Corporate bonds	20,282,512	18,844,495	--	39,127,007
Equities	86,443,223	--	--	86,443,223
Mutual funds	343,197,132	--	--	343,197,132
Mortgage backed securities	--	12,554,214	--	12,554,214
Municipal bonds	--	428,045	--	428,045
Real estate investment trusts	3,629,046	--	--	3,629,046
U.S. government sponsored entities	--	667,344	--	667,344
U.S. Treasury bonds	17,926,486	--	--	17,926,486
Real estate held in trust	--	--	7,232,906	7,232,906
	$ 471,478,399	$ 32,494,098	$ 92,364,225	$ 596,336,722

The carrying amounts of the Program's financial instruments not described above arise in the ordinary course of business and approximate fair value.

Investment return, net consisted of the following for the year ended December 31, 2020.

Interest and dividend income	$ 14,051,901
Realized gain/loss on investment	3,837,315
Net appreciation in fair value of investments	51,576,536
Investment fees	(1,600,576)
Fiduciary fees	(61,837)
Total	$ 67,803,339

Note 3. Capital Assets

Capital assets at December 31, 2020, and the related changes for the year ended were as follows:

	January 1, 2020	Increases	Decreases	December 31, 2020
Computer equipment	$ 33,048	$ --	$ --	$ 33,048
Office equipment	15,073	--	--	15,073
	48,121	--	--	48,121
Less accumulated depreciation	(34,103)	--	--	(34,103)
Capital assets, net	$ 14,018	$ --	$ --	$ 14,018

Note 4. Estimated Liability for Unpaid Claims

The estimated liability for unpaid claims is the discounted estimated cost of payments for both claimants admitted to the Program and an estimated number of not-yet-admitted claimants with birth dates prior to the date of the statement of net position that will be admitted to the Program subsequent to the date of the statement of net position. This discounted cost represents the amount that would need to be invested, as of the date of the statement of net position, to pay the claimant expenses as they become due. The liability is determined based on an actuarial study, which is mandated to be performed no less frequently than biennially. Eligible costs under the Program are costs not otherwise paid by private insurance or other government programs. Costs include nursing, housing, hospital and physician visits, physical therapy, vans, medical equipment, prescription drugs, various other incidental items, loss of earnings, and claim filing expenses.

In general terms, the estimated liability for unpaid claims is determined as follows:

(1) The total number of claimants is estimated (actual number of admitted claimants plus estimate of the number of not-yet-admitted claimants born prior to year-end).

(2) Future payments, by category of expense paid for each claimant, are forecasted. These estimates are based on the actual payments made by the Program on behalf of the claimants who had been in the program for three or more years as of December 31, 2020 (taking into consideration each claimant's insurance coverage), as well as assumptions regarding future cost of inflation and future increases in the utilization of the benefits and services of the Program.

(3) Projected future payments to each claimant are adjusted to reflect an assumed life expectancy for each claimant and the time value of money.

The estimated liability for unpaid claims is forecasted based on actual information through the prior fiscal year.

Significant actuarial assumptions for 2020 include:

Rate of claims inflation (varies based on category of expense)	1.47% - 5.11%
Investment earnings/discount rate	5.25%
Mortality:	
Life expectancy at:	
Birth	28.4 years
Age 3	29.1 years
Estimated number of not-yet-admitted claimants born prior to year end. Estimate is based on review of how long it takes for claimants to be admitted to the Program	54

The total number of claimants (admitted claimants and not-yet-admitted claimants) is estimated to be 288 as of December 31, 2020.

The following represents changes in the unpaid claims reserves for the Program for the year ended December 31, 2020:

Unpaid claims and claim adjustment expenses at beginning of year	$ 569,100,000
Incurred claims:	
Total claims incurred during 2020	53,000,000
Claims payments:	
Total claims payments	(28,600,000)
Unpaid claims and claim adjustment expenses at end of year	$ 593,500,000

Note 5. Operating Lease Commitments

The Program leases its office space under an operating lease expiring in May 2027. Rent expense totaled $58,383 for the year ended December 31, 2020.

Future minimum obligations under this lease are as follows:

2021	$	59,611
2022		33,681
2023		58,758
2024		60,524
2025		60,339
Thereafter		91,305
Total	$	364,218

Note 6. Liquidity

The most recent actuarial study performed for the year ended December 31, 2019, determined that the Program was not actuarially sound. However, the actuarial study did point out that the Program is not in any immediate danger of defaulting on the payment of benefits and that the Program has sufficient assets to continue to pay for claimants' benefits.

Note 7. Contingencies and Subsequent Events

Various pending and threatened lawsuits claim eligibility for program benefits. Management believes the Program's claims reserves based upon actuarial assumptions are adequate to provide for the ultimate resolution of these claims.

Following the close of the 2020 fiscal year for the Birth-Related Injury Compensation Program but before the publication of this audit, the events described below took place.

On October 8, 2024, John Hunter Raines, the former Deputy Director and Chief Financial Officer of the Program, pled guilty in the United States District Court for the Eastern District of Virginia to a two-count Criminal Information charging him with Mail Fraud, in violation of 18 U.S.C. § 1341 and Engaging in Monetary Transactions with Criminally Derived Property, in violation of 18 U.S.C. § 1957. According to the court documents filed in connection with his guilty plea, beginning as early as January 20, 2022, and continuing through at least October 27, 2023, Mr. Raines embezzled approximately $4.8 million in Program funds by transferring them to personal bank accounts he owned. None of those fraudulent transfers took place during the time covered by this audit (January 1-December 31, 2020).

Information about this case is available via the federal court record website https://pacer.uscourts.gov/ by entering Mr. Raines's name or the Eastern District of Virginia docket number for his case (3:24-cr-138-JAG).

The Program has evaluated subsequent events through October 22, 2024, the date which the financial statements were available to be issued and determined that there were no additional subsequent events to disclose.

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Claims Development Information (Unaudited)
December 31, 2020
(In Thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
(1) Premiums, investment income (loss) and miscellaneous Earned	$ 25,925	$ 55,517	$ 60,907	$ 40,692	$ 21,234	$ 44,567	$ 82,955	$ (878)	$ 103,227	$ 81,525
(2) Allocated expenses	268	262	215	242	248	280	250	250	231	254
(3) Estimated losses and expenses, end of birth year Incurred	23,800	24,800	25,800	22,500	23,784	24,627	24,393	24,669	25,407	25,962
(4) Net paid (cumulative) as of										
End of birth year	--	--	--	--	--	--	--	--	--	--
One year later	--	--	--	--	208	--	--	--	429	--
Two years later	44	143	274	102	616	149	90	298	--	--
Three years later	395	281	735	260	1,497	276	961	--	--	--
Four years later	852	456	1,098	512	2,218	276	--	--	--	--
Five years later	1,101	594	1,342	581	3,359	--	--	--	--	--
Six years later	2,016	795	2,582	1,011	--	--	--	--	--	--
Seven years later	2,487	1,043	3,216	--	--	--	--	--	--	--
Eight years later	3,318	1,271	--	--	--	--	--	--	--	--
Nine years later	3,547	--	--	--	--	--	--	--	--	--
(5) Reestimated ceded losses and expenses	--	--	--	--	--	--	--	--	--	--
(6) Reestimated net incurred losses and expenses										
End of birth year	23,800	24,800	25,800	22,500	23,784	24,627	24,393	24,669	25,407	25,962
One year later	24,609	24,548	23,768	23,656	23,261	23,852	23,247	24,723	25,136	--
Two years later	24,367	22,594	25,093	23,161	22,512	22,696	23,301	24,459	--	--
Three years later	22,492	23,869	24,525	22,452	21,395	22,750	23,040	--	--	--
Four years later	23,715	23,322	23,713	21,396	21,448	22,487	--	--	--	--
Five years later	23,191	22,542	22,502	21,446	21,193	--	--	--	--	--
Six years later	22,442	21,377	22,559	21,205	--	--	--	--	--	--
Seven years later	21,324	21,432	22,283	--	--	--	--	--	--	--
Eight years later	21,377	21,167	--	--	--	--	--	--	--	--
Nine years later	21,122	--	--	--	--	--	--	--	--	--
(7) Decrease in estimated net incurred losses and expenses from end of birth year	(2,678)	(3,633)	(3,517)	(1,295)	(2,591)	(2,140)	(1,353)	(210)	(271)	--

See Note to Required Supplementary Information and Independent Auditor's Report

VIRGINIA BIRTH-RELATED NEUROLOGICAL INJURY COMPENSATION PROGRAM

Notes to Required Supplementary Information

Note 1. Claims Development Information

The table on the preceding page illustrates how the Program's premiums, investment income (loss) and miscellaneous income compare to related costs of loss and other expenses assumed by the Program as of the end of each of the previous ten years. The rows of the table are defined as follows:

(1) This line shows the total of each year's gross earned premiums and related investment income (loss) and miscellaneous income.

(2) This line shows each year's other operating costs of the Program including overhead and loss adjustment expenses not allocable to individual claims.

(3) This line shows the Program's gross incurred losses and allocated loss adjustment expense and net incurred losses and loss adjustment expense (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called birth year).

(4) This Section of ten rows shows the cumulative net amounts paid as of the end of successive years for each birth year.

(5) This line shows the latest re-estimated amount of losses assumed by re-insurers for each birth year.

(6) This section of ten rows shows how each birth year's net incurred losses increased or decreased as of the end of successive years. (This annual re-estimation results from new information received on known losses, reevaluation of existing information on known losses, and emergence of new losses not previously known).

(7) This line compares the latest re-estimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought. As data for individual birth years matures, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature birth years. The columns of the table show data for successive birth years.

50 S. Cameron St,
Winchester, VA 22601

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

To the Board of Directors
Virginia Birth-Related Neurological
Injury Compensation Program
Richmond, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Virginia Birth-Related Neurological Injury Compensation Program (the Program), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Program's basic financial statements, and have issued our report thereon dated October 22, 2024.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Yount, Hyde & Barbour, P.C.

Winchester, Virginia
October 22, 2024

COMMONWEALTH *of* VIRGINIA

Office of the Attorney General

Jason S. Miyares
Attorney General

202 North 9th Street
Richmond, Virginia 23219
804-786-2071
FAX 804-786-1991
Virginia Relay Services
800-828-1120

July 18, 2024

Via E-mail
Brad Tomlinson, CPA
Yount, Hyde & Barbour, P.C.
P.O. Box 2540
Winchester, VA 22604

Re: Virginia Birth-Related Neurological Injury Compensation Program Audit; 2020 to Present Privileged and Confidential

Dear Mr. Tomlinson:

You requested the following information regarding the Virginia Birth-Related Neurological Injury Compensation Program (the "Program):

1) "Pending or Threatened Litigation, Claims and Assessments (excluding unasserted claims)", and

2) "Unasserted Claims and Assessments (Considered to be Probable of Assertion, and That, if Asserted, Would Have at Least a Reasonable Possibility of an Unfavorable Outcome)"

Your request limited its scope to those matters "which the Office of Attorney General has been engaged and to which it has devoted substantive attention on behalf of the Program in the form of legal consultation or representation."

The Program is a statutory provider of birth injury benefits and pays claims to beneficiaries for birth injury-related losses and expenses. This benefits scheme is litigated before the Workers Compensation Commission and falls within the Program's ordinary course of business. Based on your recent clarification, our understanding is that a listing of those "ordinary course" matters is neither requested nor required. Concerning matters outside the ordinary course, the Program is aware of one (1) issue that could lead to potential claims –alleged/apparent fraudulent activity on the part of the Program's former Deputy Director. Specifically, the Program's management and one or more law enforcement authorities are currently investigating potential criminal acts/loss related to that director's self-dealing. It is too early to 1) determine the exact nature of any claims that could be asserted related to these allegations, 2) evaluate the likelihood of an unfavorable outcome, nor 3) estimate the range of potential loss resulting from unauthorized transactions or from future claims that could arise against the Program arising from those transactions.

Thank you very much for your inquiry. If you have any additional questions, please feel free to contact me at my email address (asmith@oag.state.va.us) or my phone (804-786-1923).

Sincerely,

Alexander Smith

Alexander Smith
Paralegal Senior

cc: Dawn McCoy, Executive Director (via e-mail)
Calvin C. Brown, Esquire (via e-mail)

Quarterly Investment Analysis
Period Ending December 31, 2020

Prepared by:
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CONTENTS

Market Performance

As of December 31, 2020

Major Benchmark Returns

Name	Q4-20	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
US Equity						
Russell 3000	14.7	20.9	20.9	14.5	15.4	13.8
S&P 500	12.1	18.4	18.4	14.2	15.2	13.9
Russell 1000	13.7	21.0	21.0	14.8	15.6	14.0
Russell MidCap	19.9	17.1	17.1	11.6	13.4	12.4
Russell 2000	31.4	20.0	20.0	10.2	13.3	11.2
International Equity						
MSCI EAFE	16.0	7.8	7.8	4.3	7.4	5.5
MSCI Emerging Markets	19.7	18.3	18.3	6.2	12.8	3.6
Fixed Income						
91 Day T-Bills	0.0	0.5	0.5	1.5	1.1	0.6
BBgBarc US Aggregate TR	0.7	7.5	7.5	5.3	4.4	3.8
BBgBarc US Govt/Credit TR	0.8	8.9	8.9	6.0	5.0	4.2
BBgBarc US Municipal TR	1.8	5.2	5.2	4.6	3.9	4.6
BBgBarc US High Yield TR	6.5	7.1	7.1	6.2	8.6	6.8
Real Estate						
FTSE NAREIT All REIT	9.2	-5.9	-5.9	5.0	6.7	9.1
Inflation						
Consumer Price Index	0.1	1.4	1.4	1.9	1.9	1.7

VBIF Total Fund Overview

Total Fund Performance

As of December 31, 2020

	% of Portfolio	Market Value 12/31/20 ($)	3 Mo Net Cash Flows ($)	Market Value 9/30/20 ($)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Inception (%)	Inception Date
VBIF Total Fund	100.0	594,030,150	14,711,093	529,274,188	9.4	11.5	11.5	6.9	7.7	5.9	6.1	Oct-05
VBIF Index Target					*10.2*	*12.5*	*12.5*	*7.3*	*7.8*	*6.2*	*5.9*	*Oct-05*
Domestic Equity	38.4	227,977,660	6,528,717	192,093,411	15.1	18.9	18.9	13.3	14.5	11.9	--	Oct-05
Russell 3000					*14.7*	*20.9*	*20.9*	*14.5*	*15.4*	*12.8*	*10.0*	*Oct-05*
International Equity	23.3	138,655,154	7,500,000	113,919,435	14.7	6.0	6.0	3.5	7.8	3.9	--	Oct-05
MSCI ACWI ex USA					*17.0*	*10.7*	*10.7*	*4.9*	*8.9*	*4.8*	*5.1*	*Oct-05*
Fixed Income	23.2	137,816,779	-2,458,962	138,307,770	1.4	8.2	8.2	5.0	4.2	3.5	--	Oct-05
BBgBarc US Aggregate TR					*0.7*	*7.5*	*7.5*	*5.3*	*4.4*	*4.1*	*4.5*	*Oct-05*
Alternatives	13.7	81,282,788	-3,741,797	83,538,939	1.7	3.9	3.9	-0.9	0.5	0.3	--	Jan-11
HFRI Fund of Funds Composite Index					*7.9*	*10.7*	*10.7*	*4.8*	*4.5*	*3.7*	*3.3*	*Jan-11*
Cash & Equivalents	1.4	8,297,768	6,883,134	1,414,633	0.0	0.0	0.0	0.0	0.0	0.0	--	Oct-05
FTSE T-Bill 3 Months TR					*0.0*	*0.6*	*0.6*	*1.6*	*1.2*	*0.8*	*1.2*	*Oct-05*

- VBIF Index Target = 20% S&P 500 / 4% Russell 2000 / 16% MSCI EAFE / 6% MSCI Emerging Markets / 15% BBgBarc US Aggregate TR / 7% BBgBarc Global Aggregate TR / 31% HFRI Fund of Funds Composite Index / 1% 91 Day T-Bills

Total Fund Performance

As of December 31, 2020

	% of Portfolio	Market Value 12/31/20 ($)	3 Mo Net Cash Flows ($)	Market Value 9/30/20 ($)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Inception (%)	Inception Date
VBIF Total Fund	100.0	594,030,150	14,711,093	529,274,188	9.4	11.5	11.5	6.9	7.7	5.9	6.1	Oct-05
VBIF Index Target					*10.2*	*12.5*	*12.5*	*7.3*	*7.8*	*6.2*	*5.9*	*Oct-05*
Domestic Equity	38.4	227,977,660	6,528,717	192,093,411	15.1	18.9	18.9	13.3	14.5	11.9	--	Oct-05
Russell 3000					*14.7*	*20.9*	*20.9*	*14.5*	*15.4*	*12.8*	*10.0*	*Oct-05*
S&P 500					*12.1*	*18.4*	*18.4*	*14.2*	*15.2*	*12.9*	*9.9*	*Oct-05*
Large Cap Equity	34.3	203,561,040	5,540,444	174,075,088	13.6	20.4	20.4	14.6	15.4	12.7	--	Jan-07
Brown Advisory Growth Equity Fund	4.0	23,980,273	0	22,219,685	7.9	32.6	32.6	25.2	20.0	--	16.6	Mar-14
Edgewood Growth Fund	5.0	29,971,261	0	26,667,570	12.4	42.2	42.2	25.0	22.2	--	20.2	Mar-14
Vanguard Russell 1000 Growth Index Fund	6.6	39,340,603	0	35,323,641	11.4	38.7	38.7	23.0	21.0	--	17.9	Mar-14
Russell 1000 Growth					*11.4*	*38.5*	*38.5*	*23.0*	*21.0*	*17.5*	*17.6*	*Mar-14*
Vanguard Large Cap Index Fund	5.5	32,668,165	1,125,000	27,855,024	12.8	21.0	21.0	15.0	15.7	13.1	10.2	Jul-05
Russell 1000					*13.7*	*21.0*	*21.0*	*14.8*	*15.6*	*13.0*	*10.2*	*Jul-05*
Boston Partners Large Value	6.7	39,589,458	2,954,841	30,793,122	18.8	2.5	2.5	4.9	9.4	7.6	13.7	Apr-09
Great Lakes Large Cap Value	6.4	38,011,280	1,460,603	31,216,047	17.0	1.2	1.2	3.8	9.0	7.6	7.7	Jul-06
Russell 1000 Value					*16.3*	*2.8*	*2.8*	*6.1*	*9.7*	*8.2*	*7.1*	*Jul-06*
Small/Mid Cap Equity	4.1	24,416,620	988,273	18,018,323	29.8	6.6	6.6	3.6	8.2	6.3	--	Oct-05
DFA U.S. Small Cap Fund	2.1	12,245,842	0	9,515,059	28.7	11.2	11.2	5.4	10.1	--	--	Mar-14
Russell 2000					*31.4*	*20.0*	*20.0*	*10.2*	*13.3*	*9.3*	*9.3*	*Mar-14*
Wells Stageline Small Cap Value	2.0	12,170,778	988,273	8,503,264	31.1	2.0	2.0	1.7	9.0	--	--	Feb-14
Russell 2000 Value					*33.4*	*4.6*	*4.6*	*3.7*	*9.7*	*6.3*	*6.9*	*Feb-14*

Total Fund Performance

As of December 31, 2020

	% of Portfolio	Market Value 12/31/20 ($)	3 Mo Net Cash Flows ($)	Market Value 9/30/20 ($)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Inception (%)	Inception Date
International Equity	23.3	138,655,154	7,500,000	113,919,435	14.7	6.0	6.0	3.5	7.8	3.9	--	Oct-05
MSCI ACWI ex USA					*17.0*	*10.7*	*10.7*	*4.9*	*8.9*	*4.8*	*5.1*	*Oct-05*
Developed Markets	17.0	101,180,459	5,500,000	84,418,157	12.9	4.0	4.0	3.8	7.1	3.8	--	Oct-05
Artisan International Equity Fund	8.5	50,489,632	2,000,000	44,443,425	8.8	7.3	7.3	7.3	7.9	4.8	5.5	Jul-06
MSCI ACWI ex USA					*17.0*	*10.7*	*10.7*	*4.9*	*8.9*	*4.8*	*4.4*	*Jul-06*
Hartford Schroders Int'l Multi-Cap Value Fund	8.5	50,690,827	3,500,000	39,974,732	17.4	0.5	0.5	0.2	6.2	--	4.4	Feb-15
MSCI ACWI ex USA Value					*20.4*	*-0.8*	*-0.8*	*-0.4*	*5.7*	*1.7*	*3.1*	*Feb-15*
Emerging Markets	6.3	37,474,696	2,000,000	29,501,278	20.0	12.0	12.0	2.8	10.1	4.1	--	Oct-05
Acadian Emerging Markets Fund	3.2	18,787,935	1,000,000	15,092,030	17.6	10.2	10.2	1.8	10.4	4.5	6.6	Jul-09
Harding Loevner Emerging Markets Fund	3.1	18,686,761	1,000,000	14,409,248	22.4	13.8	13.8	--	--	--	18.1	Jun-19
MSCI Emerging Markets					*19.7*	*18.3*	*18.3*	*6.2*	*12.8*	*6.2*	*20.6*	*Jun-19*
Fixed Income	23.2	137,816,779	-2,458,962	138,307,770	1.4	8.2	8.2	5.0	4.2	3.5	--	Oct-05
BBgBarc US Aggregate TR					*0.7*	*7.5*	*7.5*	*5.3*	*4.4*	*4.1*	*4.5*	*Oct-05*
Domestic Fixed Income	23.2	137,816,779	-2,458,962	138,307,770	1.4	8.2	8.2	5.0	4.2	3.7	--	Oct-05
Richmond Capital Management	12.0	71,480,946	-10,053,825	81,145,629	0.5	7.6	7.6	5.3	4.4	4.1	4.8	Jan-07
Western Asset Core Plus Bond Fund	7.1	42,412,571	0	41,116,164	3.2	9.4	9.4	6.6	6.3	5.8	5.9	Oct-06
Vanguard Total Bond Market Index Fund	1.7	10,032,582	10,000,000	--								
BBgBarc US Aggregate TR					*0.7*	*7.5*	*7.5*	*5.3*	*4.4*	*4.1*	*0.1*	*Dec-20*
Stone Ridge Reinsurance Risk Premium Interval Fund	2.3	13,890,679	-2,405,137	16,045,977	1.6	6.8	6.8	-1.4	--	--	--	Dec-17
SwissRe Global Cat Bond TR Index					*0.6*	*5.8*	*5.8*	*4.3*	*4.0*	*4.3*	*4.6*	*Dec-17*

Total Fund Performance

As of December 31, 2020

	% of Portfolio	Market Value 12/31/20 ($)	3 Mo Net Cash Flows ($)	Market Value 9/30/20 ($)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	Inception (%)	Inception Date
Alternatives	13.7	81,282,788	-3,741,797	83,538,939	1.7	3.9	3.9	-0.9	0.5	0.3	--	Jan-11
Liquid Alternatives	0.0	0	-9,074,089	9,197,227	-7.1	-11.4	-11.4	-6.1	-2.7	-2.0	-0.4	Jan-11
HFRI Fund of Funds Composite Index					*7.9*	*10.7*	*10.7*	*4.8*	*4.5*	*3.7*	*3.3*	*Jan-11*
3D Defender Program	0.0	0	-9,074,089	9,197,227								
Illiquid Alternatives	13.7	81,282,788	5,332,292	74,341,712								
Real Estate	4.3	25,617,981	-1,050,041	25,594,617								
Lingerfelt Commonwealth Value Fund II, L.P.	0.9	5,351,231	-1,050,041	6,401,272	0.0	-5.5	-5.5	--	--	--	-11.2	Jun-18
Medalist Diversified REIT, Inc.	0.3	1,919,261	0	1,098,381	74.7	-37.0	-37.0	-33.0	--	--	-33.0	Jan-18
Medalist Diversified REIT, Inc. Private Placement	0.1	590,416	0	337,891	74.7	-37.0	-37.0	--	--	--	-39.3	May-19
Blackstone Property Partners L.P.	3.0	17,757,073	0	17,757,073	0.0	-4.3	-4.3	--	--	--	1.1	Jun-18
Private Equity	6.1	36,385,355	2,738,678	33,156,556								
Bespoke Private Strategies, L.P. 2018	1.8	10,592,380	375,000	10,217,380	0.0	59.4	59.4	16.7	--	--	16.7	Dec-17
Bespoke Private Strategies, L.P. 2019	1.8	10,895,407	1,012,500	9,882,907	0.0	8.6	8.6	--	--	--	2.9	Sep-18
Bespoke Private Strategies, L.P. 2020	1.3	7,618,539	526,178	7,092,361	0.0	16.2	16.2	--	--	--	9.1	Aug-19
LGT Crown Secondaries Special Opportunities II SCS	1.2	7,279,029	825,000	5,963,908	7.1	17.1	17.1	--	--	--	0.7	Apr-19
Private Debt	3.2	19,279,452	3,643,655	15,590,539								
GSO Credit Alpha Fund II	1.8	10,776,192	2,461,870	8,314,322	0.0	-2.6	-2.6	--	--	--	1.2	Apr-18
Monroe Capital Private Credit Fund III LP	1.4	8,503,260	1,181,785	7,276,217								
Cash & Equivalents	1.4	8,297,768	6,883,134	1,414,633								
Cash	1.4	8,107,020	6,892,576	1,214,444								
NETA Cash	0.0	190,747	-9,442	200,189								

- VBIF Index Target = 20% S&P 500 / 4% Russell 2000 / 16% MSCI EAFE / 6% MSCI Emerging Markets / 15% BBgBarc US Aggregate TR / 7% BBgBarc Global Aggregate TR / 31% HFRI Fund of Funds Composite Index / 1% 91 Day T-Bills

Total Fund Performance

As of December 31, 2020

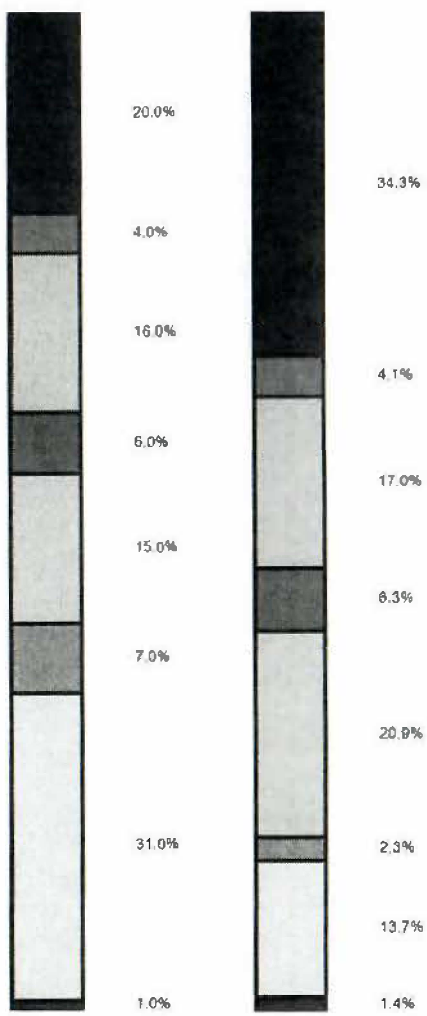
Private Market Investments Overview

Investments		Commitments			Contributions & Distributions		Valuations		Performance			
Investment Name	Vintage Year	Commitment ($)	Unfunded Commitment ($)	Call Ratio	Cumulative Contributions ($)	Cumulative Distributions ($)	Valuation ($)	Total Value ($)	DPI	TVPI	RVPI	IRR (%)
Lingerfelt Commonwealth Value Fund II, L.P.	2018	10,000,000	1,762,248	0.82	8,237,752	2,283,424	5,351,231	7,634,655	0.28	0.93	0.65	-4.36
Blackstone Property Partners, L.P.	2018	17,000,000	-329,089	1.02	17,329,089	0	17,757,073	17,757,073	0.00	1.02	1.02	1.17
Bespoke Private Strategies, L.P.	2018	15,000,000	8,250,000	0.45	6,750,000	2,665	10,592,380	10,595,045	0.00	1.57	1.57	25.57
Bespoke Private Strategies, L.P.	2019	15,000,000	5,137,500	0.66	9,862,500	15,336	10,895,407	10,910,743	0.00	1.11	1.10	8.58
Bespoke Private Strategies, L.P.	2020	18,600,000	11,095,505	0.40	7,504,495	866,469	7,618,539	8,485,008	0.12	1.13	1.02	16.25
Crown Secondaries Special Opportunities II S.C.S.	2019	25,000,000	19,175,000	0.23	5,825,000	0	7,279,029	7,279,029	0.00	1.25	1.25	3.67
GSO Credit Alpha Fund II, L.P.	2018	20,000,000	5,924,059	0.70	14,075,941	3,499,754	10,776,192	14,275,946	0.25	1.01	0.77	1.22
Monroe Capital Private Credit Fund III, L.P.	2018	10,000,000	-92,665	1.01	10,092,665	1,456,991	8,503,260	9,960,251	0.14	0.99	0.84	-1.02
Total		**130,600,000**	**50,922,558**	**0.61**	**79,677,442**	**8,124,639**	**78,773,111**	**86,897,750**	**0.10**	**1.09**	**0.99**	**5.02**

	Market Value 12/31/20 ($)	3 Mo Net Cash Flows ($)	Market Value 9/30/20 ($)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	Inception (%)	Inception Date
Illiquid Alternatives	81,282,788	5,332,292	74,341,712	100.0					
Lingerfelt Commonwealth Value Fund II, L.P.	5,351,231	-1,050,041	6,401,272	6.6	0.0	-5.5	-5.5	-11.2	Jun-18
Medalist Diversified REIT, Inc.	1,919,261	0	1,098,381	2.4	74.7	-37.0	-37.0	-33.0	Jan-18
Medalist Diversified REIT, Inc. Private Placement	590,416	0	337,891	0.7	74.7	-37.0	-37.0	-39.3	May-19
Blackstone Property Partners L.P.	17,757,073	0	17,757,073	21.8	0.0	-4.3	-4.3	1.1	Jun-18
Bespoke Private Strategies, L.P. 2018	10,592,380	375,000	10,217,380	13.0	0.0	59.4	59.4	16.7	Dec-17
Bespoke Private Strategies, L.P. 2019	10,895,407	1,012,500	9,882,907	13.4	0.0	8.6	8.6	2.9	Sep-18
Bespoke Private Strategies, L.P. 2020	7,618,539	526,178	7,092,361	9.4	0.0	16.2	16.2	9.1	Aug-19
LGT Crown Secondaries Special Opportunities II SCS	7,279,029	825,000	5,963,908	9.0	7.1	17.1	17.1	0.7	Apr-19
GSO Credit Alpha Fund II	10,776,192	2,461,870	8,314,322	13.3	0.0	-2.6	-2.6	1.2	Apr-18
Monroe Capital Private Credit Fund III LP	8,503,260	1,181,785	7,276,217	10.5					

Total Fund Allocation

As of December 31, 2020



	Current Balance	Current Allocation	Policy	Policy Range	Difference
U.S. Large Cap Equities	$203,561,040	34.3%	20.0%	10.0% - 34.0%	14.3%
U.S. Small/Mid Cap Equities	$24,416,620	4.1%	4.0%	2.0% - 6.0%	0.1%
Intl Developed Market Equities	$101,180,459	17.0%	16.0%	10.0% - 22.0%	1.0%
Intl Emerging Markets Equities	$37,474,696	6.3%	6.0%	0.0% - 10.0%	0.3%
Fixed Income	$123,926,100	20.9%	15.0%	0.0% - 25.0%	5.9%
High Yield/Global Fixed Income	$13,890,679	2.3%	7.0%	0.0% - 10.0%	-4.7%
Alternatives	$81,282,788	13.7%	31.0%	10.0% - 46.0%	-17.3%
Cash & Equivalents	$8,297,768	1.4%	1.0%	1.0% - 10.0%	0.4%
Total	**$594,030,150**	**100.0%**	**100.0%**		

Actual vs. Target