PORTICO®
Benefit Services | A Ministry of the ELCA

ANNUAL REPORT 2020

Supporting Those Who Serve
NOW MORE THAN EVER

About Our Plans

The Board of Pensions of The Evangelical Lutheran Church in America, doing business as Portico Benefit Services (Portico), maintains the following plans: ELCA Retirement Plan, ELCA Retirement Savings Plan, ELCA Disability Benefits Plan, ELCA Survivor Benefits Plan, ELCA Medical and Dental Benefits Plan (which includes the ELCA post-retirement medical benefits), and ELCA Flexible Benefits Plan. Portico also maintains two group retirement plans for ELCA-affiliated social ministry organizations: ELCA Master Institutional Retirement Plan and ELCA 457(b) Deferred Compensation Plan.

The plans are church plans, as defined in section 414(e) of the Internal Revenue Code and are not subject to the Employee Retirement Income Security Act of 1974 (ERISA). The disability and health plans, with the exception of the life insurance benefit, the Medicare Advantage benefit, and the ELCA Part D drug benefit, are self-insured and are not provided through an insurance company. Portico has contracted with an insurance company to manage and administer the Medicare Advantage benefit and the ELCA Part D drug benefit. Portico's ability to pay claims is dependent on continued contributions, claims experience, and market performance. The assets of each plan are held in various trusts and therefore do not allow one plan to fund a shortfall of another plan.

The life insurance benefits that are part of the ELCA Survivor Benefits Plan are offered by Securian Financial and underwritten by Securian Life Insurance Company (Securian). Product guarantees are backed by the financial strength and claim paying ability of Securian. Premiums are not guaranteed to remain unchanged. Portico is not affiliated with Securian and does not assume any responsibility or liability for the obligations of Securian under the insurance policies.

About Our Funds

Members should carefully consider the target asset allocations, investment objectives, risks, charges, and expenses of any fund before investing in it. Funds managed by Portico Benefit Services, including the Portico funds, ELCA funds, and ELCA Participating Annuity Investment Fund, are not insured or guaranteed by the Federal Deposit Insurance Corporation, any other government agency, or the ELCA. Fund assets are invested in multiple sectors of the market. Sectors, like funds, may perform below expectations and lose money over short or extended periods. The funds are subject to risk and uncertainty. Past performance is no guarantee of future performance. Review the Portico *Investment Fund Descriptions* and the *Investment Memorandum for the ELCA Participating Annuity Trust* for more information about the Portico funds.

Target date funds are designed for members expecting to retire around the year indicated in each fund's name. When choosing a fund, members should consider whether they anticipate retiring significantly earlier or later than age 65, and select the target date fund that aligns with their expected retirement age. There are many considerations relevant to fund selection; members should choose the fund that best meets their individual circumstances and investment goals. Each fund's asset allocation strategy becomes increasingly more conservative as it approaches the target date and beyond. Each fund's investment risk changes over time as its asset allocation changes. The investment process used by the investment managers and the target asset allocation of the funds may change at any time, without notice.

Neither Portico Benefit Services nor the funds managed by Portico are subject to registration, regulation, or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Employee Retirement Income Security Act of 1974 (ERISA), the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, or state securities laws. Members, therefore, will not be afforded the protections of those provisions of the laws and related regulations.

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Letter From the Chairperson and President

Leon J. Schwartz

Rev. Jeffrey D. Thiemann

We could not have predicted the 2020 pandemic or its challenges. But, clearly, our benefits and resources have helped ELCA ministries and those who serve them better navigate prolonged emotional, physical, and financial uncertainty — by lowering stress levels, creating safer access to health care, and providing financial counseling. The online benefits we introduced before the pandemic's arrival, the benefit adjustments we've made since, our successful navigation of volatile financial markets, and the quality and consistency of our customer service have helped to strengthen the resilience of those we serve — and, by extension, the resilience of the ELCA.

New ELCA-Primary health benefits introduced for 2020 delivered members much-needed online care and mental health support during the pandemic.

- 75% of visits scheduled through 98point6, our text-based primary health care service, likely replaced a more expensive in-person visit.
- 67% of those using Learn to Live, our online, self-directed mental health program, said it helped them show up more consistently at work.
- 10% of eligible members streamed at least one course on Being, our wellness video learning platform, which features topics like resilience and beating burnout.

Portico, itself, adapted quickly to a remote work environment. Thanks to years of crisis planning and preparation, we were able to support organizations and members with no gaps in service while also implementing three key initiatives promoting member choice.

- We enhanced our retirement plan by replacing balanced funds with target date funds — which automatically maintain an age-appropriate asset mix over time.
- We explained the ELCA Church Council's shift to two recommended health benefit options, and the advantages of the Silver+ option paired with an employer contribution to a member's health savings account (HSA).
- We reinforced member awareness of Portico's social purpose investment funds, as requested by the 2019 Churchwide Assembly.

While the pandemic has challenged us on many levels, it has also spotlighted new, more effective ways to work and serve. Resilience, we're discovering, isn't just about surviving adversity; it's being improved by it.

"And not only that, but we also boast in our sufferings, knowing that suffering produces endurance, and endurance produces character, and character produces hope," Romans 5:3-4 (NRSV)

In Peace,

Leon J. Schwartz
Chair, Board of Trustees

Rev. Jeffrey D. Thiemann
President and CEO

Prudent Cost Management, Crisis Planning Kept Us on Course

By Stacy A. Kruse, Chief Operating and Financial Officer

Stacy A. Kruse

At year-end 2020, Portico managed over $8.2 billion in assets, which includes the combined retirement savings of all ELCA retirement plan members and the health plan trust. In this unusual year, we experienced strong investment performance and lower-than-average costs due to deferred health claims. As in years past, we maintained quality, cost-effective benefit plans by relying on industry best practices to prudently manage external and internal costs.

Robust crisis planning enabled us to move our 170-person workforce remote in March without disruption to our staff or the services we deliver. As the pandemic unfolded, we stepped up two-way communication with our employees — to understand and address their concerns, and to keep them apprised of our thinking prior to making key operational decisions. This approach established a high level of mutual trust, which, in turn, enabled Portico's committed staff to continue delivering high-quality service — from their homes — to those who serve.

Other signs of stability:

- Our administrative fees were relatively flat compared to last year.
- Our health, annuity, disability, and survivor plans all ended 2020 with an excess of net assets over benefit obligations.
- We held our 2021 average baseline health contribution rate increase to 3.5% for sponsoring congregations – the lowest in seven years.

Investing in a Most Unusual Year

By David Quello, CFA, Chief Investment Officer

David Quello

In a year filled with difficulties and challenges, stock and bond markets delivered surprisingly strong results. U.S. stocks finished up over 18% for the year, non-U.S. stocks finished up over 11%, and U.S. bonds finished up 7.5%.

In addition to managing our investments for long-term performance, we delivered value to our retirement plan members in 2020 on several additional fronts.

- **We replaced our balanced funds with target date funds,** based on research and customer feedback to help make it easier for members to achieve and maintain age-appropriate asset allocation over time while continuing to offer a choice of build-your-own funds.
- **We created positive social impact** via our social purpose funds — including affordable housing units; childcare slots and new patient visits focused on communities of color and/or poverty; micro loans to small businesses in Palestine; fewer net CO_2 emissions; renewable energy; and green-certified buildings.
- **We increased ELCA Participating Annuity Trust payments for 2021,** resulting in a 3.1% increase for annuitants receiving monthly payments.

Always, our investment team strives to create competitive returns by focusing on the long term and rigorously adhering to key processes: meaningful diversification, systematic fund rebalancing, regular investment reviews, and asset allocation analysis. (Performance details on page 6.)

Portico At-a-Glance as of Dec. 31, 2020

So You Can **Find Resilience in Uncertain Times**

Now more than ever, Portico's wellness-focused benefits and resources are making a difference to those serving ELCA-affiliated congregations, synods, and social ministry organizations.

"I faithfully stayed the course during the 2008 downturn and the current pandemic because I have confidence in those who manage the plan's resources."

41,331

MEMBERS SERVED IN 2020

"Portico staff are thoroughly professional in a non-anxious, relational way. In these difficult times, that builds confidence."

5,909

SPONSORING EMPLOYERS SERVED IN 2020

"Learn to Live has given me tools to recognize and manage my everyday stress and anxieties – and a coach who encourages me."

$365 Million

CONTRIBUTIONS RECEIVED IN 2020

$376 Million

BENEFITS PAID IN 2020

"98point6 text-based health care – at no cost to us – really helps our family find care in our small town, quickly and safely."

$8.2 Billion

ASSETS UNDER MANAGEMENT IN 2020

"As I wait to get a new call during COVID, my Portico financial planner is, creatively and patiently, giving me a sense of control over my (now out of control) life."

585

MEMBERS RETIRED IN 2020

"As a first-time treasurer, Portico held my hand through the initial set-up, making a mysterious process clear and simple."

31.3%

OF MEMBERS INVESTED IN SOCIAL PURPOSE FUNDS IN 2020

"I'm encouraged that Portico's retirement plan is working to balance our best interests and the gospel imperative to care for others, including the environment."

Data as of Dec. 31, 2020; sources available upon request. Availability of and eligibility for benefits will vary.

ELCA Retirement Plan Investment Performance as of Dec. 31, 2020

Our investment team strives to create competitive returns relative to peer groups by focusing on the long term and rigorously adhering to key processes: meaningful diversification, systematic fund rebalancing, regular investment reviews, and asset allocation analysis.

ELCA RETIREMENT PLAN PERFORMANCE (AS OF DEC. 31, 2020) (Unaudited)				
Target Date Funds[1]	Since Inception 10/2/2020	3 Years (%)	5 Years (%)	10 Years (%)
Portico Retirement 2065 Fund	14.66	N/A	N/A	N/A
Portico Retirement 2060 Fund	14.63	N/A	N/A	N/A
Portico Retirement 2055 Fund	14.63	N/A	N/A	N/A
Portico Retirement 2050 Fund	14.63	N/A	N/A	N/A
Portico Retirement 2045 Fund	14.28	N/A	N/A	N/A
Portico Retirement 2040 Fund	13.48	N/A	N/A	N/A
Portico Retirement 2035 Fund	12.64	N/A	N/A	N/A
Portico Retirement 2030 Fund	11.57	N/A	N/A	N/A
Portico Retirement 2025 Fund	9.82	N/A	N/A	N/A
Portico Retirement 2020 Fund	7.97	N/A	N/A	N/A
Portico Retirement Income Fund	6.10	N/A	N/A	N/A
Target Date Funds[1]	Since Inception 10/9/2020	3 Years (%)	5 Years (%)	10 Years (%)
Portico Retirement 2065 Social Purpose Fund	11.24	N/A	N/A	N/A
Portico Retirement 2060 Social Purpose Fund	11.24	N/A	N/A	N/A
Portico Retirement 2055 Social Purpose Fund	11.24	N/A	N/A	N/A
Portico Retirement 2050 Social Purpose Fund	11.24	N/A	N/A	N/A
Portico Retirement 2045 Social Purpose Fund	10.96	N/A	N/A	N/A
Portico Retirement 2040 Social Purpose Fund	10.42	N/A	N/A	N/A
Portico Retirement 2035 Social Purpose Fund	9.76	N/A	N/A	N/A
Portico Retirement 2030 Social Purpose Fund	9.01	N/A	N/A	N/A
Portico Retirement 2025 Social Purpose Fund	7.73	N/A	N/A	N/A
Portico Retirement 2020 Social Purpose Fund	6.43	N/A	N/A	N/A
Portico Retirement Income Social Purpose Fund	2.03	N/A	N/A	N/A
Build-Your-Own[1, 5]	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Portico Global Stock Fund	15.95	9.44	11.61	9.65
Portico Global Stock Social Purpose Fund	17.46	10.16	11.96	9.75
Median: Lipper Peer Group Global Multi-Cap Core Funds	14.70	8.14	10.57	8.95
Portico Non-U.S. Stock Fund	13.46	5.48	9.62	5.57
Portico Non-U.S. Stock Social Purpose Fund	14.46	6.15	9.87	5.68
Median: Lipper Peer Group International Multi-Cap Core Funds	7.84	3.92	7.32	5.03
Portico S&P 500 Stock Index Fund [2]	17.68	13.67	14.71	13.39
Median: Lipper Peer Group S&P 500 Index Objective Funds	18.05	13.81	14.81	13.37
Portico Stock Index Social Purpose Fund	20.54	14.42	15.19	13.49
Russell 3000 Stock Index	20.89	14.49	15.43	13.79
Portico Small and Mid-Cap Stock Index Fund	31.45	14.83	154.54	12.70
Dow Jones U.S. Completion Total Stock Market Index	32.16	15.21	15.89	13.03
Portico Global Real Estate Securities Fund [3]	-6.10	2.72	4.39	6.15
Median: Lipper Peer Group Global Real Estate Funds	-4.81	3.70	4.79	5.79
Portico High-Yield Bond Fund	6.88	5.02	4.24	3.60
Median: Lipper Peer Group High Yield Funds	5.43	5.07	7.13	5.66
Portico Bond Fund	6.88	5.02	4.24	3.60
Portico Bond Social Purpose Fund	6.67	4.95	4.12	3.53
Median: Lipper Peer Group Intermediate Investment-Grade Debt Funds	8.15	5.38	4.63	3.95
Portico Money Market Fund [4]	-0.16	0.94	0.63	-0.04
Median: Lipper Peer Group Money Market Instrument Funds	0.36	1.29	0.90	0.45

[1] Fund returns are net of all fees, with the exception described in note 5 below. Returns are annualized for periods greater than one year. An investment in these funds could lose money over short or long periods of time. Past performance does not guarantee future results.

Target date funds are designed for members expecting to retire around the year indicated in each fund's name. When choosing a fund, members should consider whether they anticipate retiring significantly earlier or later than age 65, and select the target date fund that aligns with their expected retirement age. There are many considerations relevant to fund selections; members should choose the fund that best meets their individual circumstances and investment goals. Each fund's asset allocation strategy becomes increasingly more conservative as it approaches the target date and beyond. Each fund's investment risk changes over time as its asset allocation changes.

As of Dec. 31, 2012, Portico Benefit Services began using Lipper fund classification comparisons. These comparisons use the median (middle) return of mutual funds classified by Lipper. Lipper fund classifications are more widely known and provide a more common comparison to other funds with similar investment mandates to the Portico funds for purposes of comparing investments available to retail investors, such as investments available to an Individual Retirement Account (IRA). Like the Portico funds, the Lipper returns are net of all fees.

Portico continues to use stock index comparisons for the Social Purpose Stock Index and the Small and Mid-Cap Stock Index Funds, because comparable Lipper Peer groups are not available. Unlike Lipper Peer Groups, stock index comparisons do not include any fees or expenses.

The investment objective and performance objective of each Portico fund remains unchanged.

[2] "S&P 500®" is a trademark of the McGraw-Hill Companies, Inc., and has been licensed for use by Portico Benefit Services. The ELCA S&P 500 Stock Index Fund is not sponsored, endorsed, sold or promoted by Standard & Poor's, and Standard & Poor's makes no representation regarding the advisability of investing in the fund.

[3] This fund was managed as a 100% U.S. real estate securities pool prior to December 2008 at which time it was expanded to include non-U.S. real estate securities. The Lipper Peer Group shown with this fund includes mutual funds which owned both U.S. and non-U.S. real estate securities for all time periods shown.

[4] In low interest rate environments, there is a risk that the return on the Money Market Fund, after investment management fees, can be less than the administrative expenses charged by Portico Benefit Services, resulting in negative net return (or loss) for plan members. Although the fund seeks to preserve value at $1 per share, as with any investment it is possible to lose money by investing in this fund.

[5] A note about the Portico Non-US Stock Fund, Portico Non-US Stock Social Purpose Fund, Portico S&P 500 Stock Index Fund, Portico Stock Index Social Purpose Fund, Portico Small and Mid-Cap Stock Index Fund, Portico Global Real Estate Securities Fund, and Portico High Yield Bond Fund:

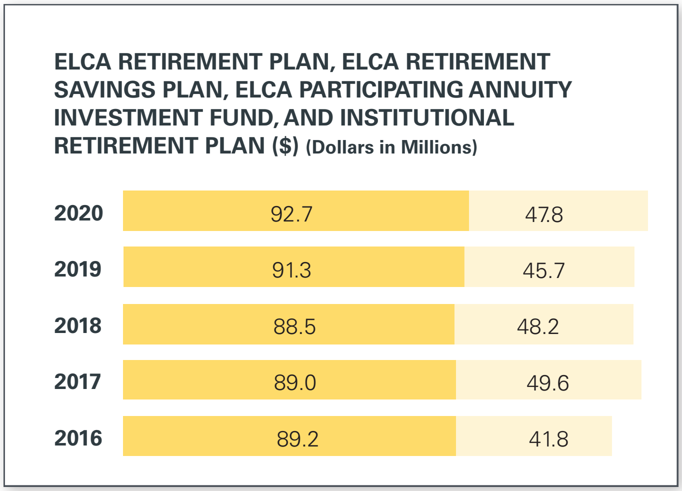
Portico has maintained these asset categories for more than 10 years and in 2003 made them available as investment options within the retirement plan. The underlying asset pools provide representative historical performance records but do not include administrative fees prior to 2/1/2003. Had administrative fees been charged, the fund's returns would have been lower.

Lipper data obtained from Wilshire Associates Inc. (Wilshire Compass) as of Dec. 31, 2020.

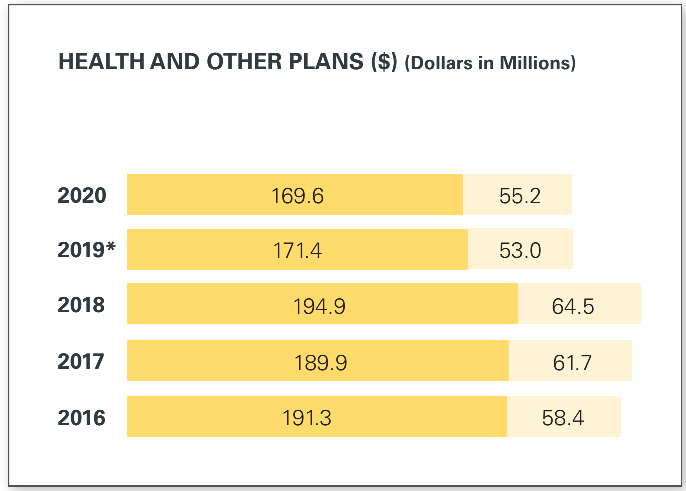
Contributions Received as of Dec. 31, 2020

Years of member education about saving for retirement, coupled with an effective annual enrollment reminder, have created a steady increase in members saving for their own retirement.

Contributions (Unaudited)



Sponsoring employers Sponsored members making pretax contributions



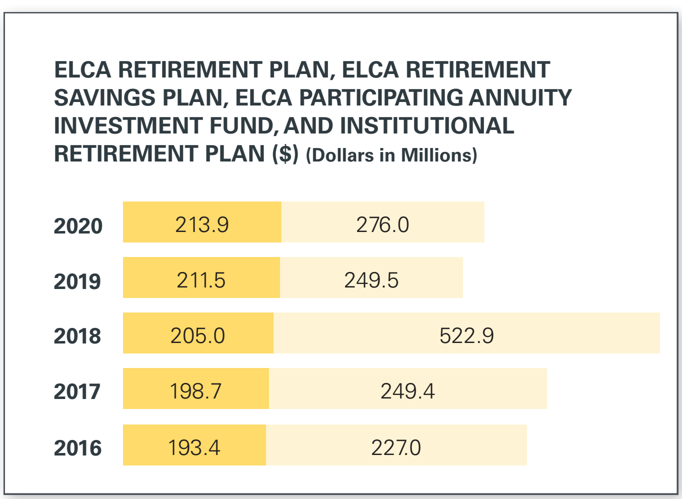
Sponsoring employers Retired and non-sponsored members continuing coverage at their own expense

* The reduction in contributions is due to the Medicare Advantage plan converting to a fully insured plan which impacts 2019 and future years

Benefits Paid* as of Dec. 31, 2020

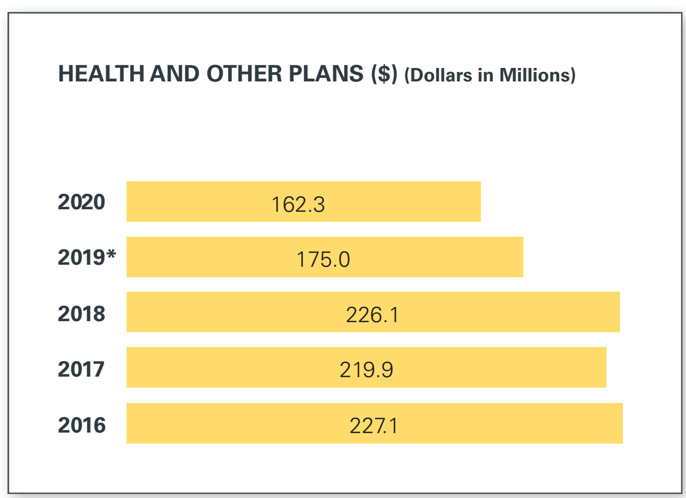
Prudent cost management helps us steward valuable church assets and deliver benefits reliably over the long term.

Benefits* (Unaudited)



Participating annuity payments Withdrawals and terminations

*Benefits do not include general and administrative expenses, or transfers and adjustments.



Health, disability, and survivor claims paid on behalf of members

* The reduction in benefits is due to the Medicare Advantage plan converting to a fully insured plan which impacts 2019 and future years

Membership as of Dec. 31, 2020

Portico's ability to harness collective purchasing power and offer effective benefit solutions continues to resonate with a growing number of Lutheran organizations.

MEMBERSHIP (Unaudited)	2020	2019
Plan Members — Retirement and Other Benefits	Members	
In active service	11,352	11,379
Not in active service	8,131	8,164
On leave	863	813
Disabled	187	218
Retired	13,335	13,380
Survivors	2,608	2,483
Subtotal	**36,476**	**36,437**
Participants, ELCA institutional retirement plan	4,855	4,636
Total members and participants	**41,331**	**41,073**
Additions	(Dollars in Thousands)	
Investment Income	867,029	1,259,621
Investment Expenses	(21,690)	(21,747)
Net Investment Income	**845,339**	**1,237,874**
Income from Contributions	365,287	361,367
Total Additions	**1,210,626**	**1,599,241**
Deductions		
Benefits paid, including plan withdrawals	652,206	635,963
Fully insured premiums	32,843	26,847
General and Administrative expenses	46,500	49,838
Total Deductions	**731,549**	**712,648**
Net increase in net assets available for plan benefits	479,077	886,593
Net assets available for plan benefits - beginning of year	7,717,645	6,831,052
Net assets available for plan benefits - end of year	8,196,722	7,717,645
Benefit Obligations	7,666,175	7,321,021
Excess of net assets over accumulations and benefit obligations	530,547	396,624

General and Administrative Expenses as of Dec. 31, 2020

Thanks to careful monitoring and management of administrative expenses, our health, annuity, disability, and survivor plans all ended 2020 with an excess of net assets over benefit obligations.

GENERAL AND ADMINISTRATIVE EXPENSES (Unaudited)	2020 (%)	2019 (%)
ELCA Retirement and Institutional Retirement Plan		
As a percentage of:		
• Contributions	14.9	15.4
• Benefits paid	4.3	4.6
• Net assets	0.3	0.3
Health and Other Plans		
As a percentage of:		
• Contributions	11.3	12.8
• Benefits paid	15.7	16.4
By Category		
Purchased services	33.7	36.3
Salaries and benefits	43.0	39.2
Managed care	13.0	13.9
Depreciation	1.9	2.3
Travel and other	5.3	5.3
Occupancy and utilities	2.6	2.4
Printing and supplies	0.5	0.6
By Plan		
Retirement Plan	43.2	40.6
Health benefits and other plans	43.6	46.3
Institutional retirement plan	1.9	1.7
Disability Benefits Plan	5.6	6.6
Survivor Benefits Plan	4.8	4.8

Report of Management

We have prepared the accompanying combined financial statements of the ELCA Pension and Other Benefits Program administered by Portico Benefit Services for the years ended Dec. 31, 2020 and 2019. We are responsible for the content and integrity of these statements, as well as all other information contained within the annual report. Other information presented herein is consistent with information shown on the statements. The statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The statements include amounts based on management's best estimates and judgments.

On a combined basis, we believe the financial statements present fairly, in all material aspects, the financial condition and results of operations for the ELCA Pension and Other Benefits Program (doing business as Portico Benefit Services) for the periods presented in this report.

The 2020 and 2019 "Total Funds" amounts in the financial statements have been audited by RSM US LLP, independent certified public accountants, whose report appears on page 12. The independent auditors, engaged to audit the combined financial statements, meet periodically with, and have been given free access to, the audit committee and the trustees, without management present, to discuss internal controls, auditing, and financial reporting matters. The appointment of the independent auditors is approved by the board of trustees.

Portico Benefit Services recognizes its system of internal controls plays an important role in the creation of reliable financial statements. The system is designed to provide reasonable assurance as to the integrity and reliability of the financial statements, that assets are safeguarded, and transactions are properly recorded and executed in accordance with management's authorization. The control environment is enhanced by selecting and training competent management, maintaining the highest standards of conduct by employees, appropriately segregating duties and delegating authority, and communicating accounting and operating policies and procedures to Portico Benefit Services' employees. Management monitors the system of internal control for compliance. Portico Benefit Services maintains internal audit and operational compliance departments that independently assess the effectiveness of the system of internal control.

The independent 16-member board of trustees oversees the financial statements through its audit committee, which includes several members who could be considered financial experts. The audit committee is responsible for communications between the board of trustees and Portico Benefit Services' independent auditors, internal auditors, and financial management staff regarding financial statements, audits, accounting and financial report practices, adequacy and effectiveness of the system of internal controls, and the scope and results of the annual audit. The audit committee meets two times each year with management, independent auditors, and the internal auditors.

Jeffrey Thiemann

The Rev. Jeffrey D. Thiemann
President and CEO
June 4, 2021

Stacy A. Kruse

Stacy A. Kruse
Chief Operating & Financial Officer
June 4, 2021

RSM

RSM US LLP

Independent Auditor's Report

To the Board of Trustees of the Board of Pensions of the Evangelical Lutheran Church in America
(d/b/a Portico Benefit Services)

Report on the Financial Statements
We have audited the accompanying combined financial statements of Portico Benefit Services, which comprise the Combined Statements of Net Assets Available for Plan Benefits as of December 31, 2020 and 2019, the related Combined Statements of Changes in Net Assets Available for Plan Benefits for the years then ended, and the related notes to the combined financial statements, collectively the financial statements.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 present fairly, in all material respects, the net assets and benefit obligations of Portico Benefit Services as of December 31, 2020 and 2019, and the changes in its net assets and benefit obligations for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters
Our audit was conducted for the purpose of forming an opinion on the financial statements as of and for the years ended December 31, 2020 and 2019, as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements or to the financial statements themselves, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

RSM US LLP

Minneapolis, Minnesota
June 4, 2021

Portico Benefit Services - Combined

COMBINED STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

Statements of Net Assets Available for Plan Benefits (Dollars in Thousands)	2020 Total Funds ($)	2019 Total Funds ($)
ASSETS		
Investments, at fair value		
Bonds	2,857,048	2,537,036
Stocks	2,933,179	3,305,516
Short-term investments	222,329	125,768
Mutual funds	1,608,893	1,216,277
Private equity and real estate investments	636,308	509,958
Total investments (Cost 2020: $6,689,233; Cost 2019: $6,493,053)	**8,257,757**	**7,694,555**
Cash	7,097	5,793
Collateral under securities lending program	655,856	764,817
Foreign currency contracts	60,914	63,825
Swaps/Futures	7,338	16,271
Accrued interest and dividends receivable	29,235	32,883
Contributions receivable, net of allowance	9,876	7,910
Other assets	10,051	18,905
Due from brokers for securities sales	11,354	18,417
Furniture, equipment, and computer software, net	1,663	2,295
Total assets	**9,051,141**	**8,625,671**
LIABILITIES		
Foreign currency contracts	60,747	63,838
Swaps/Futures	4,996	15,560
Cash overdraft	560	5
Payables for securities purchased	113,356	43,330
Payables under securities lending program	655,791	764,678
Deferred revenue	503	439
Payables and accrued expenses	18,466	20,063
Lease obligations	-	113
Total liabilities	**854,419**	**908,026**
Net assets available for plan benefits	**8,196,722**	**7,717,645**
Accumulations and benefit obligations		
Net assets accumulated for active plan members	5,437,098	5,069,460
Benefit obligation for annuity plan members	1,980,539	2,012,879
Benefit obligations for health and wellness plan members	248,538	238,682
Total accumulations and benefit obligations	**7,666,175**	**7,321,021**
Excess of net assets over accumulations and benefit obligations	**530,547**	**396,624**

The accompanying notes, beginning on page 16, are an integral part of the financial statements.

COMBINED STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

Statements of Changes in Net Assets Available for Plan Benefits (Dollars in Thousands)	2020 Total Funds ($)	2019 Total Funds ($)
ADDITIONS (REDUCTIONS) TO NET ASSETS		
Investment gain		
Interest and other income	90,464	103,213
Dividend income	71,594	94,049
Net appreciation of fair value of investments	699,791	1,057,178
Other investment gain	5,180	5,181
Investment expense	(21,690)	(21,747)
Net investment gain	**845,339**	**1,237,874**
Contributions		
Employer contributions	250,155	250,745
Member contributions	103,007	98,666
Other contributions	12,125	11,956
Total contributions	**365,287**	**361,367**
Total additions to net assets	**1,210,626**	**1,599,241**
DEDUCTIONS FROM NET ASSETS		
Benefit payments	376,217	386,469
Withdrawals	275,989	249,494
Fully insured premiums	32,843	26,847
General and administrative expenses	46,500	49,838
Total deductions from net assets	**731,549**	**712,648**
Net increase in net assets available for plan benefits	**479,077**	**886,593**
Increase in accumulations and benefit obligations	345,154	684,748
Net change in excess of net assets over accumulations and benefit obligations	**133,923**	**201,845**
Excess of net assets over accumulations and benefit obligations, beginning of period	396,624	194,779
Excess of net assets over accumulations and benefit obligations, end of period	**530,547**	**396,624**

The accompanying notes, beginning on page 16, are an integral part of the financial statements.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Note 1 — Organization and Description of Plans Administered by Portico Benefit Services

Portico Benefit Services is separately incorporated as a Minnesota nonprofit corporation under Chapter 317A (the Minnesota nonprofit corporation act), and is governed by an independent 16-member board of trustees that is elected by the membership of the ELCA. As a separately incorporated ministry of the Evangelical Lutheran Church in America (ELCA), Portico Benefit Services administers the retirement, health, and related benefit plans for this church and other faith-based organizations, and manages the trusts for the benefit plans as well as the trusts for several predecessor church plans. *Portico Benefit Services Combined Statements of Net Assets Available for Plan Benefits* and corresponding *Combined Statements of Changes in Net Assets Available for Plan Benefits* represent the totals for all plans under administration including the administrative entity.

The ELCA Pension and Other Benefits Program is a Church Plan, as defined in Section 414(e) of the Internal Revenue Code, and in Title 1 of the Employee Retirement Income Security Act of 1974 (ERISA). The ELCA Pension and Other Benefits Program is not subject to ERISA. Portico Benefit Services files form *990-T, Exempt Organization Business Income Tax Return,* with the Internal Revenue Service. Form 990-T is available for public inspection at Portico Benefit Services office during normal business hours. ***See Note 9 — Income Taxes for more information regarding income taxes.***

The ELCA Pension and Other Benefits Program plans administered by Portico Benefit Services are described below. The assets of each plan are held in unique, individual trusts; accordingly, one plan cannot fund a shortfall within another plan.

Summary plan descriptions and other documents provide a more complete description of each plan's provisions. Summary plan descriptions can be viewed at *myPortico.PorticoBenefits.org*.

ELCA Retirement Plan

The ELCA Retirement Plan is a defined contribution plan authorized under the provisions of §403(b)(9) of the Internal Revenue Code (IRC). This plan provides retirement benefits based on accumulated retirement contributions and investment earnings at the time of retirement. Eligible members are those sponsored as rostered ministers serving under call and lay employees employed by an eligible employer and meeting required work timetable obligations. Additionally, members are eligible to enroll when they are a self-sponsoring ELCA pastor and are either called to a ministry and their employer chooses not to sponsor them or called to a ministry in which they are considered self-employed, in accordance with Internal Revenue Code §414(e)(5) (A)(i). All contributions are fully and immediately vested. There are 34 Portico investment funds within which members may choose to invest both employer and member contributions.

ELCA Retirement Savings Plan

The ELCA Retirement Savings Plan is a defined contribution plan authorized under the provisions of §403(b)(9) of the Internal Revenue Code (IRC). This plan provides retirement benefits based on accumulated retirement contributions and investment earnings at the time of retirement.

Eligible members include those employed by an eligible employer within a church-controlled or non-qualified church-controlled organization. The employer has a specific plan design (the terms of which are set forth in the employer's adoption agreement, which is made a part of the Plan), which may or may not include an employer match and/or an employer required contribution. Employers have the option to vest contributions immediately or based on a vesting schedule. There are 34 Portico investment funds within which qualifying members may choose to invest both member and employer contributions.

ELCA Participating Annuity Investment Fund

The ELCA Participating Annuity Investment Fund is a type of immediate variable annuity that seeks to provide an income stream for life and the potential for income growth over the long term. When a new entrant decides to annuitize all or a portion of his/her retirement account, the money is transferred from the ELCA Retirement Plan and invested into the ELCA Participating Annuity Investment Fund. Benefits are not paid from a member's individual account; rather, a member's annuitized money is combined with that of all other annuitants. All participants share the mortality experience of the ELCA Participating Annuity Investment Fund. Annuity payments are periodically adjusted by Portico Benefit Services, typically each January. Periodic adjustments are currently based on the funded ratio of the ELCA Participating Annuity Investment Fund as of Sept. 30 of the prior year. The current method provides that if the funded ratio is 1.000, no adjustment is made. If the funded ratio is greater than or less than 1.000 under the current method, annuity payments may be increased or decreased accordingly. Based on the funded ratio for the ELCA Participating Annuity Investment Fund as of Sept. 30, 2020, annuity payments were increased by 3.1% for the 2021 calendar year.

Previously, some members invested in the ELCA Participating Annuity Investment Fund through a bridge account, which gave them the opportunity to participate in this fund's investment performance prior to annuitizing. This option is no longer available, and no new contributions can be made to existing bridge accounts. Members who currently have bridge accounts participate in the fund and will have their account balances adjusted monthly, using an interest-crediting rate, until they annuitize the balance.

The ELCA Participating Annuity Investment Fund is a multi-asset class fund that seeks to generate rates of return in excess of the rate of inflation over longer periods of time. The target allocation for this fund is shown in the following chart.

	TARGET ALLOCATION (%)
Bonds	50
Stocks*	34
Private equity, real estate, and other investments	16

*Certain commingled funds are reclassified from stocks to mutual funds for financial statement reporting purposes on the Combined Statements of Net Assets Available for Plan Benefits.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

ELCA Master Institutional Retirement Plan

The ELCA Master Institutional Retirement Plan is a defined contribution and deferred compensation plan under provisions §403(b)(9). ELCA-affiliated social ministry organizations (SMOs) and other faith-based organizations participate in this plan. Employers and employees can make contributions to retirement accounts for eligible employees. Each employer determines eligibility based on its determined specific parameters. Vesting schedules vary by employer; nearly half maintain an immediate 100% vesting schedule while the other half have elected a variety of different vesting schedules.

There are 34 Portico investment funds available in the §403(b)(9) plan from which members may choose to invest these contributions.

Forfeitures: Forfeitures of unvested contributions from terminated participant accounts are used to offset future employer contributions. Unapplied forfeitures are recorded in the Contributions receivable, net of allowance line on the *Combined Statements of Net Assets Available For Plan Benefits*.

Participant Loans: Participants may borrow between $1,000 and a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The maximum loan term available is 60 months. Loans are secured by the balance in the participant's account and bear interest at a rate equal to 1% above the current prime rate, as determined by Portico Benefit Services. Not all plans include the participant loan feature. The outstanding loans as of Dec. 31, 2020 and 2019 respectively were $1,125,000 and $1,303,000.

ELCA Disability Benefits Plan

The ELCA Disability Benefits Plan provides benefits for Traditional Benefits Program plan members who are totally disabled due to injury or physical or mental disorder. These benefits include:

- A monthly disability income benefit equal to two-thirds of monthly defined compensation (less Social Security, other governmental disability benefits, and certain earnings)
- ELCA Retirement Plan contributions
- Contributions for ELCA Medical and Dental Plan (for member and eligible dependents)
- ELCA Survivor Benefits Plan benefits

The Flexible Benefits Program members who are enrolled in the ELCA Disability Benefits Plan are eligible for monthly disability income only; not ELCA Retirement Savings Plan, ELCA Medical and Dental Benefits Plan, and ELCA Survivor Benefits Plan contributions.

ELCA Survivor Benefits Plan

The ELCA Survivor Benefits Plan offers three types of life insurance to sponsored members — basic, optional supplemental, and optional dependent life insurance. These benefits are fully insured by Securian Insurance Company. Basic group life insurance, including an accidental death and dismemberment (AD&D) benefit, pays out a sum of money upon the death of a sponsored member. The basic group life insurance provides a benefit that is two times annual defined compensation, with a minimum benefit of $6,000 and a maximum of $50,000 up to age 69. Between the ages of 70 and 74, the benefit is reduced to 50% of the original amount, but not less than $6,000. For sponsored members age 75+, the benefit is reduced to 25% of the original amount, but not less than $6,000. Eligibility is extended to retirees who meet age and service requirements as a Lump-Sum Survivor Benefit offered by the ELCA Survivor Benefits Trust.

Portico retains a residual liability for beneficiaries who became eligible for monthly survivor benefit payments prior to Jan. 1, 2014, under the predecessor ELCA Survivor Benefits Plan, which is self-funded.

Optional supplemental life and dependent life insurance benefits can be purchased at member expense and include additional group life insurance and accidental death and dismemberment (AD&D) protection. Members up to age 69 can purchase $50,000 benefit increments up to $400,000. Members age 70 – 74 are eligible to purchase 50% of this amount and age 75 and over can purchase 25% of this amount. The amount of coverage available for purchase for dependent life is based upon age.

For retired members who are no longer eligible for basic group life insurance but meet age and service requirements the ELCA Survivor Benefits Plan provides for a Lump-Sum Survivor Benefit (LSSB) upon their death provided to their beneficiaries. For members who die at age 70 or later, the LSSB provides a benefit of $7,500. If the member's death occurs prior to age 70, the beneficiary is provided a benefit based on various factor rates applied to the monthly defined compensation. The minimum benefit provided is $7,500 with a maximum of $50,000.

ELCA Medical and Dental Benefits Plan

The ELCA Medical and Dental Benefits Plan (ELCA Health Plan) provides coverage for eligible health care expenses incurred by plan members and their eligible dependents. ELCA-Primary health benefits are provided to active, disabled, and non-sponsored members who aren't eligible for Medicare as Primary coverage. ELCA Medicare-Primary health benefits are provided to sponsored, disabled, retired and non-sponsored members who are eligible for Medicare as primary health coverage.

- ELCA-Primary health benefits provide coverage for eligible hospital, medical, dental, and prescription drug expenses. ELCA-Primary health benefits include expert care coordinators, text-based primary care, personalized chronic condition assistance programs, employee assistance program, and access to tax-advantaged accounts.
- There are four ELCA-Primary health options: Platinum+, Gold+, Silver+, and Bronze+. All four options offer the same set of benefits, but differ in contribution rates for sponsoring employers and out-of-pocket amounts for plan members. Platinum+ and Gold+ include a health reimbursement arrangement for deposited wellness dollars; Silver+ and Bronze+ plans are high-deductible plans that include a health savings account. The Platinum+ option has the highest contribution rate, lowest deductible, and lowest out-of-pocket limit. The Gold+ and Silver+ options offer deductibles and out-of-pocket limits that fall between the Platinum+ and Bronze+ options. The Bronze+ option has the lowest contribution rate, highest deductible, and highest out-of-pocket limit.
- In 2020, ELCA Medicare-Primary benefits provided Medicare Advantage benefits, extended to eligible members through an agreement between Portico and an insurance company. Eligible medical benefits generally included services determined to be eligible expenses by the Medicare Advantage Benefits Administrator such as hospital and medical services covered under Medicare Part A and Part B, certain medically necessary hospital and medical expenses outside Medicare's territory and select medically necessary inpatient services.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

ELCA Flexible Benefits Plan

The ELCA Flexible Benefits Plan provides the benefits described below and is available to eligible participants. Participation in this plan is voluntary.

Health care flexible spending account — allows participants to be reimbursed with pretax dollars for eligible health care expenses incurred by participants and their eligible family members.

Dependent care flexible spending account — allows participants to be reimbursed with pretax dollars for eligible day care expenses incurred for the care of children or other eligible dependents to enable participants to work.

Flexible benefits account balances that are not used within the established time period are forfeited. Forfeited amounts remain in the Flexible Benefits Trust and will be used by Portico Benefit Services to pay for administrative costs of the ELCA Flexible Benefits Plan.

On Dec. 31, 2020, Portico Benefit Services estimated the plan showed potential underfunding by $529,000 for claims paid in excess of contributions for those members who terminated. The 2020 plan year was extended to allow funds to be used by members through 2021. The 2020 plan year will close in October 2022. Any shortfalls from the 2020 plan year will be funded by Portico Benefit Services' operating fund and any forfeited amounts will assist in paying for administrative costs. For the 2019 plan year, $379,041 in plan forfeitures were transferred to Portico Benefit Services' operating fund to offset future plan operating expenses. The 2019 plan year forfeitures were transferred in calendar year 2020.

ELCA Benefits Contribution Trust

The ELCA Benefits Contribution Trust provides medical contribution subsidies to certain retired members with predecessor service.

All Other Funds

All other funds are comprised of Portico Benefit Services Operating and Reserve Fund, the ELCA Supplemental Retirement Trust for Government Chaplains, and the Special Needs Retirement Fund. The ELCA Supplemental Retirement Trust for Government Chaplains supplements retirement income for retired pastors who served as chaplain in full-time service for the U.S. military or any U.S. government agency. The Special Needs Retirement Fund supplements retirement income and pays the health contributions for retired pastors, deacons, lay employees, and surviving spouses or Eligible Same Gender Partners who qualify based on income limitations and have Portico Benefit Services coverage. The Special Needs Retirement Fund is an ELCA fund jointly administered by the ELCA and Portico Benefit Services.

Note 2 — ELCA Pension and Other Benefits Program Funding Practices

ELCA Retirement Plan

The ELCA Retirement Plan is funded through employer and employee contributions. Employer contribution percentages may vary by sponsored member, but generally cannot be less than 10% of defined compensation for an ELCA rostered minister, or not less than 6% of defined compensation for an ELCA layperson. The plan also allows employees to make member pretax contributions up to the limits established by the IRS. All contributions are fully and immediately vested.

ELCA Retirement Savings Plan

The ELCA Retirement Savings Plan allows employers to fund through two optional contribution methods.

Employer Matching Contributions — Employers match member pretax contributions, dollar-for-dollar, up to a specified maximum amount.

Employer Required Contributions — Employers contribute a percentage of a member's defined compensation to their retirement account.

Employers have the option to vest contributions immediately or based on a vesting schedule. The plan also allows employees to make member pretax contributions up to the limits established by the IRS. These contributions are fully and immediately vested.

ELCA Participating Annuity Investment Fund

The ELCA Participating Annuity Investment Fund is funded by members who choose to annuitize all or a portion of their retirement plan assets. The ELCA Participating Annuity Investment Fund is also funded through members who previously participated in the bridge account.

ELCA Master Institutional Retirement Plan

Social Ministry Organizations (SMOs) can make contributions to retirement accounts for eligible employees based on a specified percentage of compensation, as stated in their adoption agreements. These contribution percentages can range from 0% to 12%. The plan also allows employees to make pretax contributions up to the limits established by the IRS.

ELCA Disability Benefits Plan

The ELCA Disability Benefits Plan is funded by employer-paid contributions, calculated as a percentage of members' defined compensation. Employer contributions were 1.5% and 2.5% of defined compensation in 2020 and 2019 respectively.

ELCA Survivor Benefits Plan

The ELCA Survivor Benefits Plan is funded by employer-paid contributions, calculated as a percentage of members' defined compensation. Employer contributions were 0.7% and 0.2% of defined compensation in 2020 and 2019 respectively.

Member-paid premiums for optional supplemental life and dependent life insurance benefits also fund the ELCA Survivor Benefits Plan.

ELCA Medical and Dental Benefits Plan

The ELCA Medical and Dental Benefits Plan is self-insured and funded by employer-paid contributions that are calculated as a percentage of a sponsored member's defined compensation, age, and vary by coverage elections and geographic area. Within certain minimum and maximum amounts, the 2020 contribution rates for members sponsored by participating employers ranged from 7.9% to 79.9% (3.9% to 75.9% in 2019) of a member's defined compensation.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Effective on Jan. 1, 2019, Portico moved the ELCA Medicare-Primary population to a fully-insured benefit plan. The ELCA Health Plan no longer receives the Direct Subsidy, Coverage Gap, or Federal Reinsurance reimbursements from CMS (Centers for Medicare and Medicaid Services) that it received while offering self-insured prescription drug benefits to this population.

ELCA Flexible Benefits Plan

The ELCA Flexible Benefits Plan is funded by individual employee contributions to their health flexible spending account, dependent care flexible spending account, and/or health savings account. The plan allows employees to make contributions up to the limits established by the IRS.

ELCA Benefits Contribution Trust

The ELCA Benefits Contribution Trust has historically been funded through two sources: (1) the ELCA and (2) participating employer contributions. Effective July 1, 2020, it was determined funding was adequate to support liabilities and the future funding obligations of both the ELCA and participating employers were terminated. ***See Note 10 — Related-Party Transactions for further discussion regarding funding contributed by the ELCA***. For the period January 1, 2020 through July 1, 2020, participating employer contributions were 0.70% of defined compensation. Participating employers contributed $2,322,000 for the year ended Dec. 31, 2020, and $4,620,000 for the year ended Dec. 31, 2019.

Note 3 — Summary of Significant Accounting Policies

Basis of Accounting

Portico Benefit Services' accounting and reporting policies conform to accounting principles generally accepted in the United States of America (GAAP). Portico Benefit Services does not use nonprofit accounting guidance. Portico Benefit Services uses benefit plan guidance in the preparation and presentation of the financial statements and related notes to those statements. The financial statements are prepared on an accrual basis. General and administrative expenses are charged to the various plans through a combination of direct charges and an allocation rate calculation based on the workload directly impacting each plan.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributions

Contributions due but unpaid are shown net of an allowance for uncollectable accounts on the accompanying *Combined Statements of Net Assets Available for Plan Benefits*. The allowance for uncollectable accounts was $166,000 at Dec. 31, 2020 and $101,000 at Dec. 31, 2019. The allowance for uncollectable accounts is calculated based on a variety of factors including the length of time an account is past due, trends in past payment history, and communication with the employer or member. Contributions that are paid prior to the due date are shown as deferred revenue on the accompanying *Combined Statements of Net Assets Available for Plan Benefits*.

Claims

Claims related to the ELCA Medical and Dental Benefits Plan, the Disability Benefits Plan, and the Survivor Benefits Plan are administered and managed by third party organizations. Claims are paid by the third-party organizations as they are incurred. The ELCA-Primary active population of the ELCA Medical and Dental Benefits Plan is self-insured and the ability to pay claims is dependent upon continued contributions and market performance. Claims are included on the *Benefit Payments* line item on the *Combined Statement of Changes in Net Assets Available for Plan Benefits*. Effective on Jan. 1, 2019, the ELCA Medicare-Primary population moved to a fully-insured benefit plan. *Fully Insured Premiums* are shown as a separate line item on the *Combined Statement of Changes in Net Assets Available for Plan Benefits*.

Reclassifications

Certain prior-year amounts have been reclassified to conform to the current-year presentation. These reclassifications had no impact on previously reported net assets available for plan benefits or changes in net assets available for plan benefits.

Risk and Uncertainties

The plans include investments that, in general, are exposed to various risks (e.g., interest rate risks, market risk conditions, and credit risk). It is possible that exposure to these and other risks could materially affect investment valuation, participants' account balances, annuity amounts, and other amounts reported in the financial statements.

The Investment and Corporate Social Responsibility Committee of the board of trustees reviews investment objectives and guidelines at least annually. In changing economic and capital market conditions, an in-depth evaluation of guidelines and policy objectives may be performed on a more frequent basis. Portico Benefit Services evaluates the risk and return objectives of each fund when setting optimal asset class allocation targets.

Portico Benefit Services has an asset rebalancing policy that seeks to address the investment funds' underlying asset class exposures and complements the long-term target allocation policy. Rebalancing is implemented as a means of managing risk. A passive rebalancing approach has been adopted, and involves a complete rebalancing to long-term target allocations upon reaching a boundary established for an asset class range. Each fund's investments are also distributed with the intention of providing prudent diversification and limiting undue concentration of portfolio positions.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Furniture, Equipment and Computer Software, Net

Furniture, equipment and computer software (fixed assets) are stated net of depreciation/amortization. Depreciation/amortization is calculated on the straight-line method over the estimated useful life of the asset. Upon sale or retirement of an asset, any difference between the purchase cost and the asset's net book value is recorded as a gain or loss and credited or charged to operations.

Repairs to and maintenance of a fixed asset is expensed when incurred. Improvements to a fixed asset, if material, are capitalized and depreciated over the remaining useful life of the asset. Assets are depreciated over a life of three to seven years. The total assets held by category as of Dec. 31, 2020 and Dec. 31, 2019 are shown in the following chart. Portico Benefit Services recorded a significant disposal of computer hardware during 2020. The disposal was a result of migrating from having servers on premises to the cloud. The servers were fully depreciated.

(IN THOUSANDS)	2020	2019
Computer hardware	5,616	5,695
Furniture and equipment	3,240	3,187
Computer software	22,364	22,067
Acquisition Cost as of Jan. 1	**31,220**	**30,949**
Plus additions to assets	640	476
Less disposal of assets	(10,012)	(205)
Acquisition Cost as of Dec. 31	**21,848**	**31,220**
Accumulated Depreciation as of Jan. 1	**28,925**	**27,467**
Depreciation expense	1,272	1,629
Disposal of assets	(10,012)	(171)
Accumulated Depreciation as of Dec. 31	**20,185**	**28,925**
Fixed Assets - net	**1,663**	**2,295**

Obligations Under Capital Leases and Operating Lease

Portico Benefit Services entered into capital leases that expired in 2019 and 2020. The assets and liabilities under these capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are amortized over their estimated useful productive lives of four years. Those assets are recorded in our Fixed Asset accounts. In 2020, of the Fixed Asset balances, $750,000 was the cost associated with capital leases, and the accumulated depreciation relating to the capital leases was valued at $750,000. The Net Asset Value as of Dec. 31, 2020 for capital leases was $0. In 2019, of the Fixed Asset balances, $750,000 was the cost associated with capital leases, and the accumulated depreciation relating to the capital leases was valued at $641,000. The Net Asset Value as of Dec. 31, 2019 for capital leases was $109,000.

Rental expense for the year ended Dec. 31, 2020 was $1,337,000 and Dec. 31, 2019 was $1,306,000. The chart below shows the future minimum payment obligations under the operating lease.

YEAR ENDING DEC. 31	AMOUNT (DOLLARS IN THOUSANDS)
2021	1,840
Total	**1,840**

Investments

Security transactions are accounted for on a trade date basis (the date securities are purchased or sold). Interest income is recorded daily for all debt securities on an accrual basis, as is accretion of market discount and original issue discount and amortization of premium. Dividends are recorded on the ex-dividend date. In accordance with the policy of stating investments at fair value, unrealized appreciation or depreciation is reflected in the *Combined Statements of Changes in Net Assets Available for Plan Benefits*. The plans' net realized and unrealized appreciation (depreciation) on investments for the years ended Dec. 31, 2020 and Dec. 31, 2019 are shown in the chart below. ***See Note 6 — Derivative Financial Instruments for a breakout of futures, swaps, and foreign currency contracts***. Portico Benefit Services manages the plans' investments in pools of common investment types. The assets, liabilities, income, and expenses of each pool are allocated to the plans based on each plan's percentage ownership of the pools.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Note 4 — Investments

Short-term investments consist of cash, cash equivalents, and all highly liquid debt instruments purchased with an original maturity of one year or less. Foreign currency held in the short-term investment accounts was $7,606,000 at Dec. 31, 2020, and $6,126,000 at Dec. 31, 2019.

Portico Benefit Services may engage in repurchase agreement transactions in pursuit of its investment objectives. Portico Benefit Services invests in repurchase agreements to provide for overnight liquidity. Collateral for these repurchase agreements is held at each counterparty's custodian in a segregated account for the benefit of Portico Benefit Services and each counterparty.

As of Dec. 31, 2020, Portico Benefit Services had invested $307,636,000 in repurchase agreements, of which $243,019,000 is reported as collateral under securities lending program and $64,617,000 is reported as short-term investments on the *Combined Statements of Net Assets Available for Plan Benefits*.

As of Dec. 31, 2019, Portico Benefit Services had invested $287,042,000 in repurchase agreements, of which $249,121,000 is reported as collateral under securities lending program and $37,921,000 is reported as short-term investments on the *Combined Statements of Net Assets Available for Plan Benefits*.

Commitments

Portico Benefit Services invests in a variety of limited partnerships and has unfunded commitments to those limited partnerships. The unfunded portion of the commitment is a contractual obligation to be met for all currently active partnerships in accordance with the terms of the active partnership agreements.

Capital called during the year is funded in the current year. Recallable capital represents a distribution of partner's committed capital that was called and invested during the investment period. In accordance with the partnership agreement, recallable capital may be returned as proceeds to limited partners and is deemed a contractual liability to fund additional investments prior to the fund's official investment period closing. Portico Benefit Services has unfunded commitments as shown in the following chart.

(Dollars in Thousands) UNFUNDED COMMITMENTS DEC. 31, 2020				
Total Commitments	Capital Called and Funded Through Dec. 31, 2019	Capital Called and Funded During 2020	Recallable Capital	Unfunded Commitments at Dec. 31, 2020
1,181,175	39,960	62,965	1,133	313,410

(Dollars in Thousands) UNFUNDED COMMITMENTS DEC. 31, 2019				
Total Commitments	Capital Called and Funded Through Dec. 31, 2018	Capital Called and Funded During 2019	Recallable Capital	Unfunded Commitments at Dec. 31, 2019
1,117,906	33,181	64,779	8,888	312,534

Offsetting Assets and Liabilities

Certain financial instruments and derivative instruments are eligible for offset in the *Combined Statements of Net Assets Available for Plan Benefits*. Derivative instruments, and securities borrowing and lending agreements may be subject to an International Swaps and Derivatives Association (ISDA) Master Agreement. An ISDA Master Agreement governs certain financial instruments and contains provisions related to collateral and netting provisions in the event of default. An ISDA Master Agreement with each counterparty may create a right of offset for certain derivative instruments' payables and/or receivables agreements and securities lending amounts with collateral held and/or posted and create one single net payment in the event of default or termination. Financial instrument amounts subject to master netting arrangements are presented on a gross basis in the *Combined Statements of Net Assets Available for Plan Benefits*.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

The following chart presents the gross and net information of assets subject to master netting agreements. Financial instruments not subject to master netting agreements are not eligible for net presentation and are excluded from the chart below.

DEC. 31, 2020 (Dollars in Thousands)							
				Gross Amounts Not Offset in the *Combined Statements of Net Assets Available for Plan Benefits*			
Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the *Combined Statements of Net Assets Available for Plan Benefits*	Net Amounts of Assets Presented in the *Combined Statements of Net Assets Available for Plan Benefits*	Financial Instruments[1]	Cash Collateral Pledged	Securities Collateral Pledged	Net Amount[2]
Repurchase Agreements	64,617	–	64,617	64,617	–	–	–
Forward foreign currency contracts	58,011	–	58,011	57,582	–	–	429
Swap agreements	4,837	–	4,837	4,676	–	–	161
DEC. 31, 2019 (Dollars in Thousands)							
				Gross Amounts Not Offset in the *Combined Statements of Net Assets Available for Plan Benefits*			
Assets	Gross Amounts of Recognized Assets	Gross Amounts Offset in the *Combined Statements of Net Assets Available for Plan Benefits*	Net Amounts of Assets Presented in the *Combined Statements of Net Assets Available for Plan Benefits*	Financial Instruments[1]	Cash Collateral Pledged	Securities Collateral Pledged	Net Amount[2]
Repurchase Agreements	37,921	–	37,921	37,921	–	–	–
Forward foreign currency contracts	62,991	–	62,991	62,641	–	–	350
Swap agreements	17,151	–	17,151	17,141	–	–	10

[1] Represents the amount of assets that could be offset by liabilities with the same counterparty under master netting or similar agreements that management elects not to offset on the *Combined Statements of Nets Assets Available for Plan Benefits*.

[2] Represents the net amount due from counterparties in the event of default.

The following chart presents the gross and net information of liabilities subject to master netting agreements. Financial instruments not subject to master netting agreements are not eligible for net presentation and are excluded from the chart below.

DEC. 31, 2020 (Dollars in Thousands)							
				Gross Amounts Not Offset in the *Combined Statements of Net Assets Available for Plan Benefits*			
Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the *Combined Statements of Net Assets Available for Plan Benefits*	Net Amounts of Liabilities Presented in the *Combined Statements of Net Assets Available for Plan Benefits*	Financial Instruments[1]	Cash Collateral Pledged	Securities Collateral Pledged	Net Amount[2]
Forward foreign currency contracts	57,597	–	57,597	57,582	–	–	15
Swap agreements	4,676	–	4,676	4,676	–	–	–
Securities Lending	655,791	–	655,791	655,791	–	–	–
DEC. 31, 2019 (Dollars in Thousands)							
				Gross Amounts Not Offset in the *Combined Statements of Net Assets Available for Plan Benefits*			
Liabilities	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the *Combined Statements of Net Assets Available for Plan Benefits*	Net Amounts of Liabilities Presented in the *Combined Statements of Net Assets Available for Plan Benefits*	Financial Instruments[1]	Cash Collateral Pledged	Securities Collateral Pledged	Net Amount[2]
Forward foreign currency contracts	62,641	–	62,641	62,641	–	–	–
Swap agreements	17,427	–	17,427	17,141	–	–	286
Securities Lending	764,678	–	764,678	764,678	–	–	–

[1] Represents the amount of liabilities that could be offset by assets with the same counterparty under master netting or similar agreements that management elects not to offset on the *Combined Statements of Nets Assets Available for Plan Benefits*.

[2] Represents the net amount due to counterparties in the event of default.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Note 5 — Fair Value Measurements

The measurement basis for Portico Benefit Services' financial instruments is fair value. Financial instruments measured at fair value on a recurring basis include:

- **Financial assets** primarily consist of stocks, bonds, mutual funds, short-term investments, real estate investment funds or partnerships, private equity partnerships or funds, collateral under securities lending program, and derivatives such as foreign currency contracts, futures contracts, and swap contracts.
- **Financial liabilities** consist primarily of payables under securities lending program and derivatives such as foreign currency contracts, futures contracts, and swap contracts.

GAAP defines fair value as the price that would be received from selling an asset or the price that would be paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date, known as an exit-price. GAAP also establishes a three-level fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Where possible, Portico utilizes prices that are obtained from an independent pricing service. When prices from an independent pricing service are not readily available or are deemed unreliable, Portico Benefit Services' own assumptions are utilized to reflect those that market participants would be presumed to use in pricing the asset or liability at the measurement date. Portico Benefit Services uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition may cause an instrument to be reclassified from Level 1 to Level 2 or from Level 2 to Level 3. Financial assets and financial liabilities recorded on the *Combined Statements of Net Assets Available for Plan Benefits* at fair value are categorized based on the reliability of inputs to the valuation techniques as follows:

- **Level 1 —** Financial assets and financial liabilities with values based on unadjusted quoted prices for identical assets or liabilities in an active market that Portico Benefit Services can access.
- **Level 2 —** Financial assets and financial liabilities whose values are based on the following:
  - quoted prices for similar assets or liabilities in active markets
  - quoted prices for identical assets or liabilities in non-active markets, or
  - valuation models with inputs that are observable, directly or indirectly, for substantially the full term of the asset or liability
- **Level 3 —** Financial assets and financial liabilities with values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs may reflect Portico Benefit Services' estimates of the assumptions that market participants would use in valuing the financial assets and financial liabilities.

In determining fair value, Portico Benefit Services principally uses the market approach which utilizes market data for the same or similar instruments. To a lesser extent, Portico Benefit Services uses the income approach which involves determining fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs.

Observable inputs are those used by market participants in valuing financial instruments that are developed based on available market data, obtained from independent sources. In the absence of observable inputs, unobservable inputs reflect Portico Benefit Services' estimates of the assumptions market participants would use in valuing financial assets and financial liabilities and are developed based on the best information available in the circumstances.

The availability of observable inputs varies by instrument. In situations where fair value is based on internally developed pricing models or inputs that are unobservable in the market, the determination of fair value requires more judgment. The level in the fair value hierarchy within which the fair value measurement is categorized is determined based on the lowest level of input that is significant to the fair value measurement in its entirety.

Summary of Valuation Techniques for Presented Classes of Financial Assets and Financial Liabilities

Corporate Bonds and Publicly Traded Limited Partnerships

Fair value of corporate bonds and publicly traded limited partnerships is valued by pricing services and is based on the most recent observable trade and/or external quotes, depending on availability. The most recent observable trade price is given the highest priority as the valuation benchmark based on an evaluation of transaction date, size, frequency, and bid-offer. Corporate bond prices may be adjusted by bond or credit default swap spread movement. When neither external quote nor recent trade is available, the bonds are valued using a discounted cash flow approach based on risk parameters of comparable securities. Corporate bonds and publicly traded limited partnerships are generally classified as Level 2 or Level 3 in the fair value hierarchy.

Mortgage-Backed and Asset-Backed

Commercial mortgage-backed securities (CMBS), collateralized mortgage obligations (CMO), and asset-backed securities (ABS) are valued based on prices provided by an independent pricing service. The service may use a credit spread for the particular security. When price or credit spreads are not observable, the valuation is based on prices of comparable bonds or the present value of expected future cash flows. When estimating the fair value based on the present value of expected future cash flows, the best estimate is used of the key assumptions, including forecasted credit losses, pre-payment rates, forward yield curves, and discount rates commensurate with the risks involved, while also taking into account performance of the underlying collateral. CMBS, CMO, and ABS are classified as Level 3 in the fair value hierarchy if external prices or credit spreads are unobservable or if comparable trades/assets involve significant subjectivity related to property type differences, cash flows, performance, and other inputs; otherwise, they are classified as Level 2 in the fair value hierarchy.

U.S. Government and Agencies

U.S. government and agencies consist of U.S. treasury securities and U.S. agency securities. U.S. treasury securities are valued using quoted market prices provided by an independent pricing service and are generally classified as Level 1 in the fair value hierarchy. U.S. agency securities are comprised of two main categories consisting of agency issued debt and mortgage pass-throughs. Agency issued debt securities are generally valued using quoted market prices. Mortgage pass-throughs include to-be-announced (TBA) securities and mortgage pass-through certificates. TBA securities are generally valued using quoted market prices. The fair value of mortgage pass-through certificates are model driven based on the comparable TBA security. Agency issued debt securities and mortgage pass-throughs are generally classified as Level 2 in the fair value hierarchy.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Non-U.S. Governments and Agencies

Sovereign government obligations are valued using quoted prices provided by an independent pricing service in active markets when available. To the extent quoted market prices are not available, fair value is determined based on reference to recent trading activity and quoted prices of similar securities by the pricing service. These securities are generally classified as Level 2 in the fair value hierarchy.

Treasury Inflation Protected

The principal amount of treasury inflation protected securities (TIPS) is increased for inflation or decreased for deflation based on a monthly published index. Interest payments are based on the adjusted principal at the time the interest is paid. These adjustments are recorded as interest income on the *Combined Statements of Changes in Net Assets Available for Plan Benefits*. TIPS are valued using quoted market prices provided by an independent pricing service. TIPS are classified as Level 1 in the fair value hierarchy.

Term Loans

Term loans consist of debt securities which are valued based on observable market transactions provided by an independent pricing service for trading units of similar securities. Various pricing techniques are utilized which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other data, as well as broker quotes. Term loan securities are valued based upon a single quote provided by the pricing service; therefore, they are classified as Level 3 in the fair value hierarchy.

Private Placement

Private placement securities are securities that either a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, in connection with another registered offering of the securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities issued by publicly traded companies are generally valued at a discount to similar publicly traded securities. Restricted securities issued by non-public entities may be valued by reference to comparable public entities as provided by an independent pricing service or fundamental data relating to the issuer or both. Restricted securities are generally classified as Level 2 in the fair value hierarchy.

Municipals

The fair value of municipal bonds is valued using prices provided by an independent pricing service. The service determines prices using recent trade activity, market price quotations provided by an independent pricing service, and new issuance levels. In the absence of this information, fair value is calculated using comparable bond credit spreads. Current interest rates, credit events, and individual bond characteristics (e.g., coupon, call features, maturity, and revenue purpose) are considered in the valuation process. Municipal bonds are generally classified as Level 2 in the fair value hierarchy.

Convertible Debentures

Convertible debentures consist of corporate bonds that can be converted into the issuer's common stock at a pre-determined price. Fair value is derived from dealer quotes and exchange prices provided by an independent pricing service, when available. When dealer quotes or price is not available, sensitivity analysis is utilized to evaluate the security. Sensitivity adjustments are based upon changes in conversion value and investment value from the time an observable, quoted price was obtained. Convertible debentures are classified as Level 2 in the fair value hierarchy.

Stocks

Fair value of U.S. securities traded on a national exchange (U.S. equity securities, convertible preferred stocks, and equity futures) are stated at the last reported sales price on the valuation date. Any foreign securities held in non-U.S. pools are subjected to being valued using a pricing service that considers the correlation between the foreign security's trading patterns of the foreign security and intraday trading in the U.S. markets for investments such as corporate stock, American depository receipts (ADRs), and exchange-traded funds. This pricing values the movement of certain indices of securities based on a statistical analysis of the historical relationship and applies a factor to the last reported sales price on the day of the valuation. Not all foreign securities apply a factor to the sales price. If the foreign security is in a market that observes a national holiday on the valuation date, there is no time zone difference from U.S. securities, or there is no movement in the market indexes, no factor is applied. For securities for which market prices are not readily available, the fair values are determined based on quoted market close prices for similar issues, or dealer quotes, or pricing models utilizing market observable inputs from comparable securities as described above. These securities are generally classified as Level 1 or Level 2 in the fair value hierarchy. These securities are considered Level 2 securities when they have inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Short-Term Investments

Short-term financial instruments, including cash equivalents, time deposits, repurchase agreements, commercial paper, and other short-term investments are generally recorded at cost, which, due to the short-term nature, approximates the fair value of these instruments. These securities can be classified as Level 1 or Level 2 in the fair value hierarchy. Securities are classified as Level 1 securities when inputs are quoted prices in active markets for identical securities. They are considered Level 2 securities when they have inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Mutual Funds and Commingled Funds

Mutual funds include money market funds, emerging market mutual funds, and other similar investments. Mutual funds and money market funds are stated at the last reported net asset value at the close of each business day. Commingled funds are valued at net asset value as reported by the fund manager. Valuations of investments within commingled funds are generally based upon methodologies such as the market-based approach, which may use related assets or liabilities, recent transactions, market multiples, book values, and other methods that may utilize unobservable inputs and assumptions to value the investment. These securities can be classified as Level 1 or Level 2 in the fair value hierarchy. Securities are classified as Level 1 when inputs are quoted prices in active markets for identical securities. They are considered Level 2 securities when they have inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Private Equity Funds, Limited Partnerships, and Real Estate Funds

In determining the fair value of Portico's portfolio investments, which are comprised of limited partnership interests, Portico generally utilizes the audited GAAP financial statements received from the limited partnership, and the fair value is determined based on Portico's percentage of the limited partnership. The underlying investments of the limited partnership are typically valued following the authoritative guidance on fair value measurements and disclosures. Portico is generally restricted from selling its partnership interests without approval from the general partner of the limited partnership. Distributions are received by Portico from the liquidation of the underlying assets of the limited partnership. Portico estimates that the underlying assets will be ratably liquidated over the remaining life of the partnership. Because of the inherent uncertainty of valuation, those estimated values may differ materially from any realized proceeds received from the limited partnerships.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Valuations of investments within private equity and real estate investments are determined by the manager and are generally based upon valuation methodologies such as market multiples, discounted cash flows, or other accepted methods that may utilize unobservable inputs and assumptions deemed appropriate for the type of investment and are consistent with what other market participants would use in pricing such securities. The valuation inputs include inputs related to movements in appropriate and relevant indices. Significant increases (decreases) in these inputs could result in significantly higher (lower) fair value measurements. The estimated remaining life to liquidation of the private equity, limited partnerships, and real estate funds ranges from less than 1 year to 15 years. Redemptions are not permitted. These funds distribute proceeds from the liquidation of the underlying assets for the funds. Private Equity and Real Estate Funds are excluded from the fair value hierarchy based on the fact that they are measured at net asset value per share (or its equivalent) as a practical expedient.

Swaps and Futures

Derivatives consist of fixed income futures contracts, equity index futures, interest rate swaps, credit default swaps, and total return swaps. Interest rate, credit default, and total return swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or any combination of these factors. Futures and interest rate swaps are priced using a pricing service. Over-the-counter derivatives are priced using broker-dealer quotations.

Depending on the product and the terms of the transaction, the value of the derivatives can be estimated using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively-quoted markets such as issuer details, indices, spreads, interest rates, yield curves, dividends, and exchange rates. Derivatives that use similar valuation techniques and inputs as described above are categorized as Level 2 in the fair value hierarchy. Futures contracts traded on a national securities exchange are stated at the last reported sale or settlement price on the day of valuation. To the extent that these instruments are actively traded and valuation adjustments are not applied, they are classified as Level 1 in the fair value hierarchy.

Collateral Under Securities Lending Program and Payables Under Securities Lending Program

Fair value of collateral under a securities lending program is based on quoted market close prices for identical securities from the exchanges upon which they trade. For securities for which market prices are not readily available, fair values are determined by a pricing service based on quoted market close prices for similar issues, dealer quotes, or pricing models utilizing market observable inputs from comparable securities. Amortized cost of short-term financial instruments, including time deposits, repurchase agreements, commercial paper, and other short-term investments approximates the fair value of these instruments. Assets included in the securities on loan program include equities, fixed income, certificates of deposit, repurchase agreements, and commercial paper. These securities and corresponding payables are classified as Level 2 in the fair value hierarchy.

Forward Foreign Currency Contracts

Foreign currency contracts are agreements between two parties to buy and sell currencies at a set price on a future date. The U.S. dollar value of forward currency contracts is determined using current forward currency exchange rates supplied by a quotation service. The contract's market value will fluctuate with changes in currency exchange rates. The contract is marked to market daily. These instruments and liabilities are classified as Level 2 in the fair value hierarchy.

The charts below and on page 36 set forth, for each fair value hierarchy level, Portico Benefit Services' assets and liabilities measured at fair value.

AT DEC. 31, 2020 (Dollars in Thousands)

	Level 1	Level 2	Level 3	Net Asset Value[A]	At Fair Value
Investments					
Bonds					
• Corporate bonds	–	695,556	–	–	695,556
• Mortgage-backed and asset-backed	–	2,361	–	–	2,361
• U.S. government and agencies	366,634	645,538	–	–	1,012,172
• Non-U.S. government and agencies	–	73,158	–	–	73,158
• Municipals	–	4,173	–	–	4,173
• Treasury inflation protected	606,581	–	–	–	606,581
• Term loans	–	–	136,995	–	136,995
• Private placement	–	320,121	–	–	320,121
• Convertible debentures	248	5.683	–	–	5,931
Total bonds	**973,463**	**1,746,590**	**136,995**	**–**	**2,857,048**
Stocks					
• U.S. equity	1,258,540	1,551	–	–	1,260,091
• Non-U.S. equity	273,654	1,399,429	5	–	1,673,088
Total stocks	**1,532,194**	**1,400,980**	**5**	**–**	**2,933,179**
Short-Term Investments	7,569	214,760	–	–	222,329
Mutual Funds and Commingled Funds	565,805	1,043,088	–	–	1,608,893
Private Equity and Real Estate Investments					
• Private equity limited partnerships	–	–	–	566,197	566,197
• Real estate	–	–	–	70,111	70,111
Total private equity and real estate investments	**–**	**–**	**–**	**636,308**	**636,308**
TOTAL INVESTMENTS, AT FAIR VALUE	3,079,031	4,405,418	137,000	636,308	8,257,757
Assets					
• Collateral under securities lending program	–	655,856	–	–	655,856
• Foreign currency contracts	–	60,914	–	–	60,914
• Swaps/Futures	2,501	4,837	–	–	7,338
Liabilities					
• Payables under securities lending program	–	(655,791)	–	–	(655,791)
• Foreign currency contracts	–	(60,747)	–	–	(60,747)
• Swaps/Futures	(320)	(4,676)	–	–	(4,996)

[A] In accordance with Subtopic 820-10, certain investments are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient and are shown in the Net Asset Value column in the fair value hierarchy. This presentation permits reconciliation of fair value hierarchy to the amounts shown in the *Combined Statements of Net Assets Available for Plan Benefits.*

Notes to Financial Statements (Dec. 31, 2020 & 2019)

AT DEC. 31, 2019 (Dollars in Thousands)	Level 1	Level 2	Level 3	Net Asset Value[A]	At Fair Value
Investments					
Bonds					
• Corporate bonds	–	724,458	–	–	724,458
• Mortgage-backed and asset-backed	–	14,786	–	–	14,786
• U.S. government and agencies	345,565	631,795	–	–	977,360
• Non-U.S. government and agencies	–	55,120	–	–	55,120
• Municipals	–	3,676	–	–	3,676
• Treasury inflation protected	266,548	–	–	–	266,548
• Term loans	–	–	130,397	–	130,397
• Private placement	–	358,204	–	–	358,204
• Convertible debentures	–	6,487	–	–	6,487
Total bonds	**612,113**	**1,794,526**	**130,397**	**–**	**2,537,036**
Stocks					
• U.S. equity	1,478,092	1,628	–	–	1,479,720
• Non-U.S. equity	308,161	1,517,635	–	–	1,825,796
Total stocks	**1,786,253**	**1,519,263**	**–**	**–**	**3,305,516**
Short-Term Investments	**6,125**	**119,643**	**–**	**–**	**125,768**
Mutual Funds and Commingled Funds	**324,463**	**891,814**	**–**	**–**	**1,216,277**
Private Equity and Real Estate Investments					
• Private equity limited partnerships	–	–	–	446,330	446,330
• Real estate	–	–	–	63,566	63,566
• Natural resources	–	–	–	62	62
Total private equity and real estate investments	**–**	**–**	**–**	**509,958**	**509,958**
TOTAL INVESTMENTS, AT FAIR VALUE	**2,728,954**	**4,325,246**	**130,397**	**509,958**	**7,694,555**
Assets					
• Collateral under securities lending program	–	764,817	–	–	764,817
• Foreign currency contracts	–	63,825	–	–	63,825
• Swaps/Futures	1,125	15,146	–	–	16,271
Liabilities					
• Payables under securities lending program	–	(764,678)	–	–	(764,678)
• Foreign currency contracts	–	(63,838)	–	–	(63,838)
• Swaps/Futures	(176)	(15,384)	–	–	(15,560)

[A] In accordance with Subtopic 820-10, certain investments measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this chart are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the *Combined Statements of Net Assets Available for Plan Benefits*.

The following table is a listing of limited partnerships that have communicated to Portico Benefit Services the intent of liquidation and the timing of their dissolution. This summary only includes private equity, limited partnership, and real estate investment funds.

INVESTMENTS	FAIR VALUE AS OF DEC. 31, 2020 (Dollars in Thousands)	TIMING OF LIQUIDATION
Colony Investors VIII LP	142	2021
FIA Timber Partners LP	0	2021
J.W. Childs Equity Partners II, L.P.	1	2021

The following chart sets forth quantitative information about the significant unobservable inputs of our Level 3 assets, which are recorded at fair value on the *Combined Statements of Net Assets Available for Plan Benefits* on a recurring basis.

INVESTMENTS	FAIR VALUE AS OF DEC. 31, 2020 (Dollars in Thousands)	PRINCIPAL VALUATION TECHNIQUE	UNOBSERVABLE INPUT
Term Loans	136,995	Third Party Vendor	Broker Quote[1]
Publicly traded limited partnerships	5	Third Party Vendor	Broker Quote[1]
Total	**137,000**		

[1] Fair value for these financial assets is measured using non-binding broker or dealer quotes. Significant unobservable inputs are not developed by Portico Benefit Services and are not readily available.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Transfers In and/or Out of Levels

Transfers in and/or out of levels are reflected as of the actual date of the event or change in circumstances that caused the transfer. For the year ended Dec. 31, 2020, there were transfers out of Level 2 into Level 3 of $4,000 for non-U.S. investments.

Note 6 — Derivative Financial Instruments

Portico Benefit Services, in accordance with the ELCA trust documents, has established an investment policy permitting the use of derivative instruments by internal and external investment managers.

This investment policy expressly identifies the permissible uses of derivative instruments and contains accounting and management controls designed to ensure conformance with these policies. Portico Benefit Services and its managers utilize financial futures, forwards, and swaps to assist in controlling risk and potentially enhance portfolio values in a manner that is prudent and intended to further the purposes of the investment portfolio.

Portico Benefit Services uses futures to keep the portfolio fully invested and to manage exposure to interest rate and market currency fluctuations. Gains or losses on futures contracts can offset changes in the yield of securities. When a futures contract is opened, cash or other investments equal to the required "initial margin deposit" are held on deposit with and pledged to the broker. Additional securities held by the portfolios may be earmarked to cover open futures contracts. The futures contract's daily change in value ("variation margin") is either paid to or received from the broker, and is recorded as an unrealized gain or loss. When the contract is closed, realized gain or loss is recorded equal to the difference between the value of the contract when closed.

Portico Benefit Services uses forwards to reduce the risk of foreign currency fluctuations. Portico Benefit Services manages exposure to short-term currency fluctuations in foreign securities by purchasing foreign currency contracts. These contracts are marked to market daily. The gains and losses on forward foreign currency contracts are netted against the gains and losses on the underlying foreign securities.

Portico Benefit Services utilizes various types of swap transactions. Swap transactions are negotiated contracts ("over-the-counter "OTC" swaps") between an investment manager and a counterparty, or centrally cleared ("centrally cleared swaps") with a central clearinghouse through a Futures Commission Merchant ("FCM"), to exchange investment cash flows, assets, foreign currencies, or market-linked returns at specified, future intervals.

Portico Benefit Services uses interest rate swap agreements to manage exposure to interest rate risk. Portico Benefit Services uses equity index swaps to gain exposure to equity indices where futures exposure is not available or practical, and total return swap agreements to gain or mitigate exposure of the underlying reference. Portico enters into Credit Default Swap ("CDS") contracts to provide diversified credit exposure to bond/loan asset classes and hedge the risk of credit default. CDS contracts are agreements in which one party pays fixed periodic payments to a counterparty in consideration for a guarantee from the counterparty to make a specific payment should a specified credit event(s) take place. Credit events are defined under individual swap agreements and generally include bankruptcy, failure to pay, restructuring, repudiation/moratorium, obligation acceleration, and obligation default. The cash collateral related to these agreements is used to help mitigate both counterparty risk, or termination of the contract, by requiring the pledging/posting of assets to the other party to secure any outstanding obligations.

As the buyer of protection, Portico pays periodic fees in return for payment by the seller, which is contingent upon an adverse credit event occurring in the underlying issuer. As a seller of protection, Portico collects periodic fees from the buyer and profits if the credit of the underlying issuer remains stable or improves while the swap is outstanding, but the seller in a credit default swap contract would be required to pay the amount of credit loss, determined as specified in the agreement, to the buyer in the event of an adverse credit event in the reference entity. The values for credit indexes serve as an indicator of the current status of the payment/ performance risk and represent the likelihood or risk of default for the credit derivative.

A derivative instrument may incur a mark-to-market loss if the value of the derivative decreases due to an unfavorable change in the market rate or value of the underlying instrument. Losses can also occur if the counterparty does not perform under the derivative. Portico Benefit Services' risk of loss from the counterparty credit risk on over-the-counter derivatives is generally limited to the aggregate unrealized gain netted against any collateral held. With exchange traded futures and centrally cleared swaps, there is minimal counterparty credit risk because the exchange's clearinghouse, as counterparty to such derivatives, guarantees against a possible default, thus the credit risk is limited to the failure of the clearinghouse. However, credit risk still exists in exchange traded futures and centrally cleared swaps with respect to initial and variation margin that is held in a broker's customer accounts.

The derivative instruments used by Portico Benefit Services have not been designated as hedging instruments under the provisions of ASC Topic 815, Derivatives and Hedging and, accordingly, are marked to market with changes in value included in unrealized gains (losses).

Notes to Financial Statements (Dec. 31, 2020 & 2019)

The following is a summary of the average outstanding value by derivative instrument for the year ended Dec. 31, 2020:

DERIVATIVE INSTRUMENT	AVERAGE NOTIONAL COST (Dollars in Thousands)[1]	
Futures Contract – Equity – Long	187,092	
Futures Contract Fixed Income - Long	6,688	
Futures Contract – Equity – Short	25,389	
Futures Contract Fixed Income – Short	4,436	
Credit Default Swaps - Buy Protection	1,909	
Credit Default Swaps - Sell Protection	1,909	
DERIVATIVE INSTRUMENT	**AVERAGE UNREALIZED APPRECIATION (Dollars in Thousands)[1]**	**AVERAGE UNREALIZED DEPRECIATION (Dollars in Thousands)[1]**
Equity Index and Total Return Swap Contracts	6,048	5,841
DERIVATIVE INSTRUMENT	**AVERAGE ASSET (Dollars in Thousands)[1]**	**AVERAGE LIABILITY (Dollars in Thousands)[1]**
Forward Foreign Currency Contracts	83,382	83,504

[1]Based on the ending quarterly outstanding amounts for the year ended Dec. 31, 2020

The following is a summary of the average outstanding value by derivative instrument for the year ended Dec. 31, 2019:

DERIVATIVE INSTRUMENT	AVERAGE NOTIONAL COST (Dollars in Thousands)[1]	
Futures Contract – Equity – Long	77,533	
Futures Contract – Equity – Short	31,218	
DERIVATIVE INSTRUMENT	**AVERAGE UNREALIZED APPRECIATION (Dollars in Thousands)[1]**	**AVERAGE UNREALIZED DEPRECIATION (Dollars in Thousands)[1]**
Equity Index and Total Return Swap Contracts	16,840	(16,948)
DERIVATIVE INSTRUMENT	**AVERAGE ASSET (Dollars in Thousands)[1]**	**AVERAGE LIABILITY (Dollars in Thousands)[1]**
Forward Foreign Currency Contracts	91,148	91,016

[1]Based on the ending quarterly outstanding amounts for the year ended Dec. 31, 2019.

The following chart presents derivative instruments, by contract type, and the impact on Portico Benefit Services' *Combined Statement of Changes in Net Assets Available for Plan Benefits* for the year ended Dec. 31, 2020.

CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED IN INCOME			
Risk Exposure Category	Forward Foreign Currency Exchange Contracts	Futures Contracts	Swap Agreements
Equity Price Risk	–	(2,701)	72
Foreign Exchange Risk	(689)	–	–
Total	**(689)**	**(2,701)**	**72**

AMOUNT OF REALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED IN INCOME			
Risk Exposure Category	Forward Foreign Currency Exchange Contracts	Futures Contracts	Swap Agreements
Equity Price Risk	–	(17,849)	(686)
Foreign Exchange Risk	95	–	–
Interest Rate Risk	–	48	–
Credit Risk	–	–	(733)
Total	**95**	**(17,801)**	**(1,419)**

The foreign currency contracts receivable balance was $60,914,000 as of Dec. 31, 2020, and $63,825,000 as of Dec. 31, 2019. The foreign currency contracts payable balance was $60,747,000 as of Dec. 31, 2020, and $63,838,000 as of Dec. 31, 2019.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

The following chart summarizes the fair market value of derivative positions as of Dec. 31, 2020 and Dec. 31, 2019.

IMPACT OF DERIVATIVES ON THE
COMBINED STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DEC. 31, 2020, AND DEC. 31, 2019
(Dollars in Thousands)

Derivatives Not Accounted for as Hedging Instruments Under ASC 815			
Asset Derivative Instruments	Location	Dec. 31, 2020 Fair Value	Dec. 31, 2019 Fair Value
Foreign currency contracts	Foreign currency contracts, assets	60,914	63,825
Stock index futures contracts	Swaps/Futures	39,292	1,126
Bond futures contracts	Swaps/Futures	10,756	–
Stock index and total return stock swap agreements	Swaps/Futures	4,764	15,145
Interest rate and credit default swap agreements	Swaps/Futures	73	–
Variation margin on swap agreements	Other assets/payables and accrued expenses	385	–
Total		**116,184**	**80,096**
Liability Derivative Instruments			
Foreign currency contracts	Foreign currency contracts, liabilities	(60,747)	(63,838)
Stock index futures contracts	Swaps/Futures	(40,797)	(176)
Bond futures contracts	Swaps/Futures	(5,732)	–
Stock index and total return stock swap agreements	Swaps/Futures	(4,676)	(15,384)
Interest rate and credit default swap agreements	Swaps/Futures	–	–
Total		**(111,952)**	**(79,398)**

Note 7 — Portfolio Securities Lending

Portico Benefit Services engages in securities lending whereby certain securities within its portfolio are loaned to other institutions, generally for short periods of time. Portico Benefit Services also lends securities through Tri-Party Agreements. These Tri-Party Agreements are within the scope of Portico Benefit Services' securities lending practice. Under these Tri-Party Agreements, Portico Benefit Services does not have ownership rights of the collateral received and Portico Benefit Services is indemnified of any losses incurred by lending securities through a Tri-Party agreement. The non-cash collateral asset and the related obligation to return the collateral are not recorded in the Combined Statements of Net Assets Available for Plan Benefits.

At Dec. 31, 2020, the market value of the securities loaned to brokers was $1,640,118,000, of which $1,005,373,000 was lent through Tri-Party Agreements. At Dec. 31, 2019, the market value of the securities loaned to brokers was $1,156,013,000, of which $419,939,000 was lent through Tri-Party Agreements.

The following table presents the total amount of securities loaned with continuous maturity, by type, offset by the gross payable upon return of securities loaned by Portico Benefit Services as of Dec. 31, 2020, and Dec. 31, 2019.

SECURITIES LENDING TRANSACTIONS 2020
(Dollars in Thousands)

	TOTAL
Agencies/Other Gov't	7,785
Corporate	240,083
Equity	181,857
TIPS	92,280
U.S. T-Bonds	18,397
U.S. T-Notes	87,456
U.S. T-Bills	465
Exchange Traded	2,382
Sovereign	273
Total Lending	**630,978**
Gross amount payable upon return of collateral for securities loaned	**655,791**
Net amounts due to counterparty	**24,813**

SECURITIES LENDING TRANSACTIONS 2019
(Dollars in Thousands)

	TOTAL
Agencies/Other Gov't	3,287
Corporate	267,541
Equity	295,691
TIPS	28,213
U.S. T-Bonds	24,439
U.S. T-Notes	116,903
Total Lending	**736,074**
Gross amount payable upon return of collateral for securities loaned	**764,678**
Net amounts due to counterparty	**28,604**

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Portico Benefit Services earns fees for participating in this program, which is administered by Portico Benefit Services' custodial bank, BNY Mellon Trust (the lending agent). By the end of the business day on which securities are delivered to the borrower, collateral equal to 102% of the market value of a loaned U.S. security and/or 105% of a non-U.S. security, including any accrued interest, is obtained from the borrower. After the initial settlement, collateral greater than 100% is maintained through collateral calls if market valuations deem additional collateral necessary.

Total securities lending income received by Portico Benefit Services was $5,133,000 for the year ended Dec. 31, 2020, and $5,166,000 for the year ended Dec. 31, 2019, and is recorded as other investment gain on the accompanying *Combined Statements of Changes in Net Assets Available for Plan Benefits*. In accordance with *ASC Topic 860 Transfers and Servicing*, Portico Benefit Services accounts for its securities lending transactions as secured borrowings, in which the collateral received and the related obligation to return the collateral are recorded at fair value in the *Combined Statements of Net Assets Available for Plan Benefits*.

Although Portico Benefit Services' securities lending program involves certain credit risks, Portico Benefit Services believes the high quality of the collateral received (primarily cash and money market instruments), collateral levels initially received being greater than 100% of securities loaned to brokers, and Portico Benefit Services' monitoring policies and procedures mitigate the likelihood of material losses under these arrangements. At Dec. 31, 2020, collateral received was primarily invested in floating rate and asset-backed notes and repurchase agreements. Market conditions affect the value of these investments and therefore impact the realized and unrealized gains or losses incurred by Portico Benefit services. Additionally, fluctuations in market value may result in the collateral coverage level temporarily being less than 100%. In the event that the invested collateral declines in value and the borrower defaults, a loss could exist. If a borrower defaults, Portico Benefit Services has the right to offset losses with the collateral received. Additionally, some of these losses may be indemnified by Portico Benefit Services' custodian, based on the type of collateral.

Note 8 — Current and Future Benefit Obligations

ELCA Participating Annuity Investment Fund Obligation

For members who have annuitized a portion or all of their accounts, annuity payments for 2020 and 2019 are valued on the basis of the RP-2014 sex distinct white-collar mortality rates with a 0.930 multiplier projected forward using projection scale MP-2017. The actuarial method used to determine the actuarial liability is the accrued benefit method. Under this method, the actuarial liability for retired members and survivors currently receiving benefits is determined as the actuarial present value of benefits expected to be paid, using the actual age of the retirees and survivors. To the extent that the benefit obligation under this method may differ from the fair value of the assets, the *Combined Statements of Net Assets Available for Plan Benefits* will reflect an excess or shortfall in the plan.

ELCA annuities participate in the investment performance of the Fund. If net assets exceed the benefit obligation, annuity payments may potentially increase (or interest-crediting rates may exceed 4.5%). If net assets fall short of the benefit obligation, annuity payments may potentially decrease (or interest-crediting rates may be less than 4.5%).

The investment of the funds supporting the obligation for annuities is determined by Portico Benefit Services. The projected long-term rate of return for these funds was 4.87% at Dec. 31, 2020, and 5.18% at Dec. 31, 2019. However, for purposes of calculating the plan obligation, a 4.5% return was assumed at both Dec. 31, 2020, and Dec. 31, 2019.

For members with ELCA Participating Annuity Bridge Accounts who have not yet annuitized their accounts, the obligation is the sum of the amounts transferred from the ELCA Retirement Plan and contributed to the ELCA Participating Annuity Bridge Accounts plus credited interest which may, during times of substantial or extended losses or under-performance in the markets, be negative causing bridge account balances to decrease. Interest rates credited to the bridge accounts are approved by the board of trustees of Portico Benefit Services.

The following chart shows the change in the actuarial present value of benefit obligations for retired plan members for the year ended Dec. 31, 2020, and the year ended Dec. 31, 2019.

BENEFIT OBLIGATIONS FOR RETIRED PLAN MEMBERS	(Dollars in Thousands) 2020	2019
ELCA Participating Annuity Investment Fund obligation at beginning of year, excluding ELCA Participating Annuity Bridge Accounts	2,001,918	2,000,255
Increase (decrease) during the year due to:		
• Interest	85,274	85,251
• Benefits accumulated and experience changes	103,783	127,986
• Benefit payments and withdrawals	(213,887)	(211,574)
Net (decrease) increase	**(24,830)**	**1,663**
ELCA Participating Annuity Investment Fund obligation at end of year, excluding ELCA Participating Annuity Bridge Accounts	**1,977,088**	**2,001,918**

The chart below contains annuity benefits expected to be paid to current annuitants under the ELCA Participating Annuity Investment Fund.

YEAR	(Dollars in Thousands)	YEAR	(Dollars in Thousands)
2021	212,531	2024	187,826
2022	204,362	2025	179,233
2023	196,258	2026-2030	759,383

ELCA Benefits Contribution Trust Benefit Obligation

The ELCA Benefits Contribution Trust benefit obligation represents the portion of the actuarial present value of estimated future post-retirement medical benefit subsidies attributable to employee service rendered through Dec. 31, 2020 and Dec. 31, 2019, respectively, for certain categories of members (including their beneficiaries and dependents) as shown in the chart below.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

Effective January 1, 2019, the post-retirement medical benefit subsidy calculation changed from a fixed percentage of the monthly premium to a fixed percentage of a flat dollar amount. The subsidy value will increase by 3% each year. The actuarial present value of this subsidy calculation change is reflected as a change in plan design on the next page.

ELCA BENEFITS CONTRIBUTION TRUST BENEFIT OBLIGATION	(Dollars in Thousands) DEC. 31, 2020	DEC. 31, 2019
Current retirees	90,284	91,560
Other members fully eligible for benefits	645	698
Total	**90,929**	**92,258**

The chart below contains ELCA subsidies expected to be paid on behalf of current and future retirees from the ELCA Benefits Contribution Trust to the ELCA Medical and Dental Benefits Plan.

YEAR	ELCA BENEFITS CONTRIBUTION TRUST PAYMENTS TO ELCA MEDICAL AND DENTAL BENEFITS PLAN (Dollars in Thousands)
2021	9,499
2022	8,963
2023	8,407
2024	7,841
2025	7,273
2026–2030	28,288

The following are significant assumptions used in the valuations at Dec. 31, 2020 and Dec. 31, 2019:

- Valuation interest rate: 1.10% for 2020, 2.37% for 2019
- Mortality: RP-2014 sex distinct white-collar mortality rates with a 0.930 multiplier projected forward using projection scale MP-2017

The chart below shows the change in the actuarial present value of the ELCA Benefits Contribution Trust benefit obligations for the year ended Dec. 31, 2020 and for the year ended Dec. 31, 2019. The chart also reflects the obligation of the other benefit plans as reported for the year ended Dec. 31, 2020 and for the year ended Dec. 31, 2019.

	(Dollars in Thousands) DEC. 31, 2020	DEC. 31, 2019
ELCA Benefits Contribution Trust obligation at beginning of year	**92,258**	**100,509**
• Interest	2,070	2,582
• Transfers and benefits paid during the year	(9,791)	(10,465)
• Change in actuarial assumptions and other (gains) losses during the year	6,392	(368)
ELCA Benefits Contribution Trust obligation at end of year	**90,929**	**92,258**
ELCA Disability Benefits Plan	**42,561**	**40,594**
ELCA Survivor Benefits Plan	**99,304**	**89,865**
ELCA Medical and Dental Benefits Plan	**14,520**	**14,609**
ELCA Flexible Benefits Plan	**1,205**	**1,272**
All other funds	**19**	**84**
Total benefit obligations for health and wellness plan members	**248,538**	**238,682**

Benefit Obligations — Other

Other plan benefit obligations at Dec. 31, 2020 and Dec. 31, 2019 for health claims incurred but not paid at that date are actuarially determined and included in other obligations of the respective plans on the accompanying *Combined Statements of Net Assets Available for Plan Benefits*.

The obligations for the Survivor Benefits Plan and future disability payments to members considered totally disabled are also actuarially determined. Estimated obligations are reported at present value based on the discount rates shown in the chart below.

	DEC. 31, 2020 (%)	DEC. 31, 2019 (%)
Disability Benefits Plan	1.61	2.70
Survivor Benefits Plan	2.60	3.33

Note 9 — Income Taxes

Portico Benefit Services is a §501(c)(3) tax-exempt organization, and therefore, no provision for income taxes is included in the financial statements. To the extent that certain investments in private equity partnerships and real estate partnerships generate income, Portico Benefit Services pays state and federal taxes under the unrelated business taxable income provisions of the Internal Revenue Code (IRC). These taxes are reflected as direct investment expenses and included in investment expense in the *Statements of Changes in Net Assets Available for Plan Benefits and Benefit Obligations*. Portico Benefit Services incurred $15,000 in tax expense for the year ended Dec. 31, 2020 and $7,000 for the year ended Dec. 31, 2019. The tax years 2015 through 2020 are currently open for examination.

Notes to Financial Statements (Dec. 31, 2020 & 2019)

For the years ended Dec. 31, 2020 and Dec. 31, 2019, Portico Benefit Services complied with ASC Topic 740. This section of the code addresses the accounting for uncertainty in income taxes recognized on financial statements for a tax position taken on a tax return. These positions must meet a more-likely-than-not standard that based on the technical merits they have a more than 50% likelihood of being sustained upon examination. In evaluating whether a tax position has met the more-likely-than not recognition threshold, Portico Benefit Services must presume the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. Portico Benefit Services has limited tax reporting exposure due to its nonprofit status and does not have any deferred tax assets or deferred tax liabilities. Management believes Portico Benefit Services' tax position meets the more-likely than-not standard.

Note 10 — Related-Party Transactions

Portico Benefit Services received on behalf of the ELCA Benefits Contribution Trust $1,150,000 for the year ended Dec. 31, 2020 and $2,000,000 for the year ended Dec. 31, 2019 from the ELCA for retiree medical contribution subsidies, which are included as other contributions on the accompanying *Combined Statements of Changes in Net Assets Available for Plan Benefits*.

Portico Benefit Services received from the ELCA, on behalf of the ELCA Special Needs Retirement Fund, $743,000 for the year ended Dec. 31, 2020, and $498,000 for the year ended Dec. 31, 2019 for the payment of financial assistance benefits to eligible retired church workers and their spouses, which are included as other contributions in the all other funds column of the accompanying *Combined Statements of Changes in Net Assets Available for Plan Benefits*.

Portico Benefit Services also received investment management fees of $350,836 for the year ended Dec. 31, 2020, and $405,000 for the year ended Dec. 31, 2019 for managing certain investments for the ELCA Foundation. These fees are included as a reduction of general and administrative expenses of the accompanying *Combined Statements of Changes in Net Assets Available for Plan Benefits*.

Note 11 - Other Significant Events

Paycheck Protection Program

Portico Benefit Services applied for and received a loan in the amount of $3.6 million under the Paycheck Protection Program (PPP) established by the CARES Act. The loan, dated April 20th, 2020, may be forgiven to the extent that the proceeds are used for specific types of expenditures detailed in the CARES Act. Portico Benefit Services has applied for forgiveness but no notice of forgiveness has been received as of June 4, 2021 whether the loan will be forgiven in part or full. The loan has an interest rate of 1% with a repayment period of 24 months that begins once a determination from the Small Business Administration regarding the forgiveness of the loan is communicated. The loan is included in Payables and Accrued Expenses in the *Combined Statement of Net Assets Available for Plan Benefits*.

COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak (COVID-19) a "Public Health Emergency of International Concern" and on March 11, 2020, declared COVID-19 a pandemic. Parallel to this health emergency, unemployment rates substantially increased and stock values significantly decreased. While it is unknown how long these conditions will last and what the complete financial effect will be, it is reasonably possible that we may experience a decline in plan contributions and investment value resulting in an adverse financial impact in the near-term.

Litigation

On March 5, 2015, a purported class action lawsuit was filed against Portico Benefit Services in Minnesota State Court (Hennepin County) — Pastor David Bacon, Pastor Timothy Hepner, Ruth Dold, and Sharon Hvam v Board of Pensions of the Evangelical Lutheran Church in America (D/B/A Portico Benefit Services). The claims in the complaint relate to services provided to the ELCA Retirement Plan and the ELCA Retirement Plan for The Evangelical Lutheran Good Samaritan Society. We launched a vigorous defense, and years later, in 2018, the claims related to investment performance were not allowed to proceed as a class action, based, in part, on expert evidence that the majority of plan members were better off financially in ELCA Retirement Plan funds than in alternative funds cited in the lawsuit. With the ongoing resource commitment needed from our organization and the significant costs incurred by our insurers, further litigation to dispute the remaining claims was no longer financially prudent nor in the best interests of our members. We believe the evidence introduced at trial would have demonstrated that we prudently managed the ELCA Retirement Plan. While we would have welcomed the opportunity to present our defense at trial, the cost of a lengthy trial and potential appeals over many years could prolong deliberations indefinitely. And that, we concluded, would not benefit our plan members and beneficiaries. Therefore, we have agreed to end the litigation through a settlement with the plaintiffs, which was paid to class members in November 2020.

Note 12 — Subsequent Events

Subsequent Events

Portico Benefit Services has evaluated through June 4, 2021, subsequent events which occurred after the *Combined Statements of Net Assets Available for Plan Benefits* date but before these statements are issued. Portico Benefit Services has concluded that no other events or transactions have occurred that would require adjustments to, or disclosures in, the financial statements.

Legal

Portico Benefit Services, in the normal course of business, may from time to time be involved in legal or regulatory proceedings concerning matters arising in connection with its business activities. The outcome of any potential, unforeseen claims is inherently difficult to predict.

At present, management is unaware of any other material, unforeseen claims that may potentially impact *Combined Portico Benefit Services' Statement of Net Assets Available for Plan Benefits* or the *Combined Statements of Changes in Net Assets Available for Plan Benefits* for the year ended Dec. 31, 2020.

Supplemental Information

2020 SCHEDULE OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

Schedule of Net Assets Available for Plan Benefits as of Dec. 31, 2020 (Dollars in Thousands)	ELCA Retirement Plan ($)	ELCA Retirement Savings Plan ($)	ELCA Participating Annuity Investment Fund ($)	ELCA Master Institutional Retirement Plan ($)	ELCA Disability Benefits Plan ($)
ASSETS					
Investments, at fair value					
Bonds	1,657,423	–	949,468	25,785	102,532
Stocks	2,037,682	–	805,605	49,147	21,928
Short-term investments	139,717	–	64,197	2,901	5,716
Mutual funds	1,163,502	–	244,230	41,889	2,904
Private equity and real estate investments	349,047	–	256,488	6,460	13,059
Total investments (Cost $6,689,233)	**5,347,371**	**–**	**2,319,988**	**126,182**	**146,139**
Cash	2,990	–	3,157	95	131
Collateral under securities lending program	414,554	–	200,801	7,268	14,919
Foreign currency contracts	42,709	–	16,469	1,198	285
Swaps/ Futures	5,081	–	2,043	148	35
Accrued interest and dividends receivable	17,459	–	10,063	362	610
Contributions receivable, net of allowance	3,618	–	–	(167)	342
Other assets	487	–	952	1,319	118
Due from brokers for securities sales	8,275	–	2,738	160	92
Furniture, equipment, and computer software, net	–	–	–	–	–
Total assets	**5,842,544**	**–**	**2,556,211**	**136,565**	**162,671**
LIABILITIES					
Foreign currency contracts	42,582	–	16,433	1,194	284
Swaps/Futures	3,369	–	1,476	104	25
Cash overdraft	556	–	–	3	–
Payables for securities purchased	67,662	–	35,752	1,373	4,029
Payables under securities lending program	414,512	–	200,780	7,268	14,919
Deferred revenue	–	–	–	–	–
Payables and accrued expenses	3,269	–	1,915	119	94
Lease obligations	–	–	–	–	–
Total liabilities	**531,950**	**–**	**256,356**	**10,061**	**19,351**
Net assets available for plan benefits	**5,310,594**	**–**	**2,299,855**	**126,504**	**143,320**
Accumulations and benefit obligations					
Net assets accumulated for active plan members	5,310,594	–	–	126,504	–
Benefit obligation for annuity plan members	–	–	1,980,539	–	–
Benefit obligations for health and wellness plan members	–	–	–	–	42,561
Total accumulations and benefit obligations	**5,310,594**	**–**	**1,980,539**	**126,504**	**42,561**
Excess (shortage) of net assets over accumulations and benefit obligations	**–**	**–**	**319,316**	**–**	**100,759**

ELCA Survivor Benefits Plan ($)	ELCA Medical and Dental Benefits Plan ($)	ELCA Flexible Benefits Plan ($)	ELCA Benefits Contribution Trust ($)	All Other Funds ($)	Total Funds ($)
88,263	33,577	–	–	–	2,857,048
18,723	94	–	–	–	2,933,179
4,924	1,553	–	2	3,319	222,329
2,739	33,382	751	97,611	21,885	1,608,893
11,254	–	–	–	–	636,308
125,903	**68,606**	**751**	**97,613**	**25,204**	**8,257,757**
113	5	–	–	606	7,097
12,836	5,478	–	–	–	655,856
248	5	–	–	–	60,914
31	–	–	–	–	7,338
525	216	–	–	–	29,235
226	5,617	241	(1)	–	9,876
36	5,209	69	14	1,847	10,051
79	9	–	1	–	11,354
–	–	–	–	1,663	1,663
139,997	**85,145**	**1,061**	**97,627**	**29,320**	**9,051,141**
248	6	–	–	–	60,747
22	–	–	–	–	4,996
–	–	–	1	–	560
3,469	1,071	–	–	–	113,356
12,835	5,477	–	–	–	655,791
–	–	–	–	503	503
913	574	385	127	11,070	18,466
–	–	–	–	–	–
17,487	**7,128**	**385**	**128**	**11,573**	**854,419**
122,510	**78,017**	**676**	**97,499**	**17,747**	**8,196,722**
–	–	–	–	–	5,437,098
–	–	–	–	–	1,980,539
99,304	14,520	1,205	90,929	19	248,538
99,304	**14,520**	**1,205**	**90,929**	**19**	**7,666,175**
23,206	**63,497**	**(529)**	**6,570**	**17,728**	**530,547**

2019 SCHEDULE OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

Schedule of Net Assets Available for Plan Benefits as of Dec. 31, 2019 (Dollars in Thousands)	ELCA Retirement Plan ($)	ELCA Retirement Savings Plan ($)	ELCA Participating Annuity Investment Fund ($)	ELCA Master Institutional Retirement Plan ($)	ELCA Disability Benefits Plan ($)
ASSETS					
Investments, at fair value					
Bonds	1,320,875	221	979,236	26,868	98,482
Stocks	2,452,044	429	753,358	59,179	22,151
Short-term investments	81,021	13	35,093	1,784	2,249
Mutual funds	802,768	79	238,629	28,739	3,574
Private equity and real estate investments	277,141	57	207,930	6,462	9,778
Total investments (Cost $6,493,053)	**4,933,849**	**799**	**2,214,246**	**123,032**	**136,234**
Cash	3,238	1	1,348	82	37
Collateral under securities lending program	479,763	86	238,577	11,006	16,473
Foreign currency contracts	46,810	9	15,340	1,175	270
Swaps/ Futures	11,880	2	3,961	301	70
Accrued interest and dividends receivable	20,133	4	10,803	466	667
Contributions receivable, net of allowance	2,812	6	–	(247)	440
Other assets	320	–	697	1,310	103
Due from brokers for securities sales	11,675	2	5,505	245	471
Furniture, equipment, and computer software, net	–	–	–	–	–
Total assets	**5,510,480**	**909**	**2,490,477**	**137,370**	**154,765**
LIABILITIES					
Foreign currency contracts	46,810	9	15,351	1,175	271
Swaps/Futures	11,337	2	3,811	288	67
Cash overdraft	5	–	–	–	–
Payables for securities purchased	24,461	4	15,083	489	1,585
Payables under securities lending program	479,676	86	238,534	11,004	16,470
Deferred revenue	–	–	–	–	–
Payables and accrued expenses	3,828	1	1,806	124	91
Lease obligations	–	–	–	–	–
Total liabilities	**566,117**	**102**	**274,585**	**13,080**	**18,484**
Net assets available for plan benefits	**4,944,363**	**807**	**2,215,892**	**124,290**	**136,281**
Accumulations and benefit obligations					
Net assets accumulated for active plan members	4,944,363	807	–	124,290	–
Benefit obligation for annuity plan members	–	–	2,012,879	–	–
Benefit obligations for health and wellness plan members	–	–	–	–	40,594
Total accumulations and benefit obligations	**4,944,363**	**807**	**2,012,879**	**124,290**	**40,594**
Excess (shortage) of net assets over accumulations and benefit obligations	**–**	**–**	**203,013**	**–**	**95,687**

ELCA Survivor Benefits Plan ($)	ELCA Medical and Dental Benefits Plan ($)	ELCA Flexible Benefits Plan ($)	ELCA Benefits Contribution Trust ($)	All Other Funds ($)	Total Funds ($)
85,740	25,614	–	–	–	2,537,036
18,286	69	–	–	–	3,305,516
1,948	362	–	–	3,298	125,768
2,573	23,660	729	102,833	12,693	1,216,277
8,590	–	–	–	–	509,958
117,137	**49,705**	**729**	**102,833**	**15,991**	**7,694,555**
32	–	–	2	1,053	5,793
14,229	4,683	–	–	–	764,817
221	–	–	–	–	63,825
57	–	–	–	–	16,271
575	205	1	–	29	32,883
91	4,480	205	123	–	7,910
9	8,784	35	543	7,104	18,905
409	110	–	–	–	18,417
–	–	–	–	2,295	2,295
132,760	**67,967**	**970**	**103,501**	**26,472**	**8,625,671**
222	–	–	–	–	63,838
55	–	–	–	–	15,560
–	–	–	–	–	5
1,379	327	–	2	–	43,330
14,226	4,682	–	–	–	764,678
–	–	–	–	439	439
645	5,556	249	6	7,757	20,063
–	–	–	–	113	113
16,527	**10,565**	**249**	**8**	**8,309**	**908,026**
116,233	**57,402**	**721**	**103,493**	**18,163**	**7,717,645**
–	–	–	–	–	5,069,460
–	–	–	–	–	2,012,879
89,865	14,609	1,272	92,258	84	238,682
89,865	**14,609**	**1,272**	**92,258**	**84**	**7,321,021**
26,368	**42,793**	**(551)**	**11,235**	**18,079**	**396,624**

2020 SCHEDULE OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

Schedule of Changes in Net Assets Available for Plan Benefits for the Year Ended Dec. 31, 2020 (Dollars in Thousands)	ELCA Retirement Plan ($)	ELCA Retirement Savings Plan ($)	ELCA Participating Annuity Investment Fund ($)	ELCA Master Institutional Retirement Plan ($)	ELCA Disability Benefits Plan ($)
Additions (Reductions) to Net Assets					
Investment gain (loss)					
Interest and other income	48,715	5	33,939	1,134	3,001
Dividend income	49,724	6	19,017	1,168	661
Net appreciation (depreciation) of fair value of investments	459,069	(23)	215,849	9,435	7,897
Other investment gain	3,169	1	1,687	68	120
Investment expense	(14,092)	(1)	(6,585)	(288)	(279)
Net investment gain	**546,585**	**(12)**	**263,907**	**11,517**	**11,400**
Contributions (loss)					
Employer contributions	73,715	72	–	18,884	9,787
Member contributions	40,305	96	–	7,395	3
Other contributions	–	–	–	–	225
Total contributions	**114,020**	**168**	**–**	**26,279**	**10,015**
Total Additions To Net Assets	**660,605**	**156**	**263,907**	**37,796**	**21,415**
Deductions from Net Assets					
Benefit payments	–	–	213,887	–	7,758
Withdrawals	241,436	2	–	34,551	–
Fully insured premiums	–	–	–	–	–
General and administrative expenses	14,528	–	5,578	881	2,618
Total Deductions From Net Assets	**255,964**	**2**	**219,465**	**35,432**	**10,376**
Transfers and adjustments	(38,410)	(961)	39,521	(150)	(4,000)
Net increase (decrease) in net assets available for plan benefits	**366,231**	**(807)**	**83,963**	**2,214**	**7,039**
Increase (decrease) in accumulations and benefit obligations	366,231	(807)	(32,340)	2,214	1,967
Net change in excess (shortage) of net assets over accumulations and benefit obligations	–	–	**116,303**	–	**5,072**
Excess (shortage) of net assets over accumulations and benefit obligations, beginning of period	–	–	203,013	–	95,687
Excess (shortage) of net assets over accumulations and benefit obligations, end of period	–	–	**319,316**	–	**100,759**

ELCA Survivor Benefits Plan ($)	ELCA Medical and Dental Benefits Plan ($)	ELCA Flexible Benefits Plan ($)	ELCA Benefits Contribution Trust ($)	All Other Funds ($)	Total Funds ($)
2,589	999	1	1	80	90,464
553	5	–	460	–	71,594
6,839	1,068	–	–	(343)	699,791
103	32	–	–	–	5,180
(239)	(69)	–	(137)	–	(21,690)
9,845	**2,035**	**1**	**324**	**(263)**	**845,339**
4,635	140,740	–	2,322	–	250,155
1,963	44,822	8,423	–	–	103,007
–	10,214	–	1,150	536	12,125
6,598	**195,776**	**8,423**	**3,472**	**536**	**365,287**
16,443	**197,811**	**8,424**	**3,796**	**273**	**1,210,626**
4,572	131,433	7,966	9,790	811	376,217
–	–	–	–	–	275,989
3,365	29,478	–	–	–	32,843
2,229	20,285	124	–	257	46,500
10,166	**181,196**	**8,090**	**9,790**	**1,068**	**731,549**
–	4,000	(379)	–	379	–
6,277	**20,615**	**(45)**	**(5,994)**	**(416)**	**479,077**
9,439	(89)	(67)	(1,329)	(65)	345,154
(3,162)	**20,704**	**22**	**(4,665)**	**(351)**	**133,923**
26,368	42,793	(551)	11,235	18,079	396,624
23,206	**63,497**	**(529)**	**6,570**	**17,728**	**530,547**

2019 SCHEDULE OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

Schedule of Changes in Net Assets Available for Plan Benefits for the Year Ended Dec. 31, 2019 (Dollars in Thousands)	ELCA Retirement Plan ($)	ELCA Retirement Savings Plan ($)	ELCA Participating Annuity Investment Fund ($)	ELCA Master Institutional Retirement Plan ($)	ELCA Disability Benefits Plan ($)
Additions (Reductions) to Net Assets					
Investment gain					
Interest and other income	53,570	8	40,755	1,114	3,253
Dividend income	66,793	8	21,940	1,705	748
Net appreciation (depreciation) of fair value of investments	738,205	76	277,319	18,268	11,641
Other investment gain	3,237	–	1,667	74	95
Investment expense	(14,422)	(2)	(6,448)	(286)	(278)
Net investment gain	**847,383**	**90**	**335,233**	**20,875**	**15,459**
Contributions					
Employer contributions	74,016	129	–	17,108	16,317
Member contributions	38,511	348	–	6,842	7
Other contributions	–	–	–	–	–
Total contributions	**112,527**	**477**	**–**	**23,950**	**16,324**
Total Additions To Net Assets	**959,910**	**567**	**335,233**	**44,825**	**31,783**
Deductions from Net Assets					
Benefit payments	–	–	211,479	–	7,659
Withdrawals	237,328	10	–	12,156	–
Fully insured premiums	–	–	–	–	–
General and administrative expenses	14,962	6	5,258	860	3,282
Total Deductions From Net Assets	**252,290**	**16**	**216,737**	**13,016**	**10,941**
Transfers and adjustments	(62,037)	–	62,587	(550)	(4,000)
Net increase (decrease) in net assets available for plan benefits	**645,583**	**551**	**181,083**	**31,259**	**16,842**
Increase (decrease) in accumulations and benefit obligations	645,583	551	(420)	31,259	1,184
Net change in excess (shortage) of net assets over accumulations and benefit obligations	–	–	**181,503**	–	**15,658**
Excess (shortage) of net assets over accumulations and benefit obligations, beginning of period	–	–	21,510	–	80,029
Excess (shortage) of net assets over accumulations and benefit obligations, end of period	–	–	**203,013**	–	**95,687**

ELCA Survivor Benefits Plan ($)	ELCA Medical and Dental Benefits ($)	ELCA Flexible Benefits Plan ($)	ELCA Benefits Contribution Trust ($)	All Other Funds ($)	Total Funds ($)
2,901	1,187	3	8	414	103,213
655	5	–	2,195	–	94,049
10,472	1,181	–	16	–	1,057,178
84	24	–	–	–	5,181
(250)	(40)	–	(21)	–	(21,747)
13,862	**2,357**	**3**	**2,198**	**414**	**1,237,874**
1,329	137,226	–	4,620	–	250,745
1,810	42,914	8,234	–	–	98,666
–	9,413	–	2,000	543	11,956
3,139	**189,553**	**8,234**	**6,620**	**543**	**361,367**
17,001	**191,910**	**8,237**	**8,818**	**957**	**1,599,241**
4,193	144,180	7,715	10,464	779	386,469
–	–	–	–	–	249,494
3,394	23,453	–	–	–	26,847
2,383	22,784	104	–	199	49,838
9,970	**190,417**	**7,819**	**10,464**	**978**	**712,648**
–	4,000	(243)	–	243	–
7,031	**5,493**	**175**	**(1,646)**	**222**	**886,593**
19,692	(4,858)	281	(8,251)	(273)	684,748
(12,661)	**10,351**	**(106)**	**6,605**	**495**	**201,845**
39,029	32,442	(445)	4,630	17,584	194,779
26,368	**42,793**	**(551)**	**11,235**	**18,079**	**396,624**

2020 SCHEDULE OF PLAN ACTIVITY BY FUND

Schedule of Plan Activity by Fund for the Year Ended Dec. 31, 2020 (Dollars in Thousands)	Beginning-of-Year Balance ($)	Contributions ($)	Net Investment Gain (Loss) ($)	Benefit Payments ($)
SELECT SERIES				
80e Balanced Fund	173,849	5,659	(1,362)	–
Social Purpose 80e Balanced Fund	92,626	3,628	3,454	–
60e Balanced Fund	1,723,008	39,791	(13,884)	–
Social Purpose 60e Balanced Fund	596,791	7,446	11,616	–
40e Balanced Fund	389,003	2,983	9,942	–
Social Purpose 40e Balanced Fund	204,798	1,514	10,771	–
Total Select Series	**3,180,075**	**61,021**	**20,537**	**–**
BUILD-YOUR-OWN SERIES				
Global Stock Fund	360,140	4,825	60,371	–
Social Purpose Global Stock Fund	215,972	3,654	40,054	–
Non-U.S. Stock Fund	37,588	788	4,805	–
Social Purpose Non-U.S. Stock Fund	22,287	479	3,139	–
U.S. Stock Fund	137,485	2,929	8,149	–
Social Purpose U.S. Stock fund	63,923	1,261	5,160	–
Social Purpose Stock Index Fund	64,325	1,803	20,515	–
S&P 500 Stock Index Fund	196,397	5,006	46,579	–
Small- and Mid-Cap Stock Index Fund	118,663	2,010	33,743	–
Global Real Estate Securities Fund	43,622	700	(3,060)	–
High-Yield Bond Fund	59,172	640	2,591	–
Bond Fund	178,783	3,189	13,748	–
Social Purpose Bond Fund	97,294	1,992	7,328	–
Money Market Fund	168,637	3,146	999	–
Total Build-Your-Own Series	**1,764,288**	**32,422**	**244,121**	**–**
TARGET DATE FUNDS				
Portico Retirement 2020 Fund	–	2,748	43,527	–
Portico Retirement 2025 Fund	–	3,107	33,543	–
Portico Retirement 2030 Fund	–	1,934	20,445	–
Portico Retirement 2035 Fund	–	1,574	15,244	–
Portico Retirement 2040 Fund	–	1,247	11,089	–
Portico Retirement 2045 Fund	–	1,388	10,064	–
Portico Retirement 2050 Fund	–	1,102	5,624	–
Portico Retirement 2055 Fund	–	677	1,835	–
Portico Retirement 2060 Fund	–	277	385	–
Portico Retirement 2065 Fund	–	8	47	–
Portico Retirement Income Fund	–	1,618	66,764	–
Portico Retirement 2020 Social Purpose Fund	–	893	17,603	–
Portico Retirement 2025 Social Purpose Fund	–	1,163	14,362	–
Portico Retirement 2030 Social Purpose Fund	–	475	6,853	–
Portico Retirement 2035 Social Purpose Fund	–	402	4,423	–
Portico Retirement 2040 Social Purpose Fund	–	354	3,165	–
Portico Retirement 2045 Social Purpose Fund	–	329	2,319	–
Portico Retirement 2050 Social Purpose Fund	–	286	1,109	–
Portico Retirement 2055 Social Purpose Fund	–	121	266	–
Portico Retirement 2060 Social Purpose Fund	–	44	50	–
Portico Retirement 2055 Social Purpose Fund	–	14	51	–
Portico Retirement Income Social Purpose Fund	–	816	23,159	–
Total Target Date Funds	**–**	**20,577**	**281,927**	**–**
Total ELCA Retirement Plan	**4,944,363**	**114,020**	**546,585**	**–**
ELCA Retirement Savings Plan	807	168	(12)	–
ELCA Participating Annuity Investment Fund	2,215,892	–	263,907	(213,887)
ELCA Master Institutional Retirement Plan	124,290	26,279	11,517	–
Total Retirement Plans	**7,285,352**	**140,467**	**821,997**	**(213,887)**
ELCA Disability Benefits Plan	136,281	10,015	11,400	(7,758)
ELCA Survivor Benefits Plan	116,233	6,598	9,845	(4,572)
ELCA Medical and Dental Benefits Plan	57,402	195,776	2,035	(131,433)
ELCA FSA Plan	721	8,423	1	(7,966)
ELCA Benefits Contribution Trust	103,493	3,472	324	(9,790)
All Other Funds	18,163	536	(263)	(811)
Total Funds	**7,717,645**	**365,287**	**845,339**	**(376,217)**

Withdrawals ($)	Transfers & Adjustments ($)	General Administrative Expenses and Life Insurance Premiums ($)	End-of-Year Balance ($)	Accumulations and Benefit Obligations ($)	Excess (Shortage) ($)
(4,071)	(173,697)	(378)	–	–	–
(1,733)	(97,763)	(212)	–	–	–
(63,190)	(1,681,958)	(3,767)	–	–	–
(15,963)	(598,537)	(1,353)	–	–	–
(16,308)	(384,730)	(890)	–	–	–
(8,904)	(207,679)	(500)	–	–	–
(110,169)	**(3,144,364)**	**(7,100)**	**–**	**–**	**–**
(16,152)	(1,537)	(1,010)	406,637	406,637	–
(6,724)	(1,748)	(617)	250,591	250,591	–
(1,534)	554	(104)	42,097	42,097	–
(930)	2,679	(62)	27,592	27,592	–
(3,419)	(144,840)	(304)	–	–	–
(1,755)	(68,440)	(149)	–	–	–
(3,866)	81,693	(248)	164,222	164,222	–
(11,517)	154,961	(687)	390,739	390,739	–
(6,204)	1,890	(337)	149,765	149,765	–
(1,968)	(2,736)	(102)	36,456	36,456	–
(3,759)	4,859	(168)	63,335	63,335	–
(11,006)	40,404	(627)	224,491	224,491	–
(5,219)	25,216	(347)	126,264	126,264	–
(20,753)	46,046	(622)	197,453	197,453	–
(94,806)	**139,001**	**(5,384)**	**2,079,642**	**2,079,642**	**–**
(4,272)	454,222	(315)	495,910	495,910	–
(1,681)	296,312	(209)	331,072	331,072	–
(1,226)	160,249	(113)	181,289	181,289	–
(1,178)	107,999	(78)	123,561	123,561	–
(283)	74,170	(54)	86,169	86,169	–
(537)	63,401	(46)	74,270	74,270	–
(302)	34,978	(26)	41,376	41,376	–
(86)	11,068	(8)	13,486	13,486	–
(45)	2,242	(2)	2,857	2,857	–
(5)	467	–	517	517	–
(18,643)	868,565	(588)	917,716	917,716	–
(1,336)	221,706	(151)	238,715	238,715	–
(303)	159,048	(108)	174,162	174,162	–
(182)	68,143	(46)	75,243	75,243	–
(136)	41,303	(28)	45,964	45,964	–
(122)	26,425	(18)	29,804	29,804	–
(55)	19,055	(13)	21,635	21,635	–
(17)	8,701	(6)	10,073	10,073	–
(5)	2,119	(2)	2,499	2,499	–
(27)	367	–	434	434	–
–	421	–	486	486	–
(6,020)	345,992	(233)	363,714	363,714	–
(36,461)	**2,966,953**	**(2,044)**	**3,230,952**	**3,230,952**	**–**
(241,436)	**(38,410)**	**(14,528)**	**5,310,594**	**5,310,594**	**–**
(2)	(961)	-	-	–	–
–	39,521	(5,578)	2,299,855	1,980,539	319,316
(34,551)	(150)	(881)	126,504	126,504	–
(275,989)	**–**	**(20,987)**	**7,736,953**	**7,417,637**	**319,316**
–	(4,000)	(2,618)	143,320	42,561	100,759
–	–	(5,594)	122,510	99,304	23,206
–	4,000	(49,763)	78,017	14,520	63,497
–	(379)	(124)	676	1,205	(529)
–	–	-	97,499	90,929	6,570
–	379	(257)	17,747	19	17,728
(275,989)	**–**	**(79,343)**	**8,196,722**	**7,666,175**	**530,547**

2019 SCHEDULE OF PLAN ACTIVITY BY FUND

Schedule of Plan Activity by Fund for the Year Ended Dec. 31, 2019 (Dollars in Thousands)	Beginning-of-Year Balance ($)	Contributions ($)	Net Investment (Loss) Gain ($)	Benefit Payments ($)
SELECT SERIES				
80e Balanced Fund	146,680	7,490	33,064	–
Social Purpose 80e Balanced Fund	72,207	4,127	16,983	–
60e Balanced Fund	1,508,792	56,526	295,950	–
Social Purpose 60e Balanced Fund	524,410	9,701	105,892	–
40e Balanced Fund	343,494	4,113	53,233	–
Social Purpose 40e Balanced Fund	168,421	1,584	27,750	–
Total Select Series	**2,764,004**	**83,541**	**532,872**	**–**
BUILD-YOUR-OWN SERIES				
Global Stock Fund	320,670	4,831	76,269	–
Social Purpose Global Stock Fund	192,427	3,270	47,634	–
Non-U.S. Stock Fund	33,336	625	7,457	–
Social Purpose Non-U.S. Stock Fund	19,368	429	4,523	–
U.S. Stock Fund	112,316	3,977	31,922	–
Social Purpose U.S. Stock fund	47,347	1,612	14,172	–
Social Purpose Stock Index Fund	48,949	1,041	15,277	–
S&P 500 Stock Index Fund	153,870	3,350	47,731	–
Small- and Mid-Cap Stock Index Fund	103,982	2,057	27,704	–
Global Real Estate Securities Fund	34,915	708	8,385	–
High-Yield Bond Fund	50,941	642	7,351	–
Bond Fund	158,743	2,960	14,787	–
Social Purpose Bond Fund	84,446	1,505	7,698	–
Money Market Fund	173,466	1,979	3,601	–
Total Build-Your-Own Series	**1,534,776**	**28,986**	**314,511**	**–**
Total ELCA Retirement Plan	**4,298,780**	**112,527**	**847,383**	**–**
ELCA Retirement Savings Plan	256	477	90	–
ELCA Participating Annuity Investment Fund	2,034,809	–	335,233	(211,479)
ELCA Master Institutional Retirement Plan	93,032	23,950	20,875	–
Total Retirement Plans	**6,426,877**	**136,954**	**1,203,581**	**(211,479)**
ELCA Disability Benefits Plan	119,439	16,323	15,458	(7,659)
ELCA Survivor Benefits Plan	109,202	3,139	13,862	(4,193)
ELCA Medical And Dental Benefits Plan	51,909	189,554	2,356	(144,180)
ELCA FSA Plan	546	8,234	4	(7,715)
ELCA Benefits Contribution Trust	105,139	6,620	2,199	(10,464)
All Other Funds	17,940	543	414	(779)
Total Funds	**6,831,052**	**361,367**	**1,237,874**	**(386,469)**

Withdrawals ($)	Transfers & Adjustments ($)	General Administrative Expenses and Life Insurance Premiums ($)	End-of-Year Balance ($)	Accumulations and Benefit Obligations ($)	Excess (Shortage) ($)
(5,775)	(7,086)	(524)	173,849	173,849	–
(2,037)	1,608	(262)	92,626	92,626	–
(82,225)	(50,780)	(5,255)	1,723,008	1,723,008	–
(22,585)	(18,807)	(1,820)	596,791	596,791	–
(22,294)	11,640	(1,183)	389,003	389,003	–
(10,564)	18,212	(605)	204,798	204,798	–
(145,480)	**(45,213)**	**(9,649)**	**3,180,075**	**3,180,075**	**–**
(18,504)	(22,026)	(1,100)	360,140	360,140	–
(9,722)	(16,973)	(664)	215,972	215,972	–
(1,666)	(2,049)	(115)	37,588	37,588	–
(880)	(1,086)	(67)	22,287	22,287	–
(4,471)	(5,847)	(412)	137,485	137,485	–
(1,619)	2,595	(184)	63,923	63,923	–
(2,814)	2,053	(181)	64,325	64,325	–
(9,468)	1,490	(576)	196,397	196,397	–
(6,122)	(8,587)	(371)	118,663	118,663	–
(2,345)	2,091	(132)	43,622	43,622	–
(3,325)	3,744	(181)	59,172	59,172	–
(10,493)	13,325	(539)	178,783	178,783	–
(4,463)	8,386	(278)	97,294	97,294	–
(15,956)	6,060	(513)	168,637	168,637	–
(91,848)	**(16,824)**	**(5,313)**	**1,764,288**	**1,764,288**	**–**
(237,328)	**(62,037)**	**(14,962)**	**4,944,363**	**4,944,363**	**–**
(10)	–	(6)	807	807	–
–	62,587	(5,258)	2,215,892	2,012,879	203,013
(12,156)	(550)	(861)	124,290	124,290	–
(249,494)	**–**	**(21,087)**	**7,285,352**	**7,082,339**	**203,013**
–	(4,000)	(3,280)	136,281	40,594	95,687
–	–	(5,777)	116,233	89,865	26,368
–	4,000	(46,237)	57,402	14,609	42,793
–	(243)	(105)	721	1,272	(551)
–	–	(1)	103,493	92,258	11,235
–	243	(198)	18,163	84	18,079
(249,494)	**–**	**(76,685)**	**7,717,645**	**7,321,021**	**396,624**

2020 Board of Trustees

Pictured from left to right: The Rev. Jeffery Thiemann, Leon Schwartz, the Rev. Kathie Bender Schwich, Dr. Bruce Johnson, Diana Haywood, Jennifer McGinnis, Dr. Helen Doerpinghaus, Peter Enko, Catharine Burkett, Morris Larson, Lori Lewis, Angela Dejene, Vincent Brown, the Rev. Dr. Thomas Schlotterback

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