PORTICO®
Benefit Services | A Ministry of the ELCA

Supporting Those Who Serve

Benefit Stability in Uncertain Times

Annual Report 2021

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, survivor, 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

The Rev. Jeffrey D. Thiemann

As the pandemic ebbed and flowed in 2021, Portico's benefits remained a reliable constant for congregations and organizations, affirming the importance of church together.

- ELCA-Primary health benefits are designed to help lower stress levels, including virtual access to health care.
- The ELCA Retirement Plan continued to maintain its goal of delivering strong investment returns while offering financial planning and counseling services with no or low out-of-pocket cost to members

In recent years, we've grown our capacity to bring quality, cost-effective benefits to more of those who serve, while bringing added stability to our program. The larger our member pool, the greater our ability to secure lower administrative fees and innovative benefits not typically available to smaller groups.

To attract and serve a wider group of faith-based ministries, Portico needed to adapt its operations to meet the needs of ELCA-affiliated social ministry organizations, colleges, and universities, as well as full communion partner denominations. Thanks to a robust new business development arm and efficient onboarding processes, we're now able to meet their needs while continuing to deliver high quality service to ELCA congregations, synods, organizations, seminaries, and churchwide ministries.

As of this writing in March 2022, we now serve one ELCA university, one full communion partner denomination's benefit program, ministries of two full communion partners, in addition to ELCA synod and churchwide offices, ELCA seminaries, thirty-two ELCA social ministry organizations, and thousands of ELCA congregations across the country.

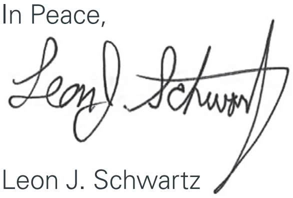
Always on the hunt for innovative, lower cost ways to better meet our population's needs, Portico recently made several changes to the benefit lineup.

- For ELCA Retirement Plan members, we added Fidelity's self-serve financial wellness checkup.
- For members with ELCA Medicare-Primary health benefits, we created dramatic cost savings by bundling our Medicare Advantage plan and pharmacy benefit through Humana.
- For members with ELCA-Primary health benefits, we added a virtual therapy program for members with chronic joint pain (one of our costliest chronic conditions) at no cost to them; an online health, wellness, and fitness platform offering a wide variety of on-demand classes at no cost to members; and a voluntary benefit providing money-saving vision care services.

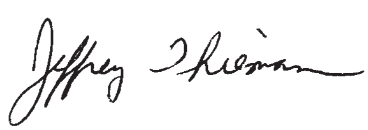
During this pandemic, it's been an honor to play a critical supporting role in the lives of our members and the organizations who sponsor them. In startlingly uncertain times, our staff delivered — and adapted, where needed — the benefits and resources members have needed to remain financially, emotionally, and physically resilient.

In our quest to serve more organizations with varying needs and wants, we have continued to rapidly evolve and embrace change. We take small steps, learn, and pivot. Portico employees will tell you — our organization has come into its own as a future-thinking organization.

In Peace,



Leon J. Schwartz
Chair, Board of Trustees



The Rev. Jeffrey D. Thiemann
President and CEO

Delivering Stability in Uncertain Times

By Stacy A. Kruse, Chief Operating and Financial Officer

By the end of 2021, Portico managed over $8.9 billion in assets which includes the combined retirement savings of all ELCA retirement plan members and the health plan trust. As in 2020, we again experienced strong investment performance and lower-than-average costs due to deferred health claims. While continuing to work remotely, our 170-person workforce continued to achieve or exceed service delivery and customer satisfaction benchmarks.

Stacy A. Kruse

Again, we delivered a stable, cost-effective benefit program by relying on industry best practices, prudent cost management, and strong cross-functional collaboration. Signs of continued stability:

- Our administrative fees remained constant, as they have in prior years.
- Our health, annuity, disability, and survivor plans all ended 2021 with an excess of net assets over benefit obligations.
- We held our 2022 average baseline health contribution rate increase to 3% for sponsoring congregations — the lowest increase in eight years and the sixth consecutive year we've delivered an increase of 5% or less.

Stable pricing is not new for Portico. We take a long-term approach, working to balance cost-containment strategies with steady increases that keep pace with inflation and avoid significant disruption to employer and member budgets.

Keeping Our Sights on Long-Term, Sustainable Investing

By David Quello, CFA, Chief Investment Officer

In a second pandemic year filled with difficulties and challenges, the U.S. stock market delivered surprisingly strong results, enabling many members to benefit from strong 2021 stock performance. U.S. stocks finished up 28.7% for the year, as compared to non-U.S. stocks up 8.5% and U.S. bonds at -1.5%.

David Quello

Always, Portico's investment team strives to create competitive returns relative to peer groups by focusing on the long term and rigorously adhering to key processes: systematic fund rebalancing, investment manager selection and monitoring, and asset allocation analysis. (Performance details on page 6.)

Last year, we created additional value for ELCA Retirement Plan members and ELCA Participating Annuity Trust annuitants, including these highlights:

- Implementation of target date funds in late 2020 led to more members having age-appropriate asset allocations — 80% as of June 30, 2021, compared to 32% a year earlier.
- Annuitants received 7.3% monthly payment increases for 2022, the highest increase since 2011.
- Through our social purpose funds, we made a $25 million social impact first investment in Nuveen's Community & Economic Development bond portfolio — designed to foster affordable housing and economic development while creating positive financial returns.
- Portico co-filed twelve resolutions with companies we invest in, with half of the resolutions calling for disclosure of climate change-related lobbying. Eight companies agreed to take positive action, enabling us to withdraw our resolutions. Four let our resolutions come up for a shareholder vote, including Phillips 66, United Airlines, and ExxonMobil who received strong majority "for" votes in favor of disclosing lobbying.

Portico At-a-Glance as of Dec. 31, 2021

So You Can Find Resilience in Uncertain Times

Portico's stability, competitive pricing, and innovative benefits are making an important difference for ELCA-affiliated congregations, synods, social ministry organizations, colleges, and universities — and the people who serve them.

"Portico is a ministry that helps us in *our* ministry. It is wonderful to know we are well taken care of in these uncertain times!"

41,778

MEMBERS SERVED IN 2021

"I appreciate all the work Portico does so we don't have to spend the energy, time, and resources it takes to shop and compare available plans."

5,692

SPONSORING EMPLOYERS SERVED IN 2021

"Overall, the benefits provided are very good at a very reasonable price. Your website is user-friendly, and the information provided at renewal clearly helps us review plan options."

$360 Million

CONTRIBUTIONS RECEIVED IN 2021

$381 Million

BENEFITS PAID IN 2021

"Portico offers a holistic approach to benefits. The online resources and wellness platforms are diverse and incredibly useful."

$8.9 Billion

ASSETS UNDER MANAGEMENT IN 2021

"I would recommend Portico to other employers willingly and confidently because of my trust in them."

643

MEMBERS RETIRED IN 2021

"I begin my retirement next year confident that my family and I will continue to receive the excellent services we've received the last 37 years. Thank you."

33.8%

OF MEMBERS INVESTED IN SOCIAL PURPOSE FUNDS IN 2021

"For eligible folks, Portico is nearly always the best option. And for ELCA leaders, Portico has a deep, progressive understanding of the particular needs and demands of our lives."

Data as of Dec. 31, 2021; sources available upon request. Availability of and eligibility for benefits will vary.

ELCA Retirement Plan Investment Performance as of Dec. 31, 2021

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, 2021) (Unaudited)				
Target Date Funds[1, 2]	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Portico Retirement 2065 Social Purpose Fund	15.37	N/A	N/A	N/A
Portico Retirement 2060 Social Purpose Fund	15.36	N/A	N/A	N/A
Portico Retirement 2055 Social Purpose Fund	15.37	N/A	N/A	N/A
Portico Retirement 2050 Social Purpose Fund	15.37	N/A	N/A	N/A
Portico Retirement 2045 Social Purpose Fund	15.58	N/A	N/A	N/A
Portico Retirement 2040 Social Purpose Fund	15.00	N/A	N/A	N/A
Portico Retirement 2035 Social Purpose Fund	13.74	N/A	N/A	N/A
Portico Retirement 2030 Social Purpose Fund	12.95	N/A	N/A	N/A
Portico Retirement 2025 Social Purpose Fund	12.14	N/A	N/A	N/A
Portico Retirement 2020 Social Purpose Fund	11.27	N/A	N/A	N/A
Portico Retirement Income Social Purpose Fund	10.18	N/A	N/A	N/A
Target Date Funds[1, 2]	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Portico Retirement 2065 Fund	16.24	N/A	N/A	N/A
Portico Retirement 2060 Fund	16.23	N/A	N/A	N/A
Portico Retirement 2055 Fund	16.23	N/A	N/A	N/A
Portico Retirement 2050 Fund	16.23	N/A	N/A	N/A
Portico Retirement 2045 Fund	16.01	N/A	N/A	N/A
Portico Retirement 2040 Fund	15.21	N/A	N/A	N/A
Portico Retirement 2035 Fund	14.39	N/A	N/A	N/A
Portico Retirement 2030 Fund	13.34	N/A	N/A	N/A
Portico Retirement 2025 Fund	12.62	N/A	N/A	N/A
Portico Retirement 2020 Fund	11.76	N/A	N/A	N/A
Portico Retirement Income Fund	10.30	N/A	N/A	N/A
Target Date Funds[1, 2]	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Morningstar Category: Target-Date 2065+	17.61	N/A	N/A	N/A
Morningstar Category: Target-Date 2060	17.47	N/A	N/A	N/A
Morningstar Category: Target-Date 2055	17.30	N/A	N/A	N/A
Morningstar Category: Target-Date 2050	17.12	N/A	N/A	N/A
Morningstar Category: Target-Date 2045	16.63	N/A	N/A	N/A
Morningstar Category: Target-Date 2040	15.47	N/A	N/A	N/A
Morningstar Category: Target-Date 2035	13.76	N/A	N/A	N/A
Morningstar Category: Target-Date 2030	11.68	N/A	N/A	N/A
Morningstar Category: Target-Date 2025	9.75	N/A	N/A	N/A
Morningstar Category: Target-Date 2020	8.45	N/A	N/A	N/A
Morningstar Category: Target-Date Retirement	5.51	N/A	N/A	N/A

Build-Your-Own[1]	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Portico Global Stock Social Purpose Fund	19.35	20.62	14.49	12.35
Portico Global Stock Fund	19.60	19.82	14.12	12.17
Morningstar Category: World Large-Stock Blend	17.72	18.45	13.10	11.21
Portico Non-U.S. Stock Social Purpose Fund	6.45	14.85	10.41	8.10
Portico Non-U.S. Stock Fund	5.73	13.83	9.92	7.85
Morningstar Category: Foreign Large Blend	9.72	13.56	9.38	7.85
Portico S&P 500 Stock Index Fund[3]	28.24	25.50	17.97	16.04
Morningstar Category: Large Blend	26.07	23.83	16.57	14.96
Portico Stock Index Social Purpose Fund	25.71	25.88	17.83	16.05
Morningstar Category: Large Blend	26.07	23.83	16.57	14.96
Portico Small- and Mid-Cap Stock Index Fund	12.03	23.35	14.82	14.45
Morningstar Category: Mid-Cap Growth	13.05	27.47	19.37	15.66
Portico Global Real Estate Securities Fund	32.42	15.43	9.48	9.50
Morningstar Category: Global Real Estate	22.90	12.95	8.94	8.79
Portico High-Yield Bond Fund	4.21	7.60	5.28	5.62
Morningstar Category: High-Yield Bond	4.77	7.51	5.19	5.74
Portico Bond Social Purpose Fund	(1.88)	4.43	3.19	2.67
Portico Bond Fund	(1.93)	4.50	3.24	2.74
Morningstar Category: Intermediate Core Bond	(1.48)	4.81	3.47	2.95
Portico Money Market Fund[4]	(0.23)	0.57	0.78	0.27
Morningstar Category: Prime Money Market	0.02	0.71	0.81	0.42

[1] Fund returns are net of all fees. 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.

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[2] 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.

[3] "S&P 500®" is a trademark of the McGraw-Hill Companies, Inc., and has been licensed for use by Portico Benefit Services. The Portico 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.

[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 a 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.

The Morningstar Category is the average return for the peer group based on the returns of each individual fund within the group, for the period shown. This average assumes reinvestment of dividends.

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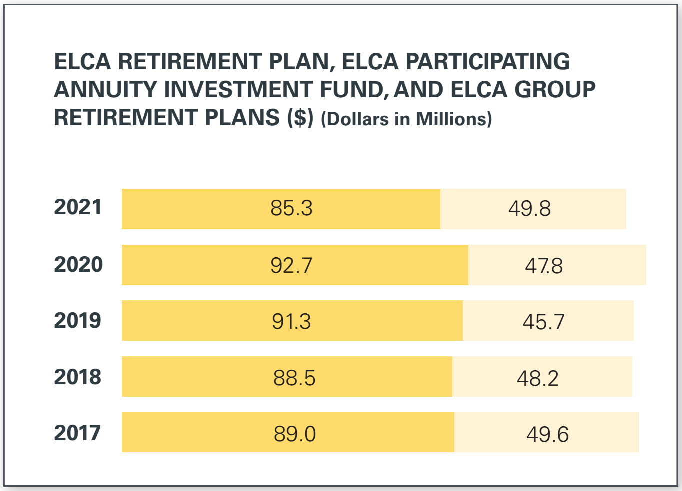
Neither Portico Benefit Services nor the Portico funds are subject to registration, regulation, or reporting under the Investment Company Act of 1940, the Securities Act of 1933, the Employee Retirement Income Security Act of 1974 (ERISA), the Securities Exchange Act of 1934, the Investment Advisers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

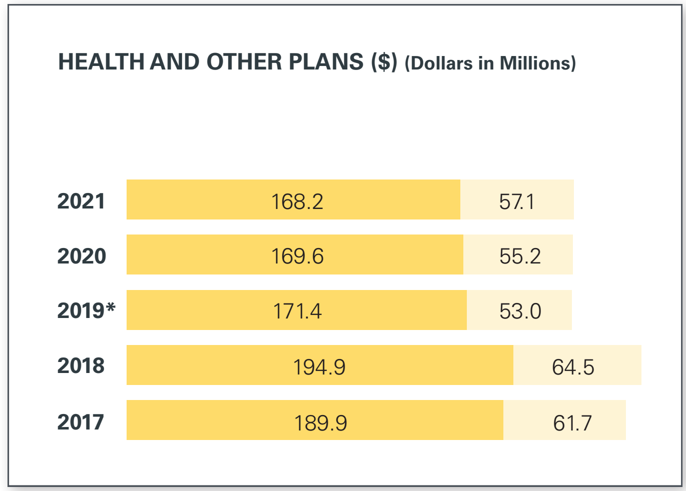
Contributions Received as of Dec. 31, 2021

Years of member education about saving for retirement, coupled with an effective Annual Enrollment reminder, have driven consistency in members saving for their own retirement.

Contributions (Unaudited)



Sponsoring employers ■ Sponsored members making pretax contributions



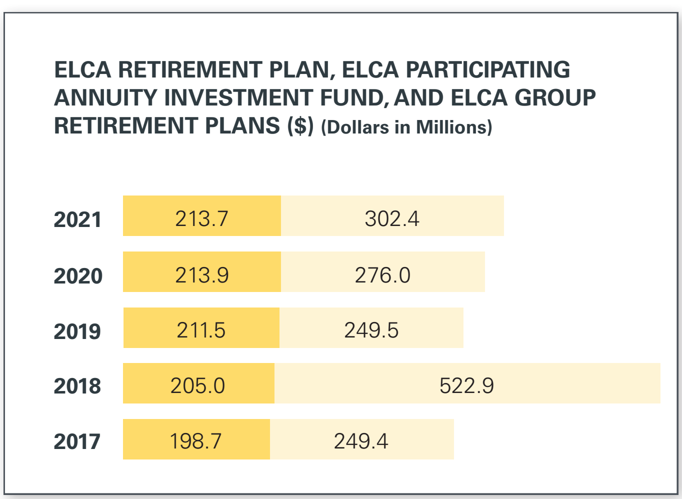
Sponsoring employers ■ Retired and non-sponsored members continuing coverage at their own expense

* 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, 2021

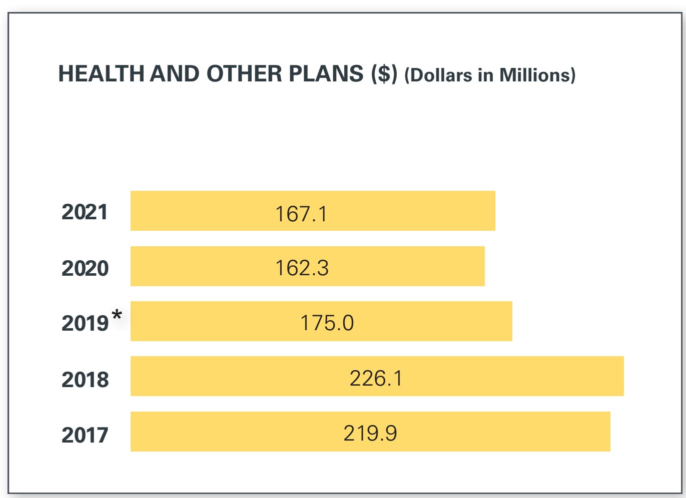
Prudent cost management helps us steward valuable church assets and deliver benefits reliably over the long term.

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, 2021

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

MEMBERSHIP (Unaudited)	2021	2020
Plan Members — Retirement and Other Benefits	Members	
In active service	11,423	11,352
Not in active service	8,101	8,131
On leave	976	863
Disabled	178	187
Retired	13,163	13,335
Survivors	2,680	2,608
Subtotal	**36,521**	**36,476**
Participants, ELCA Group Retirement Plans	5,257	4,855
Total members and participants	**41,778**	**41,331**
Additions	(Dollars in Thousands)	
Investment income	1,016,486	867,029
Investment expenses	(22,195)	(21,690)
Net investment income	**994,291**	**845,339**
Income from contributions	360,461	365,287
Total additions	**1,354,752**	**1,210,626**
Deductions		
Benefits paid, including plan withdrawals	683,195	652,206
Fully insured premiums	32,284	32,843
General and Administrative expenses	45,131	46,500
Total deductions	**760,610**	**731,549**
Net increase in net assets available for plan benefits	594,142	479,077
Net assets available for plan benefits - beginning of year	8,196,722	7,717,645
Net assets available for plan benefits - end of year	8,790,864	8,196,722
Benefit obligations	8,157,794	7,666,175
Excess of net assets over accumulations and benefit obligations	633,070	530,547

General and Administrative Expenses as of Dec. 31, 2021

Thanks to careful monitoring and management of administrative expenses, our health, annuity, disability, and survivor plans all ended 2021 with an excess of net assets over benefit obligations.

GENERAL AND ADMINISTRATIVE EXPENSES (Unaudited)	2021 (%)	2020 (%)
ELCA Retirement and ELCA Group Retirement Plans		
As a percentage of:		
• Contributions	15.3	14.9
• Benefits paid	4.0	4.3
• Net assets	0.2	0.3
Health and Other Plans		
As a percentage of:		
• Contributions	10.8	11.3
• Benefits paid	14.6	15.7
By Category		
Purchased services	34.1	33.7
Salaries and benefits	41.3	43.0
Managed care	13.7	13.0
Depreciation	1.7	1.9
Travel and other	5.8	5.3
Occupancy and utilities	2.8	2.6
Printing and supplies	0.6	0.5
By Plan		
Retirement Plan	43.7	43.2
Health benefits and other plans	44.4	44.5
Group Retirement Plans	2.2	1.9
Disability Benefits Plan	5.1	5.6
Survivor Benefits Plan	4.6	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, 2021 and 2020. 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 2021 and 2020 "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.

The Rev. Jeffrey D. Thiemann	Stacy A. Kruse
President and CEO	Chief Operating & Financial Officer
June 3, 2022	June 3, 2022

RSM

Independent Auditor's Report

RSM US LLP

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

Report on the Audit of Financial Statements

Opinion
We have audited the accompanying combined financial statements of Portico Benefit Services (Organization), which comprise the Combined Statements of Net Assets Available for Plan Benefits as of December 31, 2021 and 2020, 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).

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets and benefit obligations of Portico Benefit Services as of December 31, 2021 and 2020, 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.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

THE POWER OF BEING UNDERSTOOD
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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Net Assets Available for Plan Benefits, Schedules of Changes in Net Assets Available for Plan Benefits and Schedules of Plan Activity by Fund are presented for purposes of additional analysis and are 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 audits of the financial statements 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.

Other Information Included in the Annual Report
Management is responsible for the other information included in the annual report. The other information comprises the introduction section, the highlights section, the report of management and the trustees but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RSM US LLP

Minneapolis, Minnesota
June 3, 2022

Portico Benefit Services - Combined

COMBINED STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

Statements of Net Assets Available for Plan Benefits (Dollars in Thousands)	2021 Total Funds ($)	2020 Total Funds ($)
ASSETS		
Investments, at fair value		
Bonds	3,070,130	2,857,048
Stocks	3,025,005	2,933,179
Short-term investments	217,103	222,329
Mutual funds	1,709,976	1,608,893
Private equity and real estate investments	840,993	636,308
Total investments (Cost 2021: $7,045,084; Cost 2020: $6,689,233)	**8,863,207**	**8,257,757**
Cash	1,095	7,097
Collateral under securities lending program	674,172	655,856
Foreign currency contracts	364,593	60,914
Swaps/Futures	10,652	7,338
Accrued interest and dividends receivable	26,743	29,235
Contributions receivable, net of allowance	9,592	9,876
Other assets	10,248	10,051
Due from brokers for securities sales	203,236	11,354
Furniture, equipment, and computer software, net	2,912	1,663
Total assets	**10,166,450**	**9,051,141**
LIABILITIES		
Foreign currency contracts	365,250	60,747
Swaps/Futures	10,208	4,996
Cash overdraft	1,138	560
Payables for securities purchased	306,128	113,356
Payables under securities lending program	674,138	655,791
Deferred revenue	1,782	503
Payables and accrued expenses	16,942	18,466
Total liabilities	**1,375,586**	**854,419**
Net assets available for plan benefits	**8,790,864**	**8,196,722**
Accumulations and benefit obligations		
Net assets accumulated for active plan members	5,895,026	5,437,098
Benefit obligation for annuity plan members	2,031,394	1,980,539
Benefit obligations for health and wellness plan members	231,374	248,538
Total accumulations and benefit obligations	**8,157,794**	**7,666,175**
Excess of net assets over accumulations and benefit obligations	**633,070**	**530,547**

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)	2021 Total Funds ($)	2020 Total Funds ($)
ADDITIONS (REDUCTIONS) TO NET ASSETS		
Investment gain		
Interest and other income	112,656	90,464
Dividend income	69,544	71,594
Net appreciation of fair value of investments	830,413	699,791
Other investment gain	3,873	5,180
Investment expense	(22,195)	(21,690)
Net investment gain	**994,291**	**845,339**
Contributions		
Employer contributions	238,781	250,155
Member contributions	106,906	103,007
Other contributions	14,774	12,125
Total contributions	**360,461**	**365,287**
Total additions to net assets	**1,354,752**	**1,210,626**
DEDUCTIONS FROM NET ASSETS		
Benefit payments	380,786	376,217
Withdrawals	302,409	275,989
Fully insured premiums	32,284	32,843
General and administrative expenses	45,131	46,500
Total deductions from net assets	**760,610**	**731,549**
Net increase in net assets available for plan benefits	**594,142**	**479,077**
Increase in accumulations and benefit obligations	491,619	345,154
Net change in excess of net assets over accumulations and benefit obligations	**102,523**	**133,923**
Excess of net assets over accumulations and benefit obligations, beginning of period	530,547	396,624
Excess of net assets over accumulations and benefit obligations, end of period	**633,070**	**530,547**

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

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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

Portico Benefit Services is incorporated as a Minnesota nonprofit corporation under Chapter 317A (the Minnesota nonprofit corporation act), and is governed by an independent 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 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 (IRS). 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, administered by Portico Benefit Services, is described below. The assets of each plan are held in separate 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 include those sponsored as an ELCA Minister of Word and Sacrament or Service 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 into which members may choose to invest both member and employer 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 into which members may choose to invest both member and employer contributions.

For accounting purposes, the financial statements of the ELCA Retirement Savings Plan were consolidated with the ELCA Retirement Plan in 2020. 2021 ELCA Retirement Savings Plan financial information is included in the ELCA Retirement Plan presented in the Supplementary Information within this report. Total net assets within the ELCA Retirement Savings Plan as of Dec. 31, 2021 and Dec. 31, 2020, respectively, were $1,617,000 and $1,212,000.

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 member 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 and benefits are paid from the ELCA Participating Annuity Trust. 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, 2021, annuity payments were increased by 7.3% for the 2022 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 annuity's assumed investment return 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, 2021 & 2020)

ELCA Group Retirement Plans

The ELCA Group Retirement Plans are defined contribution and deferred compensation plans under the provisions of §403(b)(9) and §457(b) of the IRC. ELCA-affiliated social ministry organizations (SMOs) and other faith-based organizations participate in these plans. Employers and employees can make contributions to retirement accounts for eligible employees. Each employer determines eligibility based on their specific parameters, which are included in the adoption agreement. Vesting schedules vary by employer; many maintain an immediate 100% vesting schedule while the others have elected vesting schedules.

There are 34 Portico investment funds into which members may choose to invest these contributions. For accounting purposes, the financial statements of the ELCA 457(b) Deferred Compensation Plan are consolidated with the ELCA Master Institutional Retirement Plan to form the ELCA Group Retirement Plans. 2021 and 2020 ELCA 457(b) Deferred Compensation Plan financial information is included in the ELCA Group Retirement Plans presented in the Supplementary Information within this report. Total net assets within the ELCA 457(b) Deferred Compensation Plan as of Dec. 31, 2021 and Dec. 31, 2020, respectively, were $923,000 and $780,000.

Forfeitures: Forfeitures of unvested contributions from terminated participant accounts are used to offset future employer contributions, corrective contributions, and allowable employer administrative expenses. 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: If elected by their employer in the adoption agreement, 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, 2021 and 2020, respectively, were $1,219,000 and $1,125,000.

ELCA Disability Benefits Plan

The ELCA Disability Benefits Plan provides benefits for certain eligible 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), and
- Contributions to the member's retirement account under the ELCA Retirement Plan, and
- Contributions for ELCA Medical and Dental Benefits Plan (for member and eligible dependents), and
- Contributions for basic group life insurance with accidental death and dismemberment coverage under the ELCA Survivor Benefits Plan.

Certain plan members are only eligible to receive a monthly disability income benefit and contributions for basic group life insurance with accidental death and dismemberment coverage.

ELCA Survivor Benefits Plan

The ELCA Survivor Benefits Plan offers three types of life insurance to sponsored members — employer-paid basic, member-paid optional supplemental, and member-paid optional dependent life insurance. These benefits are fully insured by Securian. 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 $7,500 and a maximum of $50,000 up to age 69. From age 70 – 74, the benefit is reduced to 50% of the original amount, but not less than $7,500. For sponsored members age 75 and older, the benefit is reduced to 25% of the original amount, but not less than $7,500.

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, but not more than six times the member's annual defined compensation. Members age 70 – 74 are eligible to purchase 50% of this amount and age 75 and older can purchase 25% of this amount. The amount of coverage available for purchase for dependent life is based upon age.

Upon the death of the member, beneficiaries of retired members who were no longer eligible for basic group life insurance but met age and service requirements may be entitled to a Lump-Sum Survivor Benefit (LSSB). For members who die at age 70 or later, the LSSB provides a benefit of $7,500. Effective Jan. 1, 2022, for eligible members, the benefit is based on the member's age at death. The minimum benefit provided is $7,500 with a maximum of $50,000.

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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. 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.
- ELCA Medicare-Primary benefits include Medicare Advantage hospital and medical benefits, extended to eligible members through an agreement between Portico and an insurance company, Humana; prescription drug benefits; dental benefits; and the SilverSneakers® fitness program.

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.

The ELCA Flexible Benefits Plan also allows certain eligible participants and employers to contribute to a Health Savings Account (HSA), which roll over from year.

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 chaplains 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 ELCA Ministers of Word and Sacrament or Service, 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 Group Retirement Plans

Social Ministry Organizations (SMOs) and other faith-based organizations can make contributions to retirement accounts for eligible employees based on a specified percentage of compensation, as stated in their adoption agreements. The plans allow employees to make pretax contributions up to the limits established by the IRS. Employees in this plan may elect Roth contributions if their employer has elected the Roth option in their adoption agreement.

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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% of defined compensation in 2021 and 2020.

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% of defined compensation in 2021 and 2020.

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 2021 contribution rates for members sponsored by participating employers ranged from 4.0% to 83.4% (4.0% to 78.8% in 2020) of a member's defined compensation. The ELCA Medicare-Primary population is in a fully insured benefit plan.

ELCA Flexible Benefits Plan

The ELCA Flexible Benefits Plan is funded by individual employee contributions to their health flexible spending account and/or dependent care flexible spending account. The plan allows contributions up to the limits established by the IRS. Flexible spending account balances that are not used within the established time period are forfeited. Forfeited amounts are used by Portico Benefit Services to pay for administrative costs.

On Dec. 31, 2021, Portico Benefit Services estimated the plan showed potential underfunding by $819,000 for claims paid in excess of contributions for those members who terminated. The 2020 plan year remains open at 2021 year end due to the Consolidated Appropriations Act, which allows participants to withdraw their 2020 health flexible spending account funds during 2022. The 2020 plan year will close in December 2022. Any shortfalls from the 2020 and 2021 plan years will be funded by Portico Benefit Services' operating fund and any forfeited amounts will assist in paying for administrative costs. Due to the 2020 plan year remaining open, no plan forfeitures were transferred to Portico Benefit Services' operating fund.

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 Jan. 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.

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, 2021 and $166,000 at Dec. 31, 2020. 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 benefit coverage period 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 in the *Benefit Payments* in the *Combined Statement of Changes in Net Assets Available for Plan Benefits.* The ELCA Medicare-Primary population of the ELCA Medical and Dental Benefits Plan is in 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.

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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.

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.

During 2021, Portico Benefit Services moved office facilities. Tenant Improvements were included in the new lease as a leasehold incentive to be paid in full by the landlord. Portico capitalized $1,779,000 of fixed asset additions related to Tenant Improvements and recorded a corresponding Lease Incentive Liability. Depreciation expense incurred on this asset will be offset by a reduction in rent expense.

During 2021 and 2020, Portico Benefit Services recorded significant disposals of computer hardware and furniture. The disposals were a result of moving office operations and data center storage to new facilities and migrating from having servers on premises to the cloud. The majority of the assets were fully depreciated.

The total assets held by category as of Dec. 31, 2021 and Dec. 31, 2020 are shown in the following chart.

(IN THOUSANDS)	2021	2020
Computer hardware	5,077	5,616
Furniture and equipment	3,240	3,240
Computer software	13,531	22,364
Acquisition Cost as of Jan. 1	**21,848**	**31,220**
Plus additions to assets	2,391	640
Less disposal of assets	(4,501)	(10,012)
Acquisition Cost as of Dec. 31	**19,738**	**21,848**
Accumulated Depreciation as of Jan. 1	**20,185**	**28,925**
Depreciation expense	1,104	1,272
Disposal of assets	(4,463)	(10,012)
Accumulated Depreciation as of Dec. 31	**16,826**	**20,185**
Fixed Assets - net	**2,912**	**1,663**

Obligations Under Capital Leases and Operating Lease

Portico Benefit Services entered into capital leases that expired in 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 2021, no portion of the Fixed Asset balances was associated with capital leases. 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, 2021 and Dec. 31, 2020 for capital leases was $0.

Notes to Financial Statements (Dec. 31, 2021 & 2020)

Rental expense for the year ended Dec. 31, 2021 was $1,451,000 and Dec. 31, 2020 was $1,337,000. The chart below shows the future minimum payment obligations under the operating lease.

YEAR ENDING DEC. 31	AMOUNT (DOLLARS IN THOUSANDS)
2022	406
2023	722
2024	750
2025	778
2026	807
Thereafter	5,519
Total	**8,982**

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, 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.* ***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.

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 $9,018,000 at Dec. 31, 2021, and $7,606,000 at Dec. 31, 2020.

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, 2021, Portico Benefit Services had invested $277,384,000 in repurchase agreements, of which $267,306,000 is reported as collateral under securities lending program and $10,078,000 is reported as short-term investments on the *Combined Statements of Net Assets Available for Plan Benefits.*

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.*

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. The total assets held by category as of Dec. 31, 2021 and Dec. 31, 2020 are shown in the following chart.

(Dollars in Thousands)

UNFUNDED COMMITMENTS DEC. 31, 2021

Total Commitments	Capital Called and Funded Through Dec. 31, 2020	Capital Called and Funded During 2021	Recallable Capital	Unfunded Commitments at Dec. 31, 2021
1,213,225	40,695	101,465	3,809	263,678

(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

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, 2021 & 2020)

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, 2021 (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	10,078	–	10,078	10,078	–	–	–
Forward foreign currency contracts	358,009	–	358,009	358,008	–	–	1
Swap agreements	8,898	–	8,898	7,050	–	–	1,848

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

[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, 2021 (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	358,637	–	358,637	358,008	–	–	629
Swap agreements	8,810	–	8,810	7,050	–	–	1,760
Securities lending	674,138	–	674,138	674,138	–	–	–

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	–	–	–

[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, 2021 & 2020)

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** primarily consist 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, 2021 & 2020)

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, 2021 & 2020)

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, 2021 (Dollars in Thousands)					
	Level 1	Level 2	Level 3	Net Asset Value[1]	At Fair Value
Investments					
Bonds					
• Corporate bonds	–	650,335	–	–	650,335
• Mortgage-backed and asset-backed	–	24,771	–	–	24,771
• U.S. government and agencies	497,657	558,140	–	–	1,055,797
• Non-U.S. government and agencies	500	26,293	–	–	26,793
• Municipals	–	9,845	–	–	9,845
• Treasury inflation protected	672,845	–	–	–	672,845
• Term loans	–	–	156,353	–	156,353
• Private placement	–	465,597	–	–	465,597
• Convertible debentures	1,405	6,389	–	–	7,794
Total bonds	**1,172,407**	**1,741,370**	**156,353**	**–**	**3,070,130**
Stocks					
• U.S. equity	1,354,998	418	–	–	1,355,416
• Non-U.S. equity	279,318	1,390,266	5	–	1,669,589
Total stocks	**1,634,316**	**1,390,684**	**5**	**–**	**3,025,005**
Short-Term Investments	8,945	208,158	–	–	217,103
Mutual Funds and Commingled Funds	550,771	1,159,205	–	–	1,709,976
Private Equity and Real Estate Investments					
• Private equity limited partnerships	–	–	–	734,275	734,275
• Real estate	–	–	–	106,718	106,718
Total private equity and real estate investments	**–**	**–**	**–**	**840,993**	**840,993**
TOTAL INVESTMENTS, AT FAIR VALUE	3,366,439	4,499,417	156,358	840,993	8,863,207
Assets					
• Collateral under securities lending program	–	674,172	–	–	674,172
• Foreign currency contracts	–	364,593	–	–	364,593
• Swaps/Futures	1,755	8,897	–	–	10,652
Liabilities					
• Payables under securities lending program	–	(674,138)	–	–	(674,138)
• Foreign currency contracts	–	(365,250)	–	–	(365,250)
• Swaps/Futures	(1,398)	(8,810)	–	–	(10,208)

[1] 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, 2021 & 2020)

AT DEC. 31, 2020 (Dollars in Thousands)					
	Level 1	Level 2	Level 3	Net Asset Value[1]	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)

[1] 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, 2021 (Dollars in Thousands)	TIMING OF LIQUIDATION
Colony Investors VIII LP	9	2022
OCM Opportunities VII	9	2022-2023
Twin Haven SOP IV	131	2022-2023

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, 2021 (Dollars in Thousands)	PRINCIPAL VALUATION TECHNIQUE	UNOBSERVABLE INPUT
Term loans	156,353	Third Party Vendor	Broker Quote[1]
Publicly traded limited partnerships	5	Third Party Vendor	Broker Quote[1]
Total	**156,358**		

[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.

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, 2021, there were no transfers into or out of Level 3. 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.

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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, 2021 & 2020)

The following is a summary of the average outstanding value by derivative instrument for the year ended Dec. 31, 2021:

DERIVATIVE INSTRUMENT	AVERAGE NOTIONAL COST (Dollars in Thousands)[1]	
Futures Contract – Equity – Long	97,403	
Futures Contract Fixed Income – Long	156,126	
Futures Contract – Equity – Short	45,539	
Futures Contract Fixed Income – Short	123,227	
Credit Default Swaps – Buy Protection	1,978	
Credit Default Swaps – Sell Protection	1,978	
DERIVATIVE INSTRUMENT	AVERAGE UNREALIZED APPRECIATION (Dollars in Thousands)[1]	AVERAGE UNREALIZED DEPRECIATION (Dollars in Thousands)[1]
Equity Index and Total Return Swap Contracts	4,515	4,526
Interest Rate Swap Contracts	1,749	1,737
DERIVATIVE INSTRUMENT	AVERAGE ASSET (Dollars in Thousands)[1]	AVERAGE LIABILITY (Dollars in Thousands)[1]
Forward Foreign Currency Contracts	398,330	398,264

[1]Based on the ending quarterly outstanding amounts for the year ended Dec. 31, 2021

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 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, 2021.

CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED IN INCOME
(Dollars in Thousands)

Risk Exposure Category	Forward Foreign Currency Exchange Contracts	Futures Contracts	Swap Agreements
Equity price risk	–	1,390	112
Foreign exchange risk	(1,024)	–	–
Interest rate risk		**444**	
Credit risk			3
Total	**(1,024)**	**1,834**	**115**

AMOUNT OF REALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED IN INCOME
(Dollars in Thousands)

Risk Exposure Category	Forward Foreign Currency Exchange Contracts	Futures Contracts	Swap Agreements
Equity price risk	–	(5,095)	(120)
Foreign exchange risk	4,114	–	–
Interest rate risk	–	4,965	–
Credit risk	–	–	366
Total	**4,114**	**(130)**	**246**

The foreign currency contracts receivable balance was $364,593,000 as of Dec. 31, 2021, and $60,914,000 as of Dec. 31, 2020. The foreign currency contracts payable balance was $365,250,000 as of Dec. 31, 2021, and $60,747,000 as of Dec. 31, 2020.

Notes to Financial Statements (Dec. 31, 2021 & 2020)

The following chart summarizes the fair market value of derivative positions as of Dec. 31, 2021 and Dec. 31, 2020.

IMPACT OF DERIVATIVES ON THE
COMBINED STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
DEC. 31, 2021, AND DEC. 31, 2020
(Dollars in Thousands)

Derivatives Not Accounted for as Hedging Instruments Under ASC 815

Asset Derivative Instruments	Location	Dec. 31, 2021 Fair Value	Dec. 31, 2020 Fair Value
Foreign currency contracts	Foreign currency contracts, assets	364,593	60,914
Stock index futures contracts	Swaps/Futures	1,516	2,469
Bond futures contracts	Swaps/Futures	238	32
Stock index and total return stock swap agreements	Swaps/Futures	8,786	4,764
Interest rate and credit default swap agreements	Swaps/Futures	112	73
Variation margin on swap agreements	Other assets/payables and accrued expenses	–	409
Total		**375,245**	**68,661**
Liability Derivative Instruments			
Foreign currency contracts	Foreign currency contracts, liabilities	(365,250)	(60,747)
Stock index futures contracts	Swaps/Futures	(715)	(292)
Bond futures contracts	Swaps/Futures	(683)	(28)
Stock index and total return stock swap agreements	Swaps/Futures	(8,810)	(4,676)
Variation margin on swap agreements	Payables and accrued expenses	–	(25)
Total		**(375,458)**	**(65,768)**

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, 2021, the market value of the securities loaned to brokers was $1,363,899,000, of which $718,518,000 was lent through Tri-Party Agreements. 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.

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, 2021, and Dec. 31, 2020.

SECURITIES LENDING TRANSACTIONS 2021
(Dollars in Thousands)

	TOTAL
Agencies/Other Government	2,480
Corporate	260,579
Equity	152,566
TIPS	74,156
U.S. T-Bonds	33,095
U.S. T-Notes	119,184
Exchange Traded	3,320
Total Lending	**645,380**
Gross amount payable upon return of collateral for securities loaned	**674,138**
Net amounts due to counterparty	**28,758**

SECURITIES LENDING TRANSACTIONS 2020
(Dollars in Thousands)

	TOTAL
Agencies/Other Government	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**

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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 108% 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 $3,733,000 for the year ended Dec. 31, 2021, and $5,133,000 for the year ended Dec. 31, 2020, 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, 2021, collateral received was primarily invested in floating rate 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 2021 and 2020 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 4.38% at Dec. 31, 2021, and 4.87% at Dec. 31, 2020. However, for purposes of calculating the plan obligation, a 4.5% return was assumed at both Dec. 31, 2021, and Dec. 31, 2020.

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, 2021, and the year ended Dec. 31, 2020.

	(Dollars in Thousands)	
BENEFIT OBLIGATIONS FOR RETIRED PLAN MEMBERS	2021	2020
ELCA Participating Annuity Investment Fund obligation at beginning of year, excluding ELCA Participating Annuity Bridge Accounts	1,977,088	2,001,918
Increase (decrease) during the year due to:		
• Interest	84,161	85,274
• Benefits accumulated and experience changes	180,924	103,783
• Benefit payments and withdrawals	(213,669)	(213,887)
Net (decrease) increase	**51,416**	**(24,830)**
ELCA Participating Annuity Investment Fund obligation at end of year, excluding ELCA Participating Annuity Bridge Accounts	**2,028,504**	**1,977,088**

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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)
2022	221,409	2025	194,695
2023	212,619	2026	185,396
2024	203,765	2027-2031	778,374

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, 2021 and Dec. 31, 2020, respectively, for certain categories of members (including their beneficiaries and dependents) as shown in the chart below.

The post-retirement medical benefit subsidy is a flat dollar amount that increases by 3% each year.

ELCA BENEFITS CONTRIBUTION TRUST BENEFIT OBLIGATION	(Dollars in Thousands)	
	DEC. 31, 2021	DEC. 31, 2020
Current retirees	80,531	90,284
Other members fully eligible for benefits	475	645
Total	**81,006**	**90,929**

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)
2022	8,224
2023	7,821
2024	7,379
2025	6,913
2026	6,429
2027–2031	24,855

The following are significant assumptions used in the valuations at Dec. 31, 2021 and Dec. 31, 2020:

- Valuation interest rate: 0.85% for 2021, 1.10% for 2020
- 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, 2021 and for the year ended Dec. 31, 2020. The chart also reflects the obligation of the other benefit plans as reported for the year ended Dec. 31, 2021 and for the year ended Dec. 31, 2020.

	(Dollars in Thousands)	
	DEC. 31, 2021	DEC. 31, 2020
ELCA Benefits Contribution Trust obligation at beginning of year	**90,929**	**92,258**
• Interest	951	2,070
• Transfers and benefits paid during the year	(9,008)	(9,791)
• Change in actuarial assumptions and other (gains) losses during the year	(1,866)	6,392
ELCA Benefits Contribution Trust obligation at end of year	**81,006**	**90,929**
ELCA Disability Benefits Plan	**38,910**	**42,561**
ELCA Survivor Benefits Plan	**93,847**	**99,304**
ELCA Medical and Dental Benefits Plan	**15,693**	**14,520**
ELCA Flexible Benefits Plan	**1,749**	**1,205**
All other funds	**169**	**19**
Total benefit obligations for health and wellness plan members	**231,374**	**248,538**

Benefit Obligations — Other

Other plan benefit obligations at Dec. 31, 2021 and Dec. 31, 2020 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, 2021 (%)	DEC. 31, 2020 (%)
Disability Benefits Plan	2.29	1.61
Survivor Benefits Plan	2.91	2.60

Notes to Financial Statements (Dec. 31, 2021 & 2020)

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 $27,000 in tax expense for the year ended Dec. 31, 2021 and $15,000 for the year ended Dec. 31, 2020. The tax years 2016 through 2021 are currently open for examination.

For the years ended Dec. 31, 2021 and Dec. 31, 2020, 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 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.* The ELCA Benefits Contribution Trust funding from the ELCA stopped effective July 1, 2020 because it was determined net assets were adequate to support liabilities.

Portico Benefit Services received from the ELCA, on behalf of the ELCA Special Needs Retirement Fund, $937,000 for the year ended Dec. 31, 2021, and $743,000 for the year ended Dec. 31, 2020 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 $360,000 for the year ended Dec. 31, 2021, and $350,836 for the year ended Dec. 31, 2020 for managing certain investments for the ELCA Ministry Growth Fund of 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 15, 2020, had an interest rate of 1%. The full value of the loan plus $42,000 of interest was forgiven on June 10, 2021. The value of the forgiveness is included as other contributions in the all other funds column of the accompanying *Combined Statements of Changes in Net Assets Available for Plan Benefits.*

COVID-19

The ongoing COVID-19 pandemic continues to have a broad impact on health systems, businesses, and consumers. We have pivoted our business to provide seamless services to our members and sponsoring employers while keeping our employees safe. While it is unknown how long these conditions will last and what the complete financial effect will be, the pandemic's disruption on businesses, employment, the economy, and near and long-term impacts on the patterns of care and services across the health care system could have 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. 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. After considering the ongoing resource commitment needed from our organization and the significant costs incurred by our insurers, we determined the cost of a lengthy trial and potential appeals over many years would not benefit our plan members and beneficiaries. Therefore, we 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 3, 2022, subsequent events which occurred after the *Combined Statements of Net Assets Available for Plan Benefits* date but before these statements are issued.

On Feb. 24, 2022, a war between Russia and Ukraine began. The economic and financial effects of the war in Ukraine can be felt around the globe. Generally, the long-term effects of the war may depend upon the nature and duration of further military action and the impact of additional sanctions. At the war's inception, Portico's exposure to Russian companies, in the aggregate, was under 00.1%. Market closures, volatility, and sanctions have resulted in little or no ability to trade in Russian securities. Most Russian securities, including those held by Portico, have been valued at or near zero. We are uncertain if those values will rebound in the future.

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 the *Combined Statement of Net Assets Available for Plan Benefits* or the *Combined Statements of Changes in Net Assets Available for Plan Benefit*s for the year ended Dec. 31, 2021.

Supplementary Information

2021 SCHEDULE OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

Schedule of Net Assets Available for Plan Benefits as of Dec. 31, 2021 (Dollars in Thousands)	ELCA Retirement Plan ($)	ELCA Participating Annuity Investment Fund ($)	ELCA Group Retirement Plans ($)	ELCA Disability Benefits Plan ($)
ASSETS				
Investments, at fair value				
Bonds	1,801,052	1,003,653	30,193	104,493
Stocks	2,130,023	795,761	54,649	23,537
Short-term investments	135,353	63,713	2,956	5,416
Mutual funds	1,260,484	237,193	54,185	2,761
Private equity and real estate investments	460,828	340,268	8,728	16,688
Total investments (Cost $7,045,084)	**5,787,740**	**2,440,588**	**150,711**	**152,895**
Cash	381	–	12	–
Collateral under securities lending program	413,173	215,182	7,958	16,446
Foreign currency contracts	255,467	98,226	7,973	1,475
Swaps/Futures	7,262	3,045	237	53
Accrued interest and dividends receivable	15,880	9,296	344	532
Contributions receivable, net of allowance	3,323	–	(167)	324
Other assets	385	533	1,460	64
Due from brokers for securities sales	124,793	56,439	2,569	8,766
Furniture, equipment, and computer software, net	–	–	–	–
Total assets	**6,608,404**	**2,823,309**	**171,097**	**180,555**
LIABILITIES				
Foreign currency contracts	255,904	98,423	7,987	1,480
Swaps/Futures	6,872	2,962	226	71
Cash overdraft	352	717	4	34
Payables for securities purchased	183,543	90,060	3,789	13,023
Payables under securities lending program	413,152	215,172	7,957	16,445
Deferred revenue	–	–	–	–
Payables and accrued expenses	4,322	2,010	367	125
Total liabilities	**864,145**	**409,344**	**20,330**	**31,178**
Net assets available for plan benefits	**5,744,259**	**2,413,965**	**150,767**	**149,377**
Accumulations and benefit obligations				
Net assets accumulated for active plan members	5,744,259	–	150,767	–
Benefit obligation for annuity plan members	–	2,031,394	–	–
Benefit obligations for health and wellness plan members	–	–	–	38,910
Total accumulations and benefit obligations	**5,744,259**	**2,031,394**	**150,767**	**38,910**
Excess (shortage) of net assets over accumulations and benefit obligations	–	**382,571**	–	**110,467**

ELCA Survivor Benefits Plan ($)	ELCA Medical and Dental Benefits Plan ($)	ELCA Flexible Benefits Plan ($)	ELCA Benefits Contribution Trust ($)	All Other Funds ($)	Total Funds ($)
89,855	40,884	–	–	–	3,070,130
20,990	45	–	–	–	3,025,005
4,685	1,661	–	–	3,319	217,103
2,458	40,369	850	88,601	23,075	1,709,976
14,481	–	–	–	–	840,993
132,469	**82,959**	**850**	**88,601**	**26,394**	**8,863,207**
–	–	–	–	702	1,095
14,173	7,240	–	–	–	674,172
1,438	14	–	–	–	364,593
51	4	–	–	–	10,652
460	231	–	–	–	26,743
211	5,659	243	(1)	–	9,592
9	6,029	–	15	1,753	10,248
7,536	3,133	–	–	–	203,236
–	–	–	–	2,912	2,912
156,347	**105,269**	**1,093**	**88,615**	**31,761**	**10,166,450**
1,442	14	–	–	–	365,250
66	11	–	–	–	10,208
29	2	–	–	–	1,138
11,201	4,512	–	–	–	306,128
14,172	7,240	–	–	–	674,138
–	–	–	–	1,782	1,782
1,100	263	163	5	8,587	16,942
28,010	**12,042**	**163**	**5**	**10,369**	**1,375,586**
128,337	**93,227**	**930**	**88,610**	**21,392**	**8,790,864**
–	–	–	–	–	5,895,026
–	–	–	–	–	2,031,394
93,847	15,693	1,749	81,006	169	231,374
93,847	**15,693**	**1,749**	**81,006**	**169**	**8,157,794**
34,490	**77,534**	**(819)**	**7,604**	**21,223**	**633,070**

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 ($)	ELCA Group Retirement Plans ($)	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
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**

2021 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, 2021 (Dollars in Thousands)	ELCA Retirement Plan ($)	ELCA Participating Annuity Investment Fund ($)	ELCA Group Retirement Plans ($)	ELCA Disability Benefits Plan ($)
Additions (Reductions) to Net Assets				
Investment gain (loss)				
Interest and other income	65,136	39,147	964	3,280
Dividend income	45,922	21,088	1,153	735
Net appreciation (depreciation) of fair value of investments	573,420	229,080	15,650	7,116
Other investment gain	2,418	1,222	46	85
Investment expense	(14,158)	(7,152)	(282)	(328)
Net investment gain	**672,738**	**283,385**	**17,531**	**10,888**
Contributions (loss)				
Employer contributions	72,662	–	12,680	9,626
Member contributions	42,181	–	7,661	2
Other contributions	–	–	–	28
Total contributions	**114,843**	**–**	**20,341**	**9,656**
Total Additions To Net Assets	**787,581**	**283,385**	**37,872**	**20,544**
Deductions from Net Assets				
Benefit payments	–	213,669	–	7,191
Withdrawals	289,874	–	12,535	–
Fully insured premiums	–	–	–	–
General and administrative expenses	14,513	5,218	991	2,296
Total Deductions From Net Assets	**304,387**	**218,887**	**13,526**	**9,487**
Transfers and adjustments	(49,529)	49,612	(83)	(5,000)
Net increase (decrease) in net assets available for plan benefits	**433,665**	**114,110**	**24,263**	**6,057**
Increase (decrease) in accumulations and benefit obligations	433,665	50,855	24,263	(3,651)
Net change in excess (shortage) of net assets over accumulations and benefit obligations	**–**	**63,255**	**–**	**9,708**
Excess (shortage) of net assets over accumulations and benefit obligations, beginning of period	–	319,316	–	100,759
Excess (shortage) of net assets over accumulations and benefit obligations, end of period	**–**	**382,571**	**–**	**110,467**

ELCA Survivor Benefits Plan ($)	ELCA Medical and Dental Benefits Plan ($)	ELCA Flexible Benefits Plan ($)	ELCA Benefits Contribution Trust ($)	All Other Funds ($)	Total Funds ($)
2,822	1,287	–	–	20	112,656
632	4	–	10	–	69,544
6,130	(983)	–	–	–	830,413
73	29	–	–	–	3,873
(285)	(99)	–	109	–	(22,195)
9,372	**238**	**–**	**119**	**20**	**994,291**
4,552	139,261	–	–	–	238,781
1,942	46,743	8,377	–	–	106,906
–	10,153	–	–	4,593	14,774
6,494	**196,157**	**8,377**	**–**	**4,593**	**360,461**
15,866	**196,395**	**8,377**	**119**	**4,613**	**1,354,752**
4,683	137,435	8,014	9,008	786	380,786
–	–	–	–	–	302,409
3,284	29,000	–	–	–	32,284
2,072	19,750	109	–	182	45,131
10,039	**186,185**	**8,123**	**9,008**	**968**	**760,610**
–	5,000	–	–	–	–
5,827	**15,210**	**254**	**(8,889)**	**3,645**	**594,142**
(5,457)	1,173	544	(9,923)	150	491,619
11,284	**14,037**	**(290)**	**1,034**	**3,495**	**102,523**
23,206	63,497	(529)	6,570	17,728	530,547
34,490	**77,534**	**(819)**	**7,604**	**21,223**	**633,070**

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 ($)	ELCA Group Retirement Plans ($)	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**

2021 SCHEDULE OF PLAN ACTIVITY BY FUND

Schedule of Plan Activity by Fund for the Year Ended Dec. 31, 2021 (Dollars in Thousands)	Beginning-of-Year Balance ($)	Contributions ($)	Net Investment Gain (Loss) ($)	Benefit Payments ($)
TARGET DATE FUNDS				
Portico Retirement 2065 Social Purpose Fund	486	161	105	–
Portico Retirement 2060 Social Purpose Fund	434	481	105	–
Portico Retirement 2055 Social Purpose Fund	2,499	916	461	–
Portico Retirement 2050 Social Purpose Fund	10,073	1,749	1,809	–
Portico Retirement 2045 Social Purpose Fund	21,635	2,026	3,515	–
Portico Retirement 2040 Social Purpose Fund	29,804	1,893	4,674	–
Portico Retirement 2035 Social Purpose Fund	45,964	2,595	6,590	–
Portico Retirement 2030 Social Purpose Fund	75,243	3,126	10,405	–
Portico Retirement 2025 Social Purpose Fund	174,162	4,285	21,821	–
Portico Retirement 2020 Social Purpose Fund	238,715	3,796	27,173	–
Portico Retirement Income Social Purpose Fund	363,714	1,446	33,992	–
Portico Retirement 2065 Fund	517	53	121	–
Portico Retirement 2060 Fund	2,857	973	535	–
Portico Retirement 2055 Fund	13,486	2,743	2,363	–
Portico Retirement 2050 Fund	41,376	4,742	6,868	–
Portico Retirement 2045 Fund	74,270	6,197	12,114	–
Portico Retirement 2040 Fund	86,169	5,578	13,227	–
Portico Retirement 2035 Fund	123,561	6,864	17,884	–
Portico Retirement 2030 Fund	181,289	8,378	24,778	–
Portico Retirement 2025 Fund	331,072	11,950	41,003	–
Portico Retirement 2020 Fund	495,910	9,894	55,031	–
Portico Retirement Income Fund	917,716	4,315	85,681	–
Total Target Date Funds	**3,230,952**	**84,161**	**370,255**	**–**
BUILD-YOUR-OWN SERIES				
Global Stock Fund	406,637	4,913	72,644	–
Social Purpose Global Stock Fund	250,591	3,607	45,914	–
Non-U.S. Stock Fund	42,097	656	2,557	–
Social Purpose Non-U.S. Stock Fund	27,592	514	1,880	–
Social Purpose Stock Index Fund	164,222	3,086	43,287	–
S&P 500 Stock Index Fund	390,739	7,781	109,000	–
Small- and Mid-Cap Stock Index Fund	149,765	2,148	18,498	–
Global Real Estate Securities Fund	36,456	699	11,687	–
High-Yield Bond Fund	63,335	697	2,769	–
Bond Fund	224,491	2,988	(3,804)	–
Social Purpose Bond Fund	126,264	1,683	(2,040)	–
Money Market Fund	197,453	1,910	91	–
Total Build-Your-Own Series	**2,079,642**	**30,682**	**302,483**	**–**
Total ELCA Retirement Plan	**5,310,594**	**114,843**	**672,738**	**–**
ELCA Participating Annuity Investment Fund	2,299,855	–	283,385	(213,669)
ELCA Group Retirement Plans	126,504	20,341	17,531	–
Total Retirement Plans	**7,736,953**	**135,184**	**973,654**	**(213,669)**
ELCA Disability Benefits Plan	143,320	9,656	10,888	(7,191)
ELCA Survivor Benefits Plan	122,510	6,494	9,372	(4,683)
ELCA Medical and Dental Benefits Plan	78,017	196,157	238	(137,435)
ELCA Flexible Benefits Plan	676	8,377	–	(8,014)
ELCA Benefits Contribution Trust	97,499	–	119	(9,008)
All Other Funds	17,747	4,593	20	(786)
Total Funds	**8,196,722**	**360,461**	**994,291**	**(380,786)**

Withdrawals ($)	Transfers & Adjustments ($)	General Administrative Expenses and Fully Insured Premiums ($)	End-of-Year Balance ($)	Accumulations and Benefit Obligations ($)	Excess (Shortage) ($)
(18)	460	(3)	1,191	1,191	–
(274)	966	(1)	1,711	1,711	–
(10)	318	(9)	4,175	4,175	–
(174)	2,441	(36)	15,862	15,862	–
(601)	1,688	(65)	28,198	28,198	–
(588)	1,792	(91)	37,484	37,484	–
(520)	3,069	(138)	57,560	57,560	–
(1,746)	12,591	(233)	99,386	99,386	–
(2,933)	18,563	(513)	215,385	215,385	–
(8,876)	15,181	(678)	275,311	275,311	–
(28,244)	(10,786)	(936)	359,186	359,186	–
(50)	610	(3)	1,248	1,248	–
(149)	206	(10)	4,412	4,412	–
(389)	423	(43)	18,583	18,583	–
(1,076)	(110)	(124)	51,676	51,676	–
(1,401)	279	(222)	91,237	91,237	–
(1,452)	2,036	(254)	105,304	105,304	–
(2,074)	2,636	(360)	148,511	148,511	–
(4,633)	11,517	(537)	220,792	220,792	–
(9,275)	(1,501)	(921)	372,328	372,328	–
(26,595)	(19,998)	(1,319)	512,923	512,923	–
(78,663)	(37,744)	(2,341)	888,964	888,964	–
(169,741)	**4,637**	**(8,837)**	**3,511,427**	**3,511,427**	**–**
(19,276)	(16,313)	(1,127)	447,479	447,479	–
(12,462)	2,783	(715)	289,718	289,718	–
(2,335)	1,424	(116)	44,283	44,283	–
(1,220)	(1,424)	(76)	27,266	27,266	–
(9,631)	5,622	(498)	206,088	206,088	–
(20,487)	(8,706)	(1,139)	477,188	477,188	–
(10,380)	7,139	(445)	166,725	166,725	–
(2,358)	1,723	(110)	48,097	48,097	–
(4,076)	704	(166)	63,263	63,263	–
(14,247)	(12,008)	(543)	196,877	196,877	–
(6,327)	(10,521)	(300)	108,759	108,759	–
(17,335)	(24,589)	(441)	157,089	157,089	–
(120,134)	**(54,166)**	**(5,676)**	**2,232,832**	**2,232,832**	**–**
(289,874)	**(49,529)**	**(14,513)**	**5,744,259**	**5,744,259**	**–**
–	49,612	(5,218)	2,413,965	2,031,394	382,571
(12,535)	(83)	(991)	150,767	150,767	–
(302,409)	**–**	**(20,722)**	**8,308,991**	**7,926,420**	**382,571**
–	(5,000)	(2,296)	149,377	38,910	110,467
–	–	(5,356)	128,337	93,847	34,490
–	5,000	(48,750)	93,227	15,693	77,534
–	–	(109)	930	1,749	(819)
–	–	–	88,610	81,006	7,604
–	–	(182)	21,392	169	21,223
(302,409)	**–**	**(77,415)**	**8,790,864**	**8,157,794**	**633,070**

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) ($)	Benefit Payments ($)
TARGET DATE FUNDS				
Portico Retirement 2065 Social Purpose Fund	–	14	51	–
Portico Retirement 2060 Social Purpose Fund	–	44	50	–
Portico Retirement 2055 Social Purpose Fund	–	121	266	–
Portico Retirement 2050 Social Purpose Fund	–	286	1,109	–
Portico Retirement 2045 Social Purpose Fund	–	329	2,319	–
Portico Retirement 2040 Social Purpose Fund	–	354	3,165	–
Portico Retirement 2035 Social Purpose Fund	–	402	4,423	–
Portico Retirement 2030 Social Purpose Fund	–	475	6,853	–
Portico Retirement 2025 Social Purpose Fund	–	1,163	14,362	–
Portico Retirement 2020 Social Purpose Fund	–	893	17,603	–
Portico Retirement Income Social Purpose Fund	–	816	23,159	–
Portico Retirement 2065 Fund	–	8	47	–
Portico Retirement 2060 Fund	–	277	385	–
Portico Retirement 2055 Fund	–	677	1,835	–
Portico Retirement 2050 Fund	–	1,102	5,624	–
Portico Retirement 2045 Fund	–	1,388	10,064	–
Portico Retirement 2040 Fund	–	1,247	11,089	–
Portico Retirement 2035 Fund	–	1,574	15,244	–
Portico Retirement 2030 Fund	–	1,934	20,445	–
Portico Retirement 2025 Fund	–	3,107	33,543	–
Portico Retirement 2020 Fund	–	2,748	43,527	–
Portico Retirement Income Fund	–	1,618	66,764	–
Total Target Date Funds	**–**	**20,577**	**281,927**	**–**
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**	**–**
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**	**–**
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 Group Retirement Plans	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 Flexible Benefits 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 Expense and Fully Insured Premiums ($)	End-of-Year Balance ($)	Accumulations and Benefit Obligations ($)	Excess (Shortage) ($)
–	421	–	486	486	–
(27)	367	–	434	434	–
(5)	2,119	(2)	2,499	2,499	–
(17)	8,701	(6)	10,073	10,073	–
(55)	19,055	(13)	21,635	21,635	–
(122)	26,425	(18)	29,804	29,804	–
(136)	41,303	(28)	45,964	45,964	–
(182)	68,143	(46)	75,243	75,243	–
(303)	159,048	(108)	174,162	174,162	–
(1,336)	221,706	(151)	238,715	238,715	–
(6,020)	345,992	(233)	363,714	363,714	–
(5)	467	–	517	517	–
(45)	2,242	(2)	2,857	2,857	–
(86)	11,068	(8)	13,486	13,486	–
(302)	34,978	(26)	41,376	41,376	–
(537)	63,401	(46)	74,270	74,270	–
(283)	74,170	(54)	86,169	86,169	–
(1,178)	107,999	(78)	123,561	123,561	–
(1,226)	160,249	(113)	181,289	181,289	–
(1,681)	296,312	(209)	331,072	331,072	–
(4,272)	454,222	(315)	495,910	495,910	–
(18,643)	868,565	(588)	917,716	917,716	–
(36,461)	**2,966,953**	**(2,044)**	**3,230,952**	**3,230,952**	**–**
(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**	**–**
(4,071)	(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)**	**–**	**–**	**–**
(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**

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Pictured from left to right: The Rev. Jeffrey 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, John Hoffman, Frank Roth, the Rev. Elizabeth-Ann (Becky) Swanson, Todd Maloy

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At-large member

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4 Executive
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6 Investment / Corporate Social Responsibility
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