

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 <h1 style="text-align: center;">2024</h1> This Form is Open to Public Inspection
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Part I Annual Report Identification Information
 For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

a single-employer plan a DFE (specify) _____

B This return/report is: the first return/report the final return/report

an amended return/report a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here.

D Check box if filing under: Form 5558 automatic extension the DFVC program

special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>SAGINAW MEDICAL CENTER PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>COVENANT HEALTHCARE SYSTEM</u> <u>515 N. MICHIGAN AVE</u> <u>SAGINAW, MI 48602-4316</u>	1c Effective date of plan <u>01/01/1978</u> 2b Employer Identification Number (EIN) <u>38-3369438</u> 2c Plan Sponsor's telephone number <u>989-583-4080</u> 2d Business code (see instructions) <u>621510</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2025	JULIE VELLA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	220
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	36
	6a(2)	36
	6b	155
	6c	30
	6d	221
	6e	
	6f	221
	6g(1)	
6g(2)		
6h		
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules	b General Schedules
(1) <input type="checkbox"/> R (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> H (Financial Information)
(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> I (Financial Information – Small Plan)
(3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> A (Insurance Information) – Number Attached _____
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input checked="" type="checkbox"/> C (Service Provider Information)
(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> D (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>SAGINAW MEDICAL CENTER PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>COVENANT HEALTHCARE SYSTEM</u>	D Employer Identification Number (EIN) <u>38-3369438</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I Basic Information

1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2024</u>		
2	Assets:		
	a Market value	2a	<u>19058998</u>
	b Actuarial value	2b	<u>20329647</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment	<u>155</u>	<u>14135918</u>
	b For terminated vested participants	<u>30</u>	<u>1567549</u>
	c For active participants	<u>36</u>	<u>2225017</u>
	d Total	<u>221</u>	<u>17928484</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate	5	<u>5.03 %</u>
6	Target normal cost		
	a Present value of current plan year accruals	6a	<u>0</u>
	b Expected plan-related expenses	6b	<u>31220</u>
	c Target normal cost	6c	<u>31220</u>

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
	Signature of actuary	<u>10/10/2025</u>
	<u>KAITLIN KOWALSKI</u>	Date
	Type or print name of actuary	<u>23-08773</u>
	<u>WILLIS TOWERS WATSON US LLC</u>	Most recent enrollment number
	Firm name	<u>248-936-7700</u>
	<u>26555 EVERGREEN RD SUITE 1600</u>	Telephone number (including area code)
	<u>SOUTHFIELD, MI 48076</u>	
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 4.87 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
26 Demographic and benefit information		
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c)	31a	31220	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	31220	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	31220	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	31220	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a		
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40		

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021
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SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning **01/01/2024** and ending **12/31/2024**

A Name of plan SAGINAW MEDICAL CENTER PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 COVENANT HEALTHCARE SYSTEM	D Employer Identification Number (EIN) 38-3369438	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

WILLIS TOWERS WATSON US LLC

26555 EVERGREEN RD SUITE 1600
SOUTHFIELD, MI 48076

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARIAL	77050	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

PRINCIPAL

510 N. VALLEY MILLS DRIVE
WACO, TX 76710-6075

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	TRUSTEE	8737	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2024

This Form is Open to Public Inspection

For calendar plan year 2024 or fiscal plan year beginning **01/01/2024** and ending **12/31/2024**

A Name of plan SAGINAW MEDICAL CENTER PENSION PLAN		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 COVENANT HEALTHCARE SYSTEM		D Employer Identification Number (EIN) 38-3369438	

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	420845	
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	1433	2238
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	341578	572809
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	18307877	17177656
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	19071733	17752703
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k		
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	19071733	17752703

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	31623	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		31623
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	23564	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		23564
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	686318	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		686318
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-589305
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		152200

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1363223	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1363223
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses.....	2i(11)	108007	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		108007
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1471230

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1319030
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **YEO & YEO, P.C.**

(2) EIN: **38-2706146**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? Yes No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 544512.

**Saginaw Medical Center
Employees' Pension Plan**

Financial Statements

December 31, 2024 and 2023



YEO & YEO

**BUSINESS SUCCESS
PARTNERS**

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Independent Auditors' Report

To the Plan Administrator, Plan Management, Board of Directors, Trustees, and Participants of
Saginaw Medical Center Employees' Pension Plan
Saginaw, MI

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the accompanying financial statements of Saginaw Medical Center Employees' Pension Plan (Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2024 and 2023, the related statement of changes in net assets available for benefits for the years then ended, the statement of accumulated plan benefits as of December 31, 2023, the related statement of changes in accumulated plan benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from qualified institutions as of December 31, 2024 and 2023 and for the years then ended, stating that the certified investment information, as described in Note 7 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section:

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan 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 ERISA Section 103(a)(3)(C) audit opinion.

Correction of Error

As identified in Note 10 to the financial statements, administrative expenses for the 2023 plan year were found to be understated. As a result, the amounts reported for both administrative and accrued expenses have been restated in the 2023 financial statements to correct the error. Our opinion remains unchanged with respect to this matter.

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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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 Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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 auditors' 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 generally accepted auditing standards 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.

In performing an audit in accordance with generally accepted auditing standards, 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 Plan'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 Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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.

Other Matters

Supplementary Schedules Required by ERISA

The supplementary Schedule of Assets (Held at End of Year) as of December 31, 2024, and Schedule of Reportable Transactions for the year ended December 31, 2024, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. 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 included in the supplementary schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit 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 generally accepted auditing standards. For information included in the supplementary schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplementary schedules, we evaluated whether the supplementary schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplementary schedules, other than the information in the supplementary schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplementary schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Yeo & Yeo, P.C.

Saginaw, Michigan
October 13, 2025

Saginaw Medical Center Employees' Pension Plan
Statement of Net Assets Available for Benefits

	December 31,	
	2024	2023
		(as restated)
Assets		
Investments, at fair value (See Note 3)	\$ 17,750,465	\$ 18,649,455
Receivables		
Employer contribution	-	420,845
Accrued interest	2,238	1,433
Total receivables	2,238	422,278
Total assets	17,752,703	19,071,733
Liabilities		
Accrued expense	-	77,050
Net assets available for benefits	\$ 17,752,703	\$ 18,994,683

Saginaw Medical Center Employees' Pension Plan
Statement of Changes in Net Assets Available for Benefits

	Year Ended December 31,	
	<u>2024</u>	<u>2023</u> (as restated)
Additions		
Investment income		
Net appreciation (depreciation) in fair value of investments	\$ (589,305)	\$ 915,443
Interest	23,564	38,544
Dividends	686,318	603,273
Net investment income	<u>120,577</u>	<u>1,557,260</u>
Contributions		
Employer contributions	31,623	426,845
Other employer contributions	-	19,205
Total employer contributions	<u>31,623</u>	<u>446,050</u>
Total additions	<u>152,200</u>	<u>2,003,310</u>
Deductions		
Benefit payments	1,363,223	2,410,523
Administrative expenses	30,957	288,992
Total deductions	<u>1,394,180</u>	<u>2,699,515</u>
Change in net assets	(1,241,980)	(696,205)
Net assets available for benefits, beginning of period	<u>18,994,683</u>	<u>19,690,888</u>
Net assets available for benefits, end of period	<u>\$ 17,752,703</u>	<u>\$ 18,994,683</u>

See Accompanying Notes to the Financial Statements

Saginaw Medical Center Employees' Pension Plan
Statement of Accumulated Plan Benefits
December 31, 2023

Actuarial present value of accumulated plan benefits	
Vested benefits	
Active participants	\$ 2,306,640
Inactive participants with deferred benefits	1,599,119
Inactive participants receiving benefits	<u>14,279,736</u>
Total vested accumulated benefits	18,185,495
Non-vested benefits	<u>-</u>
Total actuarial present value of accumulated plan benefits	<u>\$18,185,495</u>

See Accompanying Notes to the Financial Statements

Saginaw Medical Center Employees' Pension Plan
Statement of Changes in Accumulated Plan Benefits
For the Year Ended December 31, 2023

Actuarial present value of accumulated plan benefits at beginning of year	\$ 19,557,432
Changes during the year due to:	
Actuarial (gains) losses	120,977
Decrease in the discount period	917,609
Actual benefits paid	<u>(2,410,523)</u>
Net decrease	<u>(1,371,937)</u>
Actuarial present value of accumulated plan benefits at the end of the year	<u>\$ 18,185,495</u>

See Accompanying Notes to the Financial Statements

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

Note 1 - Description of the Plan

The following description of the Saginaw Medical Center Employees' Pension Plan (Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the plan provisions.

General The Plan is a non-contributory defined benefit plan covering employees of the previously known Saginaw Medical Center (now part of Covenant Medical Center, Inc.) ("Medical Center"). No new participants are added on or after January 1, 2004, as those employees are eligible for another employer sponsored plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Effective February 28, 2011, benefit accruals are frozen, including benefit service and increases in compensation used to calculate the accrued benefit.

Effective Date: January 1, 1978; as amended and restated January 1, 1989; as amended December 13, 1994; as amended January 1, 1996; as amended and restated December 7, 2008; as amended February 28, 2011.

Entry Dates: None since 2004.

Normal Retirement: Age 65.

Monthly benefit is equal to 1.25% of the participant's highest average compensation for five consecutive years during the participant's last ten years prior to retirement multiplied by the participant's total years of participation, plus 0.5% of average compensation in excess of the "integration level" multiplied by the participant's total years of participation (not to exceed 35), divided by 12. Compensation is defined as the W-2 compensation including bonuses, overtime, and deferrals. Effective February 28, 2011, the integration level and accrued benefit is frozen.

Early Retirement: Age 55 and completion of 10 years of service.

The monthly benefit is equal to the accrued normal retirement benefit reduced by a factor of 0.5% for each month that the participant's actual age precedes 65 at the date of retirement.

Funding Policy: The Plan's funding policy is for the Medical Center to contribute an amount which will meet or exceed the annual ERISA minimum funding requirement. For the 2024 and 2023 plan years, the Medical Center contribution was \$31,623 and \$426,845 respectively; these contributions met the minimum funding requirement of ERISA.

Although it has not expressed any intention to do so, the Medical Center has the right under the plan to discontinue its contributions at any time and to terminate the plan subject to the provisions set forth in ERISA.

Form of Benefit: Upon retirement, the participant may elect to receive benefits in the form of a joint and survivor annuity, life annuity or lump sum if life value of benefit is less than \$5,000.

If the participant's actuarial equivalent of the accrued benefit payable at their normal retirement date is less than \$5,000, the participant is paid a lump-sum payment as soon as practicable after his or her termination date.

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

Vesting: Accrued benefits are 100% vested after 5 years of service and are 0% vested until such time.

Preretirement death benefit: Monthly annuity payable to a qualified spouse equal to 50% of the amount to which the participant would have been entitled had the participant separated from service on the date of death, survived to the earliest retirement age, retired with an immediate qualified Joint and Survivor Annuity, and died the following day.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (US GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein; disclosure of contingent assets and liabilities; and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

All investments in the plan are non-participant directed. Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the Plan's investment adviser and custodians. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/depreciation includes the Plan's gains and losses on investments purchased and sold as well as held during the year.

Contributions Receivable

Contributions receivable consists solely of Company contributions. No allowance was recorded as the full balance is deemed collectible.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Expenses

Certain administrative functions are performed by officers or employees of the Medical Center. No such officer or employee receives compensation from the Plan. Certain expenses of maintaining the Plan are paid directly by the Medical Center and are excluded from these financial statements. Fees related to the processing of benefit payments, actuarial services, and Pension Benefit Guaranty Corporation (PBGC) premiums are charged directly to the Plan and are included in administrative expenses on these financial statements. Certain other expenses, such as for investment advice are included in investment income as they are paid through revenue sharing. Investment-related expenses are included in investment income.

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

Subsequent Events

Management has evaluated subsequent events through October 13, 2025, which is the date the financial statements were available to be issued.

Note 3 - Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the plan are accumulated based on employees' compensation during each year of credited service. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an independent actuary (Willis Towers Watson US LLC) and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant assumptions used in the valuation as of January 1, 2024 were:

Mortality table:	Pri-2012 (male/female) Employee/Healthy Annuitant/Contingent Annuitant tables projected with generational improvements using scale MP-2021 modified by using Long Term Improvement Rates (LTIR) based on the proxy SSA rates released by SOA.
Discount rate:	5.00%
Effective interest rate:	5.03%
Assumed retirement age:	Rates at which participants are assumed to retire (disregarding at-risk assumptions) vary by age as shown below. The average assumed retirement age is 64.2. Current and future vested deferred participants are assumed to commence benefits at age 60.

Percentage retiring during the year

<u>Age</u>	<u>Males</u>	<u>Females</u>
55-57	0.5%	0.5%
58-59	1.0%	1.0%
60-61	2.0%	2.0%
62	25.0%	25.0%
63-64	5.0%	5.0%
65+	100.0%	100.0%

Plan expenses:	Based on the past 2 years of historical administration expenses paid by the plan and anticipated 2024 expenses to be paid by the Plan.
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The interest rate and mortality rate assumptions, along with the segment interest rates used to calculate the funding target and target normal costs, and the assumed plan related expenses, were updated since the prior

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

valuation as prescribed by law and to reflect best current estimates. These changes in assumptions resulted in an adjustment to the accumulated plan benefits.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2024. Had the valuations been performed as of December 31, there would be no material differences.

Note 4 - Plan Termination

Effective January 1, 2004, the Medical Center elected to freeze the plan. However, no resolution has been made to terminate the Plan at this time.

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits accrued for participants from mandatory or rollover contributions.
2. Costs for participants who have been receiving benefits or who have been eligible to receive basic normal retirement benefits for more than three years as of the date of termination.
3. Costs for participants who have been receiving benefits or who have been eligible to receive basic normal retirement benefits for less than three years as of the date of termination.
4. Costs for participants who were eligible to receive early retirement benefits as of the date of termination.
5. Costs for all other benefits insured by the PBGC.
6. Costs for any other benefits.

Benefits to be provided via contracts under which the Medical Center is obligated to pay the benefits would be excluded for allocation purposes.

If the plan does not have enough money to pay all benefits, the law specified the general manner and order that plan assets will be distributed. If this happens, the plan assets will be used up on a priority basis to provide retirement income for plan participants.

The PBGC monthly maximum guaranteed benefit for a 65-year-old retiree was \$7,108 and \$6,750 for 2024 and 2023, respectively. PBGC premiums of \$22,220 and \$202,708 were paid out of the Plan during 2024 and 2023, respectively, and are included in administrative expenses.

Note 5 - Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under US GAAP are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the assets or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable for the asset or liability.

The following are descriptions of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Mutual funds: shares held in mutual funds traded on national securities exchanges are valued at the net asset value (NAV) of shares held by the Plan at year end. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities then divided by the number of shares outstanding.

Money market investments: valued at the outstanding balance, which is the best estimate of fair value.

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2024 and 2023:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Level 1	Level 2	Level 3
<u>December 31, 2024</u>				
Mutual funds	\$ 17,177,656	\$ 17,177,656	\$ -	\$ -
Money Market	<u>572,809</u>	<u>572,809</u>	<u>-</u>	<u>-</u>
	<u>\$ 17,750,465</u>	<u>\$ 17,750,465</u>	<u>\$ -</u>	<u>\$ -</u>
<u>December 31, 2023</u>				
Mutual funds	\$ 18,307,877	\$ 18,307,877	\$ -	\$ -
Money Market	<u>341,578</u>	<u>341,578</u>	<u>-</u>	<u>-</u>
	<u>\$ 18,649,455</u>	<u>\$ 18,649,455</u>	<u>\$ -</u>	<u>\$ -</u>

For the year ended December 31, 2023, the money market funds were reclassified from level 2 to level 1 investments. There was no impact on the financials as a result of this change.

Note 6 - Related-Party Transactions and Party-In-Interest Transactions

Certain plan investments are managed by Principal and US Bank, the custodians of the Plan. These transactions qualify as party-in-interest transactions. Fees paid by the Plan to Principal for processing of benefit payments and general plan administration totaled \$8,737 and \$9,234 for the years ended December 31, 2024 and 2023, respectively. Fees paid by the Plan to US Bank for custodial services are netted with investment income as they are paid through revenue sharing.

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

Fees paid by the plan to Willis Towers Watson for actuarial services totaled \$77,050 for the year ending December 31, 2023.

Note 7 – Certified Investments

Certain information in the accompanying financial statements and ERISA-required supplementary schedule related to investments held as of December 31, 2024 and 2023, and net appreciation (depreciation) in fair value of investments, dividends, and interest for the years then ended, was obtained by management and agreed to or derived from information certified as complete and accurate by U.S. Bank National Association and Principal Bank, qualified institutions.

Note 8 - Tax Status

The plan obtained its latest determination letter on May 11, 2006, in which the Internal Revenue Service states that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9 - Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would-be material to the financial statements.

Note 10 - Correction of Error – Accrual of Plan Expenses

An adjustment was made to record expenses related to administrative expenses incurred in the prior year that were not properly included as an expense in the 2023 financial statements. The adjustment resulted in administrative expenses being restated from \$211,942 to \$288,992 and accrued expenses restated from \$0 to \$77,050 in the 2023 financial statements.

Saginaw Medical Center Employees' Pension Plan
Notes to the Financial Statements
December 31, 2024 and 2023

Note 11 – Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2024 and 2023, to Form 5500:

	<u>2024</u>	<u>2023</u>
Net assets available for benefits per the financial statements	\$ 17,752,703	\$ 18,994,683
Accrued expenses	<u>-</u>	<u>77,050</u>
Net assets available for benefits per the Form 5500	<u>\$ 17,752,703</u>	<u>\$ 19,071,733</u>

The following is a reconciliation of change in net assets per the financial statements for the years ended December 31, 2024 and 2023, to Form 5500:

	<u>2024</u>	<u>2023</u>
Change in net assets per the financial statements	\$ (1,241,980)	\$ (696,205)
Administrative expenses, accrued in 2023 but paid in 2024	<u>(77,050)</u>	<u>77,050</u>
Change in net assets per Form 5500	<u>\$ (1,319,030)</u>	<u>\$ (619,155)</u>

Saginaw Medical Center Employees' Pension Plan

Schedule of Assets (Held at End of Year)

December 31, 2024

PLAN NUMBER: 001

EIN: 38-3369438

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value		(d) Cost **	(e) Current value
		Mutual funds	<u>Shares/Units</u>		
	Vanguard	Vanguard Developed Markets Index Ins	32,931.324	\$ 485,268	\$ 506,484
	Vanguard	Vanguard Total Stk Mkt Index	3,743.373	772,428	990,422
	Vanguard	Vanguard Extnd Dur Tre Ins	50,028.102	1,155,914	1,016,571
	Vanguard	Vanguard Long Term Bond Index Fund	442,923.550	5,884,300	4,601,976
	Vanguard	Vanguard Interm Term Bond Index I	653,290.507	6,837,631	6,617,831
	Vanguard	Vanguard Short Term Investment Grade	334,081.000	<u>3,423,259</u>	<u>3,444,372</u>
		Total		<u>\$ 18,558,800</u>	<u>\$ 17,177,656</u>
	* Principal	Money Market	248,611.990	\$ 248,612	\$ 248,612
	* US Bank	Money Market	324,196.790	<u>324,197</u>	<u>324,197</u>
				<u>\$ 572,809</u>	<u>\$ 572,809</u>

(a) An asterisk in this column identifies an entity known to be a party-in-interest.

** Cost information not required for participant-directed investments.

Saginaw Medical Center Employees' Pension Plan
Schedule of Reportable Transactions
For the Year Ended December 31, 2024

PLAN NUMBER: 001
EIN: 38-3369438

FORM 5500, SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Lease rental	Expense incurred with transaction	Cost of asset	Current value of asset on transaction date	Net gain (loss)

Any transaction within the plan year involving securities of the same issue if within the plan year any series of transactions with respect to such securities amount in the aggregate to more than 5% of the current value of plan assets.

US Bank	First America Treasury Obligation Fund CL Z							
	19 purchases	\$ 1,569,466	\$ -	\$ -	\$ -	\$ 1,569,466	\$ 1,569,466	\$ -
	12 sales	\$ -	\$ 1,245,270	\$ -	\$ -	\$ 1,245,270	\$ 1,245,270	\$ -
US Bank	Vanguard Long Term Bond Index Fund							
	12 purchases	\$ 229,114	\$ -	\$ -	\$ -	\$ 229,114	\$ 229,114	\$ -
	2 sales	\$ -	\$ 950,000	\$ -	\$ -	\$ 1,174,516	\$ 1,174,516	\$ (224,516)
Principal	Principal Deposit Sweep Program							
	21 purchases	\$ 1,381,994	\$ -	\$ -	\$ -	\$ 1,381,994	\$ 1,381,994	\$ -
	24 sales	\$ -	\$ 1,373,830	\$ -	\$ -	\$ 1,373,830	\$ 1,373,830	\$ -

Saginaw Medical Center Employees' Pension Plan

Schedule of Assets (Held at End of Year)

December 31, 2024

PLAN NUMBER: 001

EIN: 38-3369438

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value		(d) Cost **	(e) Current value
		Mutual funds	<u>Shares/Units</u>		
	Vanguard	Vanguard Developed Markets Index Ins	32,931.324	\$ 485,268	\$ 506,484
	Vanguard	Vanguard Total Stk Mkt Index	3,743.373	772,428	990,422
	Vanguard	Vanguard Extnd Dur Tre Ins	50,028.102	1,155,914	1,016,571
	Vanguard	Vanguard Long Term Bond Index Fund	442,923.550	5,884,300	4,601,976
	Vanguard	Vanguard Interm Term Bond Index I	653,290.507	6,837,631	6,617,831
	Vanguard	Vanguard Short Term Investment Grade	334,081.000	<u>3,423,259</u>	<u>3,444,372</u>
		Total		<u>\$ 18,558,800</u>	<u>\$ 17,177,656</u>
	* Principal	Money Market	248,611.990	\$ 248,612	\$ 248,612
	* US Bank	Money Market	324,196.790	<u>324,197</u>	<u>324,197</u>
				<u>\$ 572,809</u>	<u>\$ 572,809</u>

(a) An asterisk in this column identifies an entity known to be a party-in-interest.

** Cost information not required for participant-directed investments.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26a Schedule of Active Participant Data as of January 1, 2024

Attained Age	Attained Years of Credited Service ¹										Total	
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	3	0	0	0	0	0	3
45-49	0	0	0	0	0	8	1	0	0	0	0	9
50-54	0	0	0	0	0	1	1	3	0	0	0	5
55-59	0	0	0	0	0	1	1	2	0	0	0	4
60-64	0	0	0	0	0	1	3	4	4	2	0	14
65-69	0	0	0	0	0	0	0	1	0	0	0	1
70 & over	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	14	6	10	4	2	0	36

¹ Age and service for purposes of determining category are based on exact (not rounded) values.
 Plan Name: Saginaw Medical Center Pension Plan
 EIN / PN: 38-3369438/001
 Plan Sponsor: Covenant Healthcare System
 Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis

- Applicable month September
- Interest rate basis 3-Segment Rates

Interest rates	Reflecting stabilization	Not reflecting stabilization
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Administrative expenses \$31,220; based on the past 2 years of historical administration expenses paid by the plan and anticipated 2024 expenses to be paid by the plan.

Demographic Assumptions

New or rehired employees The Plan is frozen to new entry; no new entrants are assumed.

Mortality

- Healthy Separate rates for non-annuitants (based on Pri-2012 "Employees" table without collar or amount adjustments and then projected forward with generational projection using adjusted Scale MP-2021) and annuitants (based on Pri-2012 "Healthy Annuitants" table (participants and beneficiaries combined) without collar or amount adjustments, projected forward with generational projection using adjusted Scale MP-2021. The rate of future mortality improvement at any age for any year beginning on or after the valuation date is capped at 0.78%.

Plan Name: Saginaw Medical Center Pension Plan
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Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

- Disabled Not applicable

Termination (not due to disability or retirement) rates

The rates at which participants are assumed to leave the Company vary by attained age; representative rates are shown below:

Percentage leaving during the year		
Attained Age	Males	Females
20	6.50%	6.50%
25	4.50%	4.50%
30	3.05%	3.05%
35	2.18%	2.18%
40	1.73%	1.73%
45	1.53%	1.53%
50	1.40%	1.40%
55+	0.00%	0.00%

Disability

None.

Retirement

Rates at which participants are assumed to retire (disregarding at-risk assumptions) vary by age as shown below. The average assumed retirement age is 64.2.

Percentage retiring during the year		
Age	Males	Females
55-57	0.5%	0.5%
58-59	1.0%	1.0%
60-61	2.0%	2.0%
62	25.0%	25.0%
63-64	5.0%	5.0%
65+	100.0%	100.0%

Current and future vested deferred participants are assumed to commence benefits at age 60.

Benefit commencement date:

- Preretirement death benefit

Benefits commence at the later of the death of the active participant or the date the participant would have attained age 60.

Plan Name: Saginaw Medical Center Pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

- **Deferred vested benefit** Participants who terminate prior to the retirement eligibility but after completion of 5 years, are assumed to start their pension benefits at age 60.
- **Retirement benefit** Participants retiring from active status are assumed to start their pension benefits immediately.

Form of payment	Single Life	50% J&S	100% J&S
Active Retirements	81%	11%	8%
Future vested deferred	81%	11%	8%
Future disabilities	N/A	N/A	N/A
Future deaths	0%	100%	0%
Current vested deferred	81%	11%	8%

Percent married 100% of males; 100% of females. Used to value pre-retirement surviving spouse benefits and in determining the optional forms expected to be elected at commencement.

Spouse age Females are assumed to be three years younger than males.

Methods

Valuation date First day of plan year.

Funding target Present value of accrued benefits as required by regulations under IRC §430.

Target normal cost Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.

Plan Name: Saginaw Medical Center Pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Cash flow

- Decrement timing
The approach used is called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. For death and disability decrements, the rate applied is based on the participant's rounded age (nearest integer age) at the beginning of the year, to align with the methodology generally used to create those rate tables. For retirement and withdrawal decrements: the age is generally the participant's rounded age at the middle of the year.
- Timing of benefit payments
Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Actuarial value of assets

Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year).

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with Covenant HealthCare regarding the likelihood that these benefits will be paid. WTW has reviewed the plan provisions with Covenant HealthCare and, based on that review, is not aware of any significant benefits required to be valued that were not.

Plan Name: Saginaw Medical Center Pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Sources of Data and Other Information

Participant data was extracted from the administrative system as of January 1, 2024. The plan sponsor provided information on assets and plan provisions. Data and other information received were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available. No significant events were reported to have occurred between the date the data was collected and the measurement date that required adjustment to the participant data received. The following supplementary assumptions were made with respect to the data provided:

- For active participants, vested service is assumed to increase by 1 year annually and is based on vesting service values provided by the prior actuary (as of the date of conversion).
- For active participants without any vesting service values provide by the prior actuary, vesting service is calculated based on the time elapsed from the DOH to census date, but excluding any breaks in service for rehired participants.

These assumptions are not believed to result in material differences in measurements.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
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Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Not applicable
Termination	Termination rates were based on a published table for pension participants believed to have similar characteristics to the plan population. For the reasons discussed above, we believe the assumptions selected do not significantly conflict with what would be reasonable.
Retirement	Retirement rates are based on plan sponsor expectations for the future and current economic conditions with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed. For the reasons discussed above, we believe the assumptions selected do not significantly conflict with what would be reasonable.

Plan Name:	Saginaw Medical Center Pension Plan
EIN / PN:	38-3369438/001
Plan Sponsor:	Covenant Healthcare System
Valuation Date:	January 1, 2024

SCHEDULE SB ATTACHMENTS

Benefit commencement date for deferred benefits Deferred vested participants' assumed commencement age is a single age intended to capture the average age at commencement. Deferred vested early commencement factors are not subsidized so that the difference between this approach and using assumed commencement rates at multiple ages is not expected to be significant. For the reasons discussed above, we believe the assumptions selected do not significantly conflict with what would be reasonable.

Form of payment The percentage of retiring participants assumed to take joint and survivor annuities, and the assumed survivor percentages, are based on observed experience over a recent period of several years. For the reasons discussed above, we believe the assumptions selected do not significantly conflict with what would be reasonable.

Source of Prescribed Methods

Funding methods The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430 or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Changes in Assumptions and Methods

Change in assumptions and methods since prior valuation

- The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC 430.
- The mortality table used to calculate the funding target and target normal cost was updated, reflects the latest mortality improvement scale and was changed from using a static projection of mortality improvement to a generational projection as required by guidance issued by IRS under IRC §430.
- The assumed plan related expenses added to the target normal cost were changed from \$288,758 to \$31,220 for 2024.

Plan Name: Saginaw Medical Center Pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Covenant Healthcare System
EIN/PN	38-3369438/001
Plan Name	Saginaw Medical Center Pension Plan
Valuation Date	January 1, 2024
Enrolled Actuary	Kaitlin Kowalski
Enrollment Number	23-08773

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The most recent amendment reflected in the following plan provisions was adopted and effective on June 1, 2023.

Covered employees	Full- or part-time employees of Saginaw Medical Center if hired or rehired before January 1, 2004.
Participation date	July 1 and January 1 after an employee has completed one Year of Service (1,000 hours).

Definitions

Years of service	One Year of Service for 1,000 hours worked in a year.
Benefit service	One year of Benefit Service for 1,000 hours worked in a year. In the initial year and in the termination year, partial credit is granted based on hours worked divided by 1,000. Benefit Service is frozen as of February 28, 2011.
Retirement date	
• Normal	Age 65.
• Early	Age 55 with ten Years of Service.
Covered compensation	For a given plan year, the average (without indexing) of the taxable wage bases for the 35 calendar years ending with the year in which an individual attains Social Security retirement age.
Integration level	A uniform dollar amount for all participants determined for each plan year equal to the greater of 50% of the Covered Compensation of an individual attaining Social Security retirement age in a given year and \$10,000. The integration level was frozen at February 28, 2011.
Compensation	W-2 compensation including bonuses, overtime, and deferrals.

Plan Name: Saginaw Medical Center pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Final average compensation	Average of highest five calendar years during the last ten years prior to termination of employment. The final average compensation was frozen at February 28, 2011.
Vested rights	<p>An employee who terminates employment after completing five years of service retains a vested right to the accrued benefit.</p> <p>Early commencement of deferred vested benefits is available after age 55 (if participant has 10 years of service) reduced as described for early retirement commencement.</p>
Annuity forms	
• Normal form	Life annuity
• Automatic form (if married)	Joint and 50% survivor annuity, which is the actuarial equivalent to the benefit payable under normal form.
• Optional forms	Life with 10 years certain; Joint and Survivor with 75%, or 100% survivorship benefits; lump sum, if not greater than \$5,000. Benefit amounts under optional annuity forms are determined as the actuarial equivalent of the benefit payable under the normal form.
Actuarial equivalence	UP84 Mortality and 8% interest
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service
Postponed retirement	Retirement after NRD; participants remaining in active employment after NRD may elect to commence benefits at NRD

Plan Name: Saginaw Medical Center pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Deferred vested termination	Termination for reasons other than death or retirement after completing five years of vesting service
Disability	The Plan does not provide special benefits upon disablement
Preretirement death benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse

Benefits Paid Upon the Following Events

Normal retirement benefit	<p>1.25% of Final Average Compensation multiplied by Benefit Service plus. 50% of Final Average Compensation in excess of the Integration Level multiplied by Benefit Service (maximum 35 years).</p> <p>Benefits are frozen to accruals as of February 28, 2011.</p>
Early retirement benefit	Normal Retirement Benefit multiplied by a fraction, the numerator of which is the years of Benefit Service at the early retirement date, and the denominator of which is the Benefit Service at the Normal Retirement Date; reduced for early commencement by 0.5% for each month by which the actual commencement date precedes the Normal Retirement Date.
Preretirement death benefit	Monthly annuity payable to a qualified spouse equal to 50% of the amount to which the participant would have been entitled had the participant separated from service on the date of death, survived to the earliest retirement age, retired with an immediate qualified Joint and Survivor Annuity, and died the following day.
Postponed retirement	The monthly pension benefit determined as of the Normal Retirement Date, adjusted actuarially to the actual date of retirement. Participants who elect to remain in active employment beyond Normal Retirement Date may elect to commence benefits at Normal Retirement Date; for such participants, actuarial equivalence adjustments are offset, year by year, by the actuarial equivalent of benefits received.

Plan Name: Saginaw Medical Center pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

SCHEDULE SB ATTACHMENTS

Deferred vested termination The monthly pension benefit determined as of the termination date, and payable commencing at the Normal Retirement Date; if the participant has at least ten Years of Service, benefits may commence after age 55, reduced for early commencement as described for early retirement, above.

Disablement Benefits as described for deferred vested termination above.

Future Plan Changes

WTW is not aware of any future plan changes which are required to be reflected.

Changes in Benefits Valued Since Prior Year

None.

Plan Name: Saginaw Medical Center pension Plan
EIN / PN: 38-3369438/001
Plan Sponsor: Covenant Healthcare System
Valuation Date: January 1, 2024

<p>Form 5500</p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p>Annual Return/Report of Employee Benefit Plan</p> <p>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).</p> <p>▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	<p>OMB Nos. 1210 - 0110 1210 - 0089</p> <hr/> <p>2024</p> <hr/> <p>This Form is Open to Public Inspection</p>
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Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

B This return/report is: a single-employer plan a DFE (specify) _____
 the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here

D Check box if filing under: Form 5558 automatic extension the DFVC program
 special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here

Part II Basic Plan Information - enter all requested information

<p>1a Name of plan SAGINAW MEDICAL CENTER PENSION PLAN</p>	<p>1b Three-digit plan number (PN) ▶ <u>001</u></p>
<p>2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) COVENANT HEALTHCARE SYSTEM</p> <p>515 N. MICHIGAN AVE</p> <p>SAGINAW MI 48602-4316</p>	<p>1c Effective date of plan <u>01/01/1978</u></p> <p>2b Employer Identification Number (EIN) <u>38-3369438</u></p> <p>2c Plan Sponsor's telephone number <u>989-583-4080</u></p> <p>2d Business code (see instructions) <u>621510</u></p>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<i>Julie Vella</i>	10/09/2025	JULIE VELLA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
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5 Total number of participants at the beginning of the plan year	5	220
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).		
a (1) Total number of active participants at the beginning of the plan year	6a(1)	36
a (2) Total number of active participants at the end of the plan year	6a(2)	36
b Retired or separated participants receiving benefits	6b	155
c Other retired or separated participants entitled to future benefits	6c	30
d Subtotal. Add lines 6a(2), 6b, and 6c	6d	221
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	
f Total. Add lines 6d and 6e	6f	221
g (1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	6g(1)	
(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g(2)	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) <input type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) <input type="checkbox"/> DCG (Individual Plan Information) - Number Attached _____ (5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information - Small Plan) (3) <input type="checkbox"/> A (Insurance Information) - Number Attached _____ (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)
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Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No
If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ... Yes No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

► **Round off amounts to nearest dollar.**
 ► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	B Three-digit plan number (PN) ►	001
SAGINAW MEDICAL CENTER PENSION PLAN		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	D Employer Identification Number (EIN)	
COVENANT HEALTHCARE SYSTEM	38-3369438	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2024

2 Assets:		
a Market value	2a	19,058,998
b Actuarial value	2b	20,329,647

3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	155	14,135,918	14,135,918
b For terminated vested participants	30	1,567,549	1,567,549
c For active participants	36	2,225,017	2,225,017
d Total	221	17,928,484	17,928,484

4 If the plan is in at-risk status, check the box and complete lines (a) and (b)

a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	

5 Effective interest rate **5** 5.03 %

6 Target normal cost		
a Present value of current plan year accruals	6a	0
b Expected plan-related expenses	6b	31,220
c Target normal cost	6c	31,220

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	KK	10/10/2025
	Signature of actuary	Date
KAITLIN KOWALSKI		23-08773
Type or print name of actuary		Most recent enrollment number
WILLIS TOWERS WATSON US LLC		248-936-7700
Firm name		Telephone number (including area code)
2655 EVERGREEN RD SUITE 1600		
SOUTHFIELD MI 48076		
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)		6,548,180
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8)		6,548,180
10 Interest on line 9 using prior year's actual return of 8.57 %		561,179
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		105,282
b (1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.17 %		5,443
b (2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		110,725
d Portion of (c) to be added to prefunding balance		110,725
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	7,220,084

Part III Funding Percentages

14 Funding target attainment percentage	14	73.12 %
15 Adjusted funding target attainment percentage	15	113.39 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	77.83 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04-05-2024	31,623				
Totals ▶			18(b)	31,623	18(c)

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	31,220

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? Yes No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? Yes No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year				
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th	
0	0	0	0	

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.75 %	2nd segment: 4.87 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
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b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22** 64

23 Mortality table(s) (see instructions) Prescribed -- combined Prescribed -- separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c)	31a	31,220
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month Day Year) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	31,220
	Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement	0	0
		Total balance
36 Additional cash requirement (line 34 minus line 35)	36	31,220
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	31,220
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021