



# The MetroHealth System

## Board of Trustees

Wednesday, May 22, 2024

1:30pm - 3:30pm

MetroHealth Brooklyn Heights Campus or via Zoom

## Finance Committee

## Regular Meeting

# The MetroHealth System Board of Trustees

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## FINANCE COMMITTEE

**DATE:** Wednesday, May 22, 2024  
**TIME:** 1:30-3:30 pm  
**PLACE:** MetroHealth Brooklyn Heights Campus, 5410 Lancaster Dr., Brooklyn Hts, OH 44131, Building B, Room B-102 / Via Zoom  
<https://us02web.zoom.us/j/89565413235>

## AGENDA

- I. **Approval of Minutes**  
Finance Committee Meeting Minutes of April 10, 2024
  
- II. **Public Session**
  - A. First Quarter 2024 Investment Performance – A. Blake
  - B. First Quarter Financial Results - D. Hollings
  
- III. **Executive Session**

# The MetroHealth System Board of Trustees

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## FINANCE COMMITTEE

April 10, 2024

9:00-10:30 am

Zoom <https://us02web.zoom.us/j/82877117816>

### Meeting Minutes

**Committee Members Present:** John Moss-R, Sharon Dumas-R

**Other Trustees Present:** Inajo Chappell- R<sup>1</sup>, E. Harry Walker-R, Maureen Dee-R, John Corlett-R, E. Harry Walker MD-R,

**Staff Present:** Airica Steed, Ed.D, - R, Christine Alexander, MD-R, Nicholas Bernard-R, Kate Brown-R, Nabil Chehade, MD-R, Derrick Hollings-R, Dr. Olusegun Ishmael, MD-R, Barbara Kakiris-R, Christina Morales-R, Holly Perzy, MD-R, Allison Poulivos-R, Sonja Rajki- R<sup>2</sup>, Tamiyka Rose-R, Brad Schwartz-R, Nicholas Sukalac-R, Dalph Watson-R

**Guests Present:** John Andersen -R, Gordy Sofyanos-R, Jan Blazewski-R, Trey Casey-R, John Pirmann-R, Natalie Wabich-R, Suzanne Aral-Boutros-R, Jasmine Boutros-R

Mr. Moss called the meeting to order at 9:00 am, in accordance with Section 339.02(K) of the Ohio Revised Code.

(The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.)

#### **I. Approval of Minutes**

The minutes of the February 28, 2024, Finance Committee and Investment subcommittee meeting were approved as submitted.

#### **II. Executive Session**

Mr. Moss asked for a motion to move into executive session to discuss hospital trade secrets as defined by ORC 1333.61. Ms. Chappell moved, and Dr. Walker seconded the motion. The Board held a roll call vote with all Trustees present voting to approve the motion to go into executive session for the purpose stated by Mr. Moss.

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<sup>1</sup> R - Remote



## The MetroHealth System Board of Trustees

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Members of the public were excused. The Board went into executive session to discuss the identified matters at 9:01 am.

Following the executive session, the meeting reconvened in open session at approximately 10:49 am and welcomed back the public via Zoom and those members of the public who remained in person. Mr. Moss stated there was no further business to bring before the Committee, the meeting was adjourned at approximately 10:50 am.

Derrick Hollings,  
Chief Financial Officer





*May 22, 2024*

# **METROHEALTH SYSTEM INVESTMENT COMMITTEE MEETING**



*1100 Superior Avenue East Suite 700  
Cleveland, Ohio 44114  
216.621.1090 | [clearstead.com](https://clearstead.com)*

# CONTENTS

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1. Management Investment Committee
2. Oversight Dashboard
3. Economic and Market Update
4. 3/31/2024 Performance Review
5. Fixed Income Analysis
6. Portfolio Snapshot
7. Fee Review

## Appendix

Additional Performance Slides

# MANAGEMENT INVESTMENT COMMITTEE

1. Management Investment Committee
  - Finance team and Clearstead
  - Quarterly, in depth portfolio review
  - Oversight Dashboard
2. Internal Investment Policy Statement with asset allocation targets and tighter ranges
3. Investment Watch List (Draft Below)

Qualitative	Ownership Change	PM Departure	Strategy Inconsistency	Abnormal Asset Flows	Violating Guidelines	Other	Watch List
Manager 1	No	No	No	No	No	No	No
Manager 2	No	No	No	No	No	No	No
Manager 3	No	No	No	No	No	No	Yes
Manager 4	No	No	No	No	No	No	No
Manager 5	No	No	No	No	No	No	Yes
Manager 6	No	No	No	No	No	No	No
Manager 7	No	No	No	No	No	No	No
Manager 8	No	No	No	No	No	No	Yes

Green/Yes = Concern

Quantitative	Excess Return						Peer Performance					
	Q4 '23	Q3 '23	Q2 '23	Q1 '23	Q4 '22	Q3 '22	Q4 '23	Q3 '23	Q2 '23	Q1 '23	Q4 '22	Q3 '22
Manager 1	-0.5%	2.2%	1.3%	0.6%	5.1%	2.0%	23%	20%	32%	74%	18%	11%
Manager 2	0.3%	1.4%	0.1%	2.0%	0.5%	-0.8%	18%	33%	17%	24%	47%	37%
Manager 3	5.3%	-4.9%	1.6%	12.6%	-7.9%	1.5%	6%	96%	23%	7%	96%	26%
Manager 4	1.7%	0.6%	1.5%	-2.7%	4.0%	-4.1%	1%	55%	1%	44%	61%	85%
Manager 5	0.4%	-0.2%	-1.2%	-0.4%	0.8%	0.5%	33%	36%	51%	44%	58%	25%
Manager 6	-0.3%	0.7%	-0.3%	-2.1%	4.6%	-1.3%	74%	6%	31%	87%	19%	55%
Manager 7	-1.3%	1.1%	0.1%	2.0%	1.9%	0.3%	69%	46%	53%	35%	22%	66%
Manager 8	-0.5%	-3.2%	-0.9%	7.4%	1.6%	2.0%	61%	90%	85%	1%	25%	32%

Green = Negative Excess Return

Blue = Bottom Quartile



## OVERSIGHT DASHBOARD



# OVERSIGHT DASHBOARD

**Last Reviewed**  
 Investment Policy: 10/25/23  
 Strategic Asset Allocation: 08/23/23  
 Fee Review: 05/22/24

		4Q 23	1Q 24	2Q 24	3Q 24	Comments:
<b>Strategic/ Administrative</b>	Investment Policy Review				<input type="checkbox"/>	
	ESG Education				<input type="checkbox"/>	
	Strategic Asset Allocation Review			<input type="checkbox"/>		
	Fiduciary Education			<input type="checkbox"/>		
	2025 Oversight Dashboard				<input type="checkbox"/>	
<b>Portfolio</b>	Fixed Income Analysis		✓			
	Domestic Equity Review	✓				
	International Equity Review	✓				
	Clearstead Due Diligence Process	✓				
	Portfolio Rebalancing	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Performance</b>	Capital Markets Review	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	
	Quarterly Performance Review	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Other</b>	Clearstead Firm Update	✓				
	Fee Review		✓			



## **ECONOMIC AND MARKET UPDATE**

# QUARTERLY THEMES

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## WHAT HAPPENED LAST QUARTER?

- Strong equity market returns, interest rates rose
  - Q1 2024: S&P 500 +10.6%; MSCI EAFE +5.8%; MSCI Emerging Markets +2.4%; Bloomberg US Agg -0.8%
  - Market breadth improved outside of “Magnificent Seven”
- Economy strengthened but downward inflation trend stalled

## INVESTMENT OUTLOOK:

- Economic fundamentals support a prolonged business cycle
  - Lower recession risk but potential of soft landing later this year
  - Expect inflation to be choppy but lower by year-end
- Corporate earnings expected to increase 11% for 2024
  - Given high valuations, if earnings, margins, or sales disappoint, downside risks loom
- Fixed income investors will remain sensitive to Fed guidance
- Lingering geopolitical uncertainty and an upcoming U.S. presidential election underscores the importance of diversification

# TAILWINDS AND HEADWINDS



## Tailwinds

- S&P 500 gains 10%+ in Q1; 11<sup>th</sup> strongest Q1 over the past 70 years
  - Market breadth improving
  - Cyclical over defensives
  - 24 record highs in Q1
  - No trading days -2% or lower
- Corporate America working through higher rates; fundamentals (earnings & margins improving)
- Services economy still expanding at a moderate pace.
  - Manufacturing sector moving to neutral/positive
- Consumer still strong – at/near full employment



## Headwinds

- Treasury market volatility persists; path to first Fed rate cut uncertain
  - Equity market volatility could increase
- Debt building, defaults rising in riskier cohorts (corporate and consumer)
- Fiscal policy likely to exert a modest drag on growth in 2024
- Geopolitical risks intensify

Source: Clearstead, as of 3/31/2024  
Past performance is not an indicator of future results



## **3/31/2024 PERFORMANCE REVIEW**

# TOTAL SYSTEM SNAPSHOT: 3/31/2024

	System	Select Assurance	Total
Clearstead Investment Reports	\$ 506,275,555	\$ 102,570,669	\$ 608,846,224
Cash on Hand (Operating Accounts)	65,579,290	15,371,361	80,950,651
Other Investments (Premier shares, Recovery Resources, MHS Purchasing, MHS Care Innovation )	9,222,282	-	9,222,282
<b>Total Cash &amp; Unrestricted Investments</b>	<b>\$ 581,077,127</b>	<b>\$ 117,942,030</b>	<b>\$ 699,019,157</b>

	Reserve Pool	Non Reserve Pool	Total
Clearstead System Report	\$ 266,252,381	\$ 240,023,174	\$ 506,275,555
Clearstead Select Assurance Report	-	102,570,669	102,570,669
System Cash Balance	65,579,290	-	65,579,290
Select Assurance Cash Balance	15,371,361	-	15,371,361
Other Investments	-	9,222,282	9,222,282
<b>Total Cash &amp; Unrestricted Investments</b>	<b>\$ 347,203,032</b>	<b>\$ 351,816,125</b>	<b>\$ 699,019,157</b>

# METROHEALTH SYSTEM: ATTRIBUTION OF MARKET VALUE CHANGE: 3/31/2024

		Starting Balance	Net Cash Flow	Net Investment Change	Ending Balance
2019	Reserve	\$346,390,927	(\$40,684,362)	\$10,486,231	\$316,192,796
	Non-Reserve	\$33,511,686	\$37,500,000	\$15,894,971	\$86,906,657
	<b>Total</b>	<b>\$379,902,613</b>	<b>(\$3,184,362)</b>	<b>\$26,381,202</b>	<b>\$403,099,453</b>
2020	Reserve	\$316,192,797	\$224,762,533	\$8,090,467	\$549,045,797
	Non-Reserve	\$86,906,657	\$0	\$15,698,611	\$102,605,268
	<b>Total</b>	<b>\$403,099,454</b>	<b>\$224,762,533</b>	<b>\$23,789,078</b>	<b>\$651,651,065</b>
2021	Reserve	\$549,045,797	(\$90,653,379)	(\$1,307,079)	\$457,085,339
	Non-Reserve	\$102,605,268	\$100,000,000	\$22,686,324	\$225,291,592
	<b>Total</b>	<b>\$651,651,065</b>	<b>\$9,346,621</b>	<b>\$21,379,245</b>	<b>\$682,376,931</b>
2022	Reserve	\$457,085,339	(\$122,436,356)	(\$7,645,744)	\$327,003,239
	Non-Reserve	\$225,291,592	\$0	(\$26,458,875)	\$198,832,717
	<b>Total</b>	<b>\$682,376,931</b>	<b>(\$122,436,356)</b>	<b>(\$34,104,619)</b>	<b>\$525,835,956</b>
2023	Reserve	\$327,003,239	(\$73,829,293)	\$12,834,850	\$266,008,796
	Non-Reserve	\$198,832,717	\$0	\$28,736,087	\$227,568,804
	<b>Total</b>	<b>\$525,835,956</b>	<b>(\$73,829,293)</b>	<b>\$41,570,937</b>	<b>\$493,577,600</b>
1Q 2024	Reserve	\$266,008,796	(\$1,291,911)	\$1,535,495	\$266,252,380 *
	Non-Reserve	\$227,568,804	\$0	\$12,454,371	\$240,023,175
	<b>Total</b>	<b>\$493,577,600</b>	<b>(\$1,291,911)</b>	<b>\$13,989,866</b>	<b>\$506,275,555 **</b>

\*The Reserve Pool balance excludes approximately \$36.0 million in System operating cash.

\*\* The overall balance does not include \$102.5 million of Captive investments and \$15.4 million of Captive operating cash.

# METROHEALTH: PERFORMANCE SUMMARY 3/31/2024

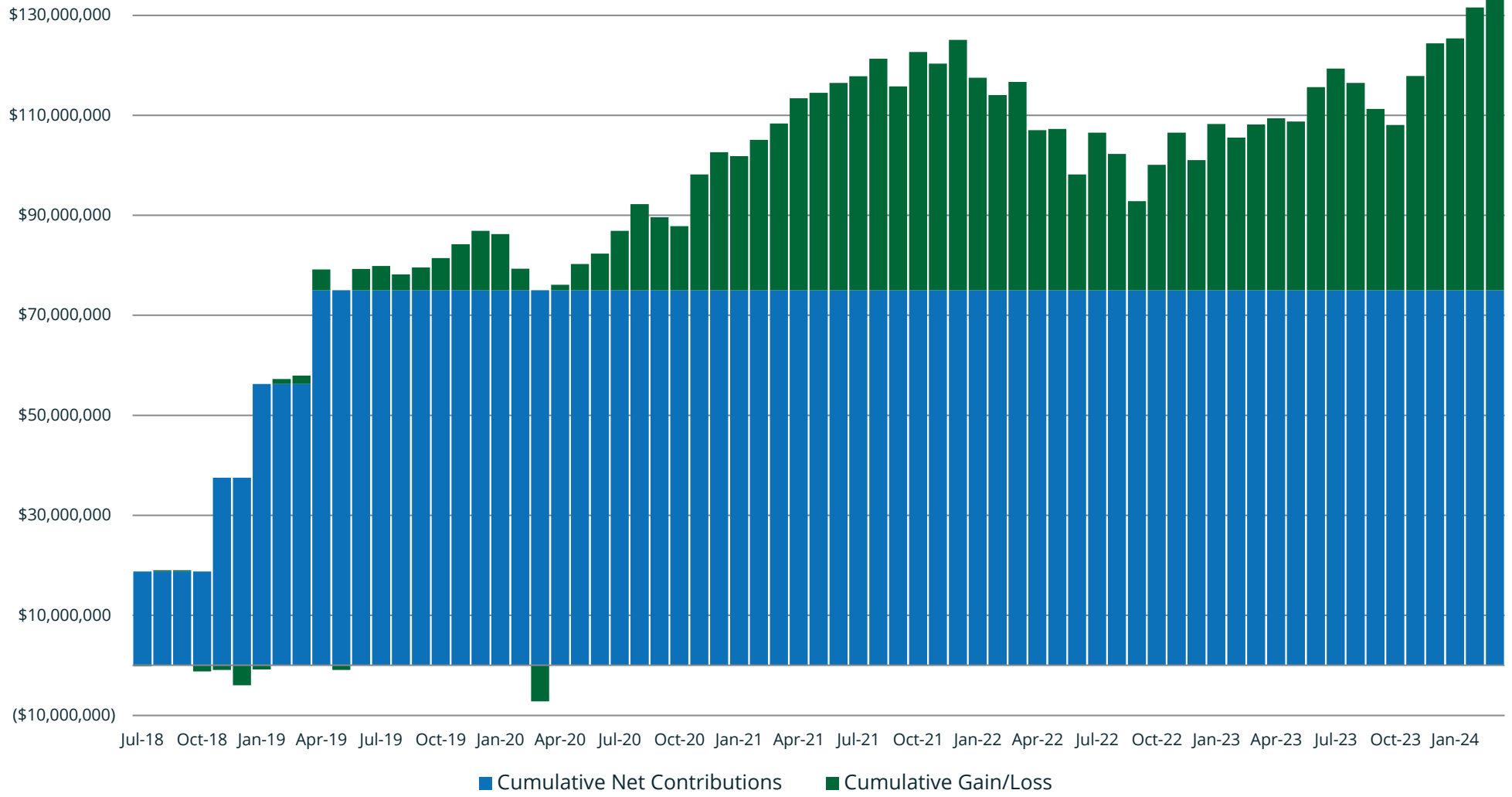
	QTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	2023 (%)	2022 (%)	2021 (%)	Inception (%)	Inception Date
<b>Total Plan</b>	<b>2.8</b>	<b>8.9</b>	<b>4.2</b>	<b>2.8</b>	<b>3.5</b>	<b>8.7</b>	<b>-5.0</b>	<b>3.2</b>	<b>3.6</b>	<b>Aug- 18</b>
<b>Non-Reserve Long-Term Pool</b>	<b>9.1</b>	<b>25.5</b>	<b>7.9</b>	<b>7.8</b>	<b>12.2</b>	<b>23.1</b>	<b>-19.2</b>	<b>21.9</b>	<b>10.6</b>	<b>Aug- 18</b>
<i>Non-Reserve LT Pool Benchmark<sup>1</sup></i>	8.9	26.0	7.8	8.2	12.7	23.9	-18.5	21.9	11.2	
<b>Total Equity</b>	<b>9.1</b>	<b>25.6</b>	<b>7.9</b>	<b>7.8</b>	<b>12.2</b>	<b>23.2</b>	<b>-19.2</b>	<b>21.9</b>	<b>10.6</b>	<b>Aug- 18</b>
<b>Total Domestic Equity</b>	<b>10.1</b>	<b>28.2</b>	<b>8.5</b>	<b>9.5</b>	<b>13.7</b>	<b>24.4</b>	<b>-19.0</b>	<b>25.7</b>	<b>12.2</b>	<b>Aug- 18</b>
<i>Russell 3000 Index</i>	10.0	29.3	8.7	9.8	14.3	26.0	-19.2	25.7	12.8	
<i>Russell 2000 Index</i>	5.2	19.7	2.9	-0.1	8.1	16.9	-20.4	14.8	5.8	
<i>S&amp;P 500 Index</i>	10.6	29.9	9.5	11.5	15.0	26.3	-18.1	28.7	13.6	
<b>Total International Equity</b>	<b>3.9</b>	<b>12.2</b>	<b>4.4</b>	<b>-0.1</b>	<b>5.6</b>	<b>16.9</b>	<b>-20.5</b>	<b>6.1</b>	<b>3.6</b>	<b>Aug- 18</b>
<i>MSCI AC World ex USA (Net)</i>	4.7	13.3	3.7	1.9	6.0	15.6	-16.0	7.8	4.5	
<b>Total Fixed Income &amp; Cash</b>	<b>1.2</b>	<b>5.0</b>	<b>3.5</b>	<b>2.3</b>	<b>1.7</b>	<b>4.7</b>	<b>1.1</b>	<b>0.0</b>	<b>1.7</b>	<b>Aug- 18</b>
<b>Non-Reserve Short-Term Pool</b>	<b>1.1</b>	<b>5.1</b>	<b>2.8</b>	<b>-</b>	<b>-</b>	<b>5.5</b>	<b>-2.6</b>	<b>-</b>	<b>1.4</b>	<b>May- 21</b>
<i>Blmbg. U.S. Treasury: 1-3 Year</i>	0.3	2.9	1.6	0.0	1.1	4.3	-3.8	-0.6	0.0	
<b>Reserve Pool</b>	<b>0.6</b>	<b>3.6</b>	<b>2.4</b>	<b>1.1</b>	<b>1.6</b>	<b>4.6</b>	<b>-1.6</b>	<b>-0.3</b>	<b>1.8</b>	<b>Aug- 18</b>
<i>Blmbg. U.S. Treasury: 1-3 Year</i>	0.3	2.9	1.6	0.0	1.1	4.3	-3.8	-0.6	1.4	
<b>Total Fixed Income</b>	<b>0.6</b>	<b>3.6</b>	<b>2.4</b>	<b>1.1</b>	<b>1.6</b>	<b>4.6</b>	<b>-1.6</b>	<b>-0.3</b>	<b>1.8</b>	<b>Aug- 18</b>

<sup>1</sup>Russell 3000 Index: 80.00%, MSCI AC World ex USA (Net): 20.00%



# SYSTEM NON-RESERVE LONG-TERM POOL HISTORICAL GAINS

## Historical Non-Reserve Long-Term Pool Gain



# SELECT ASSURANCE CAPTIVE: ATTRIBUTION OF MARKET VALUE CHANGE: 3/31/2024

	Starting Balance	Contributions	Withdrawals	Net Investment Change	Ending Balance
2019	\$16,501,370	\$10,750,000	(\$5,847)	\$3,695,567	\$30,941,090
2020	\$30,941,090	\$20,007,000	(\$9,488)	\$4,978,665	\$55,917,267
2021	\$55,917,267	\$20,000,000	(\$13,520)	\$5,324,796	\$81,228,543
2022	\$81,228,543	\$10,000,000	(\$17,920)	-\$9,329,858	\$81,880,765
2023	\$81,880,765	\$5,000,000	(\$20,036)	\$11,376,692	\$98,237,421
1Q 2024	\$98,237,421	\$0	(\$5,573)	\$4,338,821	\$102,570,669 *

- The Investment Committee of the Captive has been given authority by the Captive Board to invest operating cash that is in excess of \$10 million within the guidelines of the investment policy

\* Balance excludes operating cash, \$15.4 million



## **FIXED INCOME ANALYSIS**

# FIXED INCOME 101

**What is a Bond?:** An investment in which an investor loans money to an entity (typically corporate or governmental) for a defined period of time in exchange for interest. Interest is typically returned semi-annually, and face value is paid at maturity, assuming no default.

**Face Value:** The amount the bond will be worth at maturity and is the reference amount used when calculating interest payments.

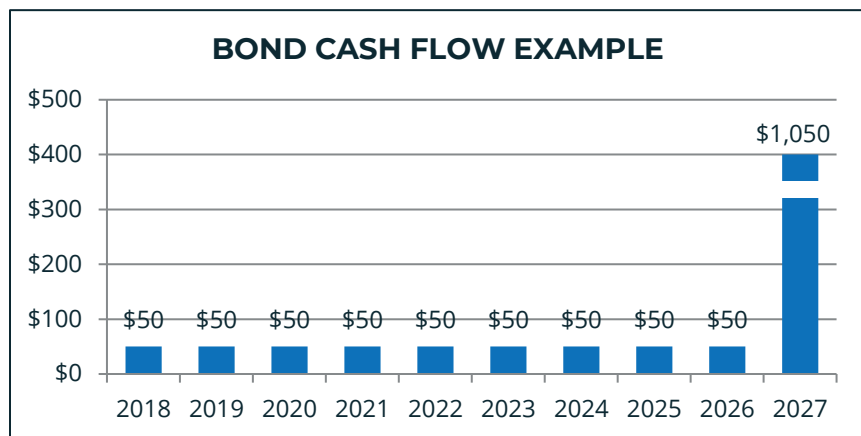
**Coupon Rate:** The rate of interest the bond issuer will pay on the face value of the bond, expressed as an annual percentage. For example, a 5% coupon rate means that bondholders will receive  $5\% \times \$1,000$  face value = \$50 annually.

**Maturity Date:** The date on which the bond will mature, and the bond issuer is contracted to repay the face value.

**Yield To Maturity:** The discount rate at which the sum of all future cash flows (coupon income, reinvestment of coupon income, and maturing principal) is equal to the current price of the bond.

**Price:** The bond price is expressed as a percentage of par value and converted to a point scale. Par value is generally set at 100, representing 100% of a bond's face value of \$1,000. For example, a bond quoted at 99 is trading at 99% of face value, meaning the cost of buying each bond is \$990.

**Duration:** A measure of the price sensitivity of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. For example, if a bond has a duration of 6 years, its price will rise about 6% if market yields drop by a percentage point, and its price will fall by about 6% if market yields rise by that amount.



## **Bond Example**

Face Value: \$1,000

Coupon: 5% (\$50/ annually)

Maturity: 12/31/2027



## **If Bond is Trading at 105 (premium)**

Price: \$1,050

Yield-to-maturity: 4.4%

Duration: 7.5

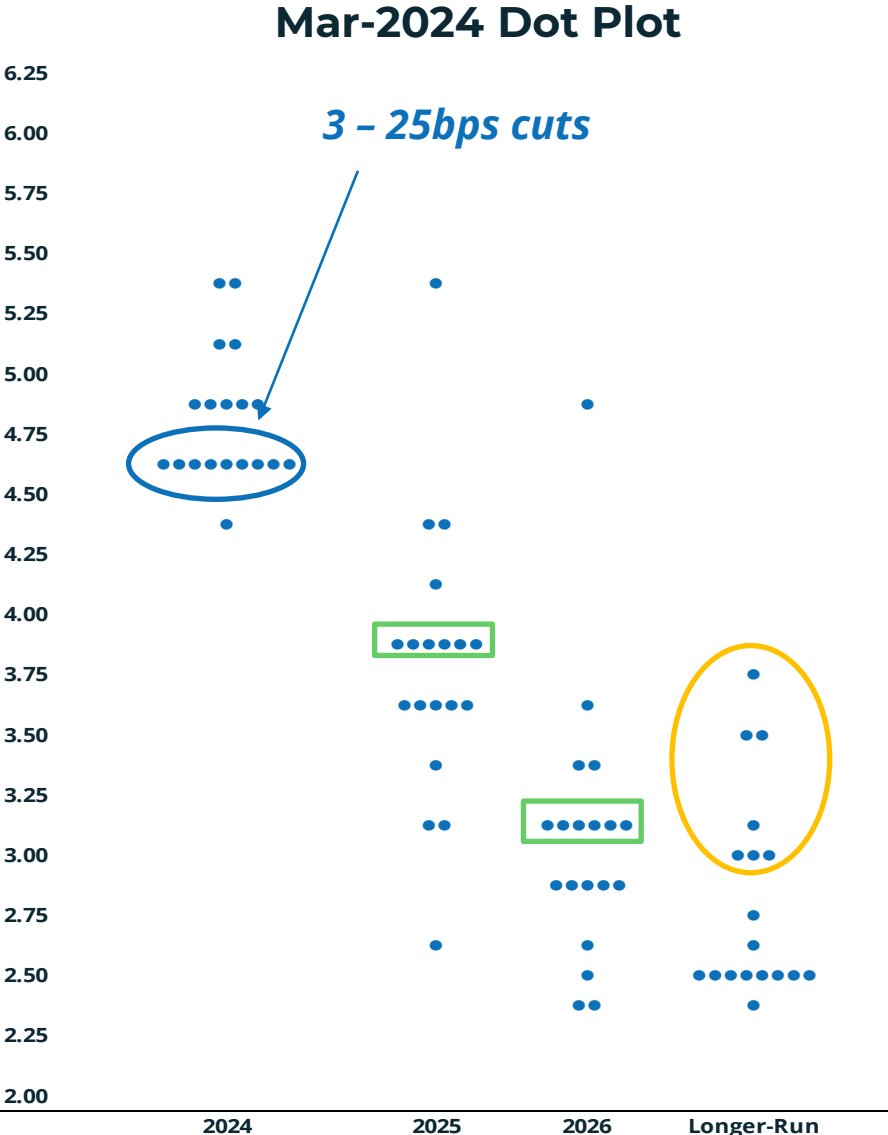
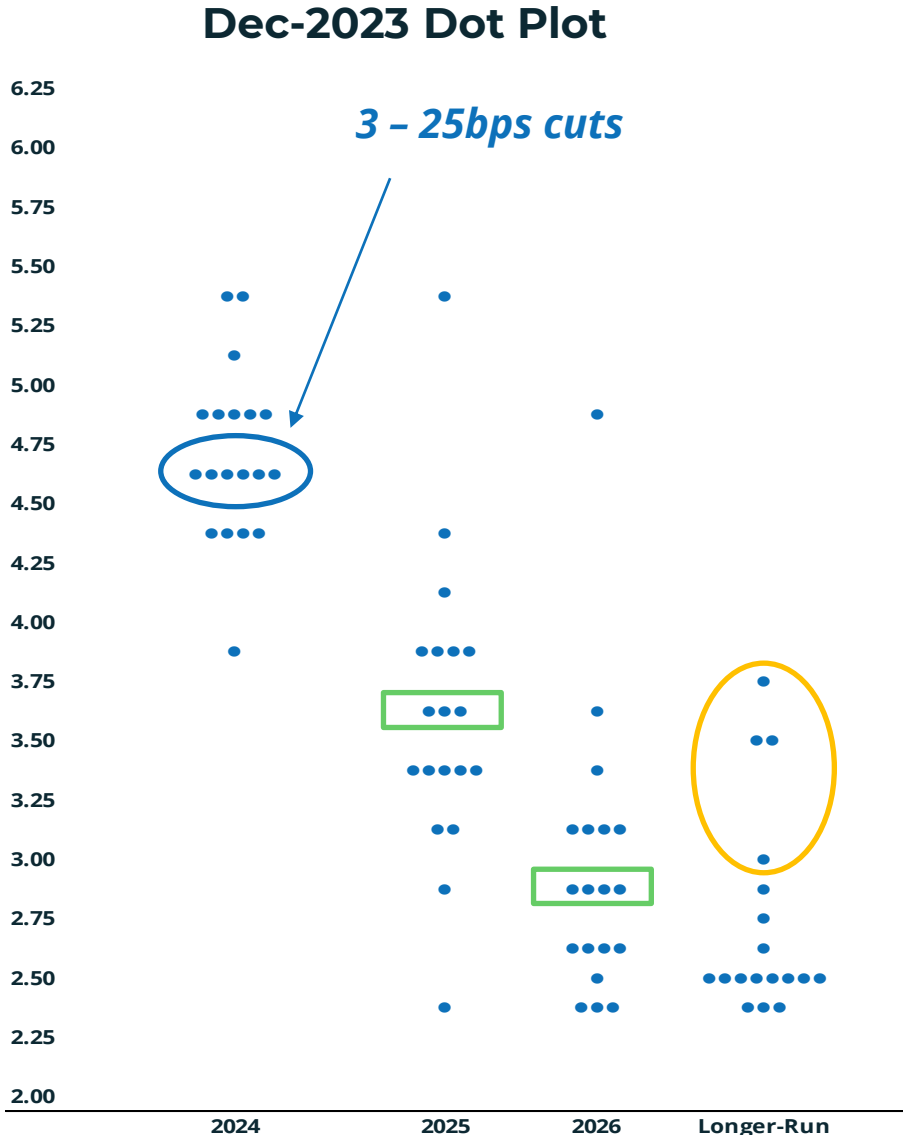
## **If Bond is Trading at 95 (discount)**

Price: \$950

Yield-to-maturity: 5.7%

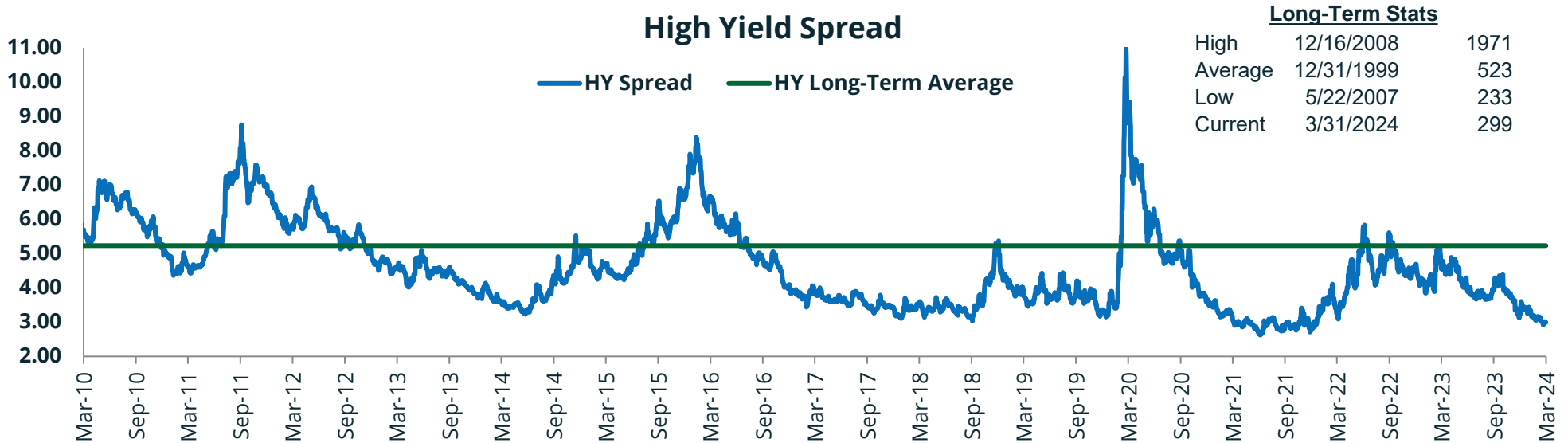
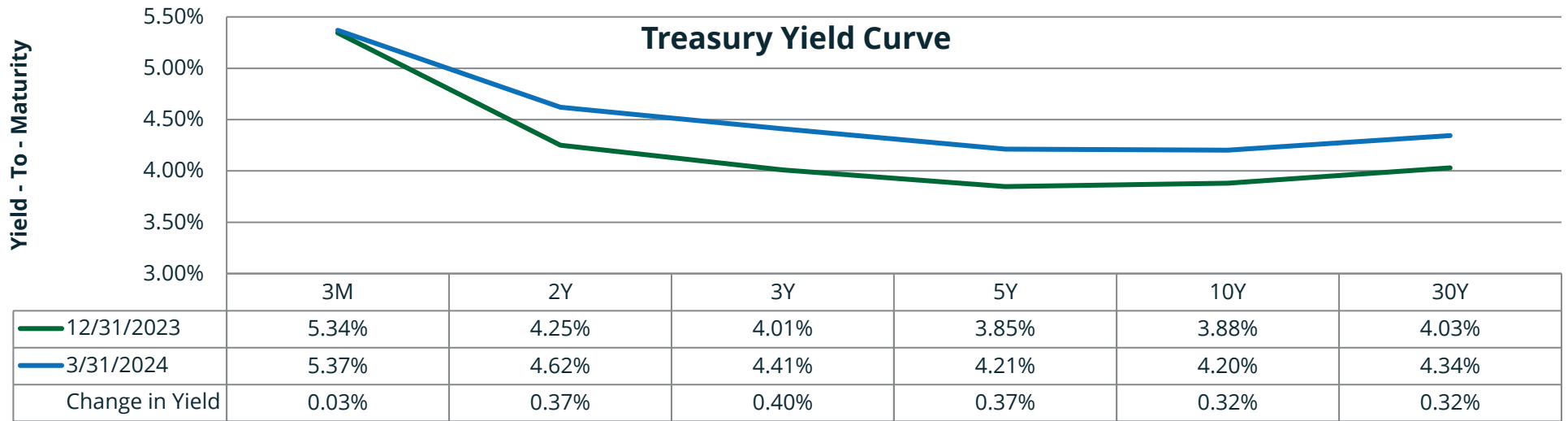
Duration: 7.4

# FED FUNDS OUTLOOK: HIGHER RATE EXPECTATIONS



Source: Clearstead, Federal Reserve Board Press Release 3/20/2024; each dot represents a projection of a FOMC member

# TREASURY YIELD CURVE & CORPORATE SPREADS



Source: Bloomberg.  
 Data as of 3/31/2024.  
 Past performance is no guarantee of future results.  
 US Treasuries – BarCap US Gov't 10-Yr Treasury; Investment Grade Bonds – BarCap BAA Corp; High Yield Bonds – BarCap US High Yield.

# INVESTMENT POLICY STATEMENT: SECURITY GUIDELINES

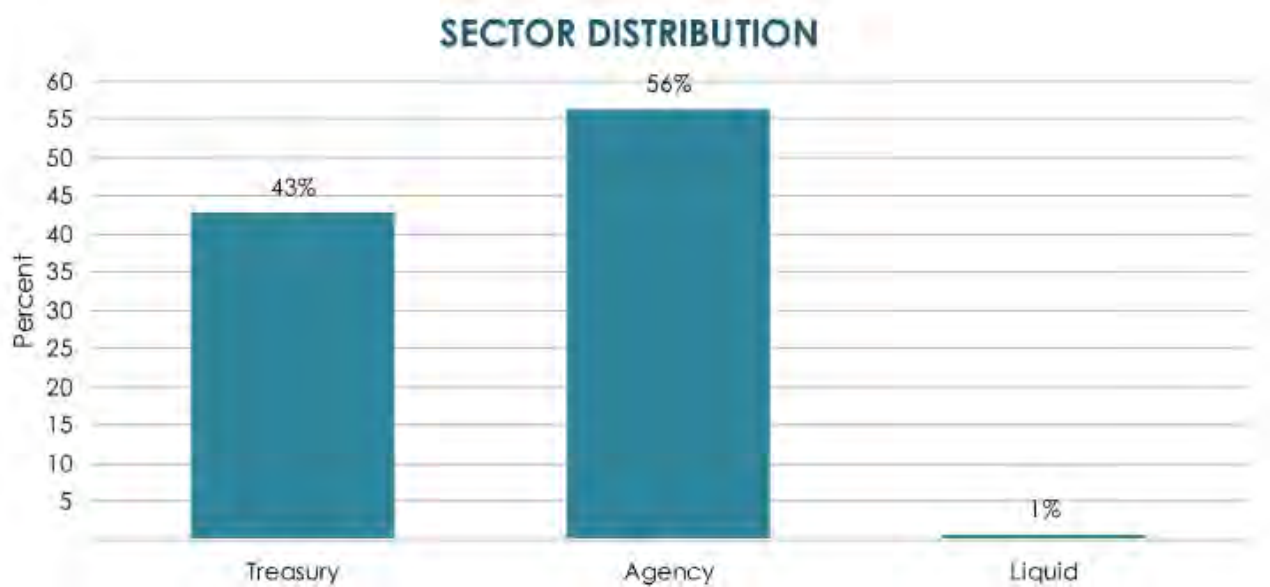
## Reserve Pool Guidelines (More details in Exhibit A of the investment policy statement)

- Minimum 25% or \$300 million of investment portfolio over the course of the preceding fiscal year shall be invested as a reserve
- Qualifying securities:
  - United States government or of its agencies or instrumentalities
  - Treasurer of state's Ohio subdivisions fund (STAR Ohio)
  - Obligations of this state or any political subdivision of this state (Ohio municipal bonds)
  - Certificates of deposit of any national bank located in this state (Ohio CDs)
  - Written repurchase agreements with any eligible financial institution in this state that is a member of the federal reserve system or federal home loan bank
  - Money market funds
  - Bankers acceptances maturing in two hundred seventy days or less that are eligible for purchase by the federal reserve system
  - Commercial paper
  - Up to 15% in corporate issues in the second highest or higher rated (quality) with a maximum of 2-year maturity

## Non-Reserve Pool Guidelines (More details in Exhibit B of the investment policy statement)

- Permissible investments include the Reserve Pool qualifying securities
- Fixed income investments should emphasize high-quality (on average, the portfolio should have BBB- rating or better) and reasonable diversification.
- Diversification must be maintained and, with the exception of securities guaranteed by the U.S. Government, the securities of a single issuer should not exceed 10% of the market value of the manager's portfolio.
- Fixed Income Investments
  - U.S. Government and Agency Securities
  - Corporate Notes and Bonds
  - Mortgage Backed Securities
  - Preferred Stock
  - Foreign Governments and Corporations
  - GIC – Guaranteed Investment Contracts
  - Fixed income mutual funds or comingled pools
- Equity Investments
  - Common Stocks, both domestic and international, and REITs (Real Estate Investment Trusts)
  - Convertible Notes and Bonds
  - Convertible Preferred Stocks
  - Equity mutual funds or comingled pools

# SYSTEM RESERVE POOL: BOYD WATTERSON PORTFOLIO 3/31/2024



Characteristic	Portfolio
Average Duration	1.70 yrs.
Average Maturity	1.61 yrs.
Average Coupon	1.94 %
Average YTM/C	4.74 %
Average Quality	AA+

Rating	Market Value	Percent
AAA	\$ 1,319,595	0.8%
AA	160,873,943	99.2
A		
BBB		
Below BBB		
NR		
<b>Total</b>	<b>\$ 162,193,538</b>	<b>100.0%</b>
Weighted Average Quality of Portfolio:		AA+

Maturity	Market Value	Percent
< 1 Year	\$ 40,837,183	25.2%
1 - 3 Years	106,705,185	65.8
3 - 5 Years	14,651,169	9.0
5 - 10 Years		
10 - 15 Years		
15 - 20 Years		
20+ Years		
<b>Total</b>	<b>\$ 162,193,538</b>	<b>100.0%</b>
Effective Average Maturity of Portfolio:		1.61 yrs



# SYSTEM NON-RESERVE POOL FIXED INCOME 3/31/2024

	Lord Abbett Short Duration Income	Vanguard Ultra-Short	Bloomberg Aggregate Bond Index
Expense Ratio	0.32%	0.10%	
Strategy AUM (\$1,000,000)	\$42,860	\$12,300	
Current Wgtd. Avg. Coupon	4.91%	4.20%	3.20%
Yield to Maturity	6.09%	5.50%	4.85%
Average Maturity	2.06	1.2	8.44
Effective Duration	1.79	1.00	6.22
<b>Quality Issue</b>			
AAA	26%	26%	4%
AA	5%	9%	72%
A	21%	35%	12%
BBB	38%	29%	12%
BB	6%	0%	0%
B	3%	0%	0%
CCC & Below	0%	0%	0%
Not Rated	3%	1%	0%
<b>Sector</b>			
U.S. Treasury	3%	4%	42%
U.S. Agency	0%	0%	2%
Invt. Grade Corporates	55%	66%	25%
High Yield Corporates	6%	0%	0%
Non-Agency ABS/CMOs	21%	27%	0%
Non-Agency MBS/CMBS	8%	0%	2%
Mort.-Passthrough	2%	0%	26%
Leveraged/Bank Loans	6%	0%	0%
Municipals	0%	0%	1%
Non-U.S. Developed	0%	1%	2%
Emerging Markets	0%	0%	0%
Non-Dollar	0%	0%	0%
Other	0%	2%	0%
Cash	0%	0%	0%



## PORTFOLIO SNAPSHOT

# METROHEALTH SYSTEM: PORTFOLIO SNAPSHOT (AS OF 5/9/2024)

	Market Value as of 5/9/2024			New Allocation		Combined System Policy Range	Non-Reserve	
	\$	%	Change	\$	%		Current	Range
<b>Non-Reserve</b>	<b>\$248,246</b>	<b>48.9%</b>	<b>\$0</b>	<b>\$248,246</b>	<b>48.9%</b>		<b>100.0%</b>	
<b>Domestic Equity</b>	<b>\$123,196</b>	<b>24.3%</b>	<b>\$0</b>	<b>\$123,196</b>	<b>24.3%</b>	<b>0%-30%</b>	<b>49.6%</b>	<b>0%-100%</b>
<b>Large Cap</b>	<b>\$93,453</b>	<b>18.4%</b>	<b>\$0</b>	<b>\$93,453</b>	<b>18.4%</b>			
Vanguard Inst 500 Index	\$61,177	12.1%		\$61,177	12.1%			
Vanguard FTSE Social Index	\$14,491	2.9%		\$14,491	2.9%			
Harbor Capital Appreciation	\$8,699	1.7%		\$8,699	1.7%			
DFA US Large Cap Value	\$9,086	1.8%		\$9,086	1.8%			
<b>Mid Cap</b>	<b>\$10,377</b>	<b>2.0%</b>		<b>\$10,377</b>	<b>2.0%</b>			
Vanguard Mid Cap Index	\$10,377	2.0%		\$10,377	2.0%			
<b>Small Cap</b>	<b>\$10,144</b>	<b>2.0%</b>	<b>\$0</b>	<b>\$10,144</b>	<b>2.0%</b>			
Harbor Small Growth	\$5,108	1.0%		\$5,108	1.0%			
Boston Partners Small Value	\$5,036	1.0%		\$5,036	1.0%			
<b>Other Investments**</b>	<b>\$9,222</b>	<b>1.8%</b>	<b>\$0</b>	<b>\$9,222</b>	<b>1.8%</b>			
Premier, Recovery Res, MHS Purch, MHS Innov	\$9,222	1.8%		\$9,222	1.8%			
<b>International Equity</b>	<b>\$20,263</b>	<b>4.0%</b>	<b>\$0</b>	<b>\$20,263</b>	<b>4.0%</b>	<b>0%-10%</b>	<b>8.2%</b>	<b>0%-20%</b>
Oppenheimer Int'l Gth	\$10,015	2.0%		\$10,015	2.0%			
Transamerica (TS&W) International	\$10,248	2.0%		\$10,248	2.0%			
<b>Fixed Income &amp; Cash (Non-Res ST Pool)</b>	<b>\$104,787</b>	<b>20.6%</b>	<b>\$0</b>	<b>\$104,787</b>	<b>20.6%</b>		<b>42.2%</b>	<b>0%-100%</b>
Lord Abbett Short Duration	\$51,362	10.1%		\$51,362	10.1%			
Vanguard Ultra Short-Term Bond	\$53,425	10.5%		\$53,425	10.5%			
First American Government Fund	\$0	0.0%		\$0	0.0%			
<b>Reserve Pool *</b>	<b>\$259,379</b>	<b>51.1%</b>		<b>\$259,379</b>	<b>51.1%</b>			
<b>Total System Fixed income &amp; Cash</b>	<b>\$364,166</b>	<b>71.7%</b>	<b>\$0</b>	<b>\$364,166</b>	<b>71.7%</b>	<b>60%-100%</b>		
<b>Combined System</b>	<b>\$507,625</b>	<b>100.0%</b>		<b>\$507,625</b>	<b>100.0%</b>			

\*Reserve Pool as of 3/31/24

\*\*Other Investments as of 3/31/24

## Portfolio Summary

1. Overall portfolio is within asset allocation ranges and compliant with the investment policy



**FEE REVIEW**

# SYSTEM FEE REVIEW: 3/31/2024

## Fee Analysis as of 3/31/2024

Account	Market Value as of March 31, 2024	% of Portfolio	Estimated Annual Fee (\$)	Expense Ratio	Morningstar Inst'l Average Fee (%)
<b>Total Non-Reserve Long-Term Pool</b>	<b>\$135,745,808</b>	<b>26.8%</b>	<b>\$376,104</b>		
<b>Total Domestic Equity</b>	<b>\$115,318,542</b>	<b>22.8%</b>	<b>\$218,865</b>		
Harbor Capital Apprec. Instl	\$8,827,736	1.7%	\$57,380	0.65%	0.70%
Vanguard FTSE Social Index I	\$14,654,429	2.9%	\$17,585	0.12%	0.06%
Vanguard Institutional Index	\$61,580,491	12.2%	\$21,553	0.04%	0.06%
DFA U.S. Lg Cap Value Instl	\$9,275,829	1.8%	\$20,407	0.22%	0.70%
Vanguard Mid Cap Index Adm	\$10,568,517	2.1%	\$5,284	0.05%	0.84%
Harbor Small Cap Growth Instl	\$5,348,870	1.1%	\$46,535	0.87%	0.94%
Boston Partners Sm Cap Value II I	\$5,062,670	1.0%	\$50,120	0.99%	0.94%
<b>Total International Equity</b>	<b>\$20,282,335</b>	<b>4.0%</b>	<b>\$157,239</b>		
Invesco Oppenheimer Int'l Growth R6	\$10,107,357	2.0%	\$70,751	0.70%	0.85%
Transamerica International Equity I	\$10,174,979	2.0%	\$86,487	0.85%	0.85%
<b>Total Fixed Income &amp; Cash</b>	<b>\$144,930</b>	<b>0.0%</b>	<b>\$652</b>		
First American Govt Obligations Y	\$144,930	0.0%	\$652	0.45%	N/A
<b>Total Non-Reserve Short-Term Pool</b>	<b>\$104,277,366</b>	<b>20.6%</b>	<b>\$216,782</b>		
Vanguard Ultra-Short-Term Bond Adm	\$53,139,091	10.5%	\$53,139	0.10%	0.43%
Lord Abbett Short Duration Income F3	\$51,138,276	10.1%	\$163,642	0.32%	0.43%
<b>Total Reserve Pool</b>	<b>\$266,252,380</b>	<b>52.6%</b>	<b>\$140,018</b>		
<b>Total Fixed Income</b>	<b>\$266,252,380</b>	<b>52.6%</b>	<b>\$140,018</b>		
US Bank Investment Account (Boyd Watterson)	\$162,133,474	32.0%	\$98,640	0.05%	N/A
Fifth-Third Managed	\$41,378,017	8.2%	\$41,378	0.10%	N/A
Key Bank Money Market	\$52,060,648	10.3%	\$0	0.00%	N/A
PNC Money Market	\$10,680,242	2.1%	\$0	0.00%	N/A
<b>Investment Management Fee</b>	<b>\$506,275,554</b>	<b>100.0%</b>	<b>\$733,556</b>	<b>0.14%</b>	
Consulting Fees			\$134,000	0.03%	
<b>Total Fees</b>			<b>\$867,556</b>	<b>0.17%</b>	



## APPENDIX

# METROHEALTH: EXECUTIVE SUMMARY

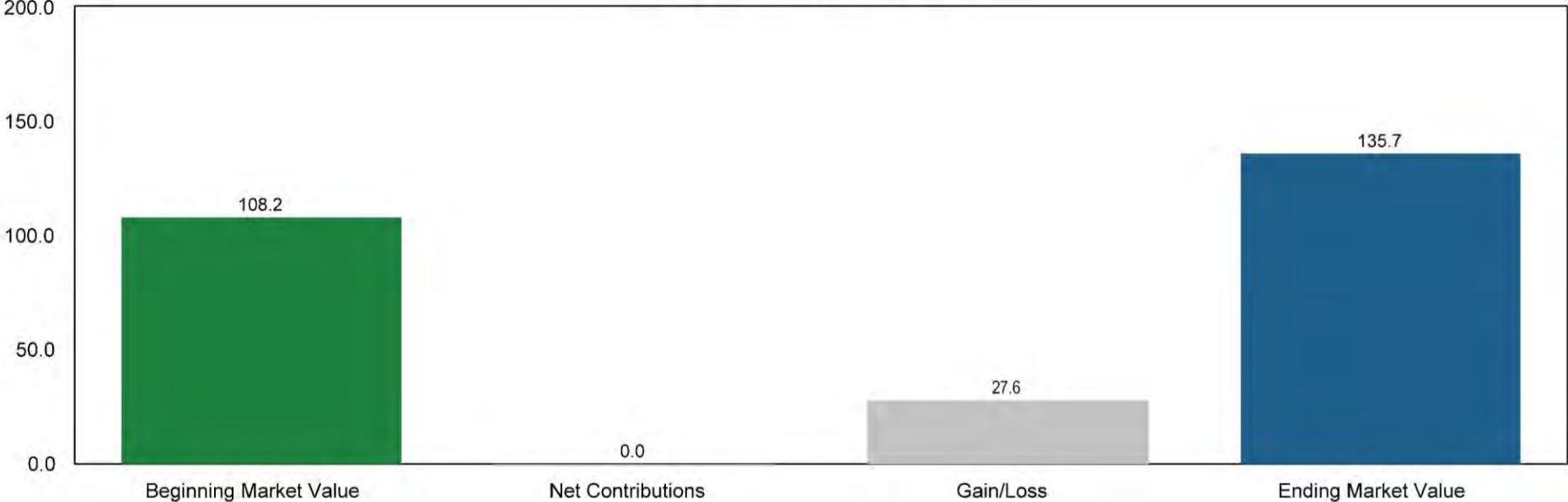
	Market Value 01/01/2024	Market Value 03/31/2024	% of Portfolio	1st Quarter 2024 (%)
<b>Total Plan</b>	<b>\$493,577,599</b>	<b>\$506,275,554</b>	<b>100.0</b>	<b>2.8</b>
<b>Non-Reserve Long-Term Pool</b>	<b>\$124,405,460</b>	<b>\$135,745,808</b>	<b>26.8</b>	<b>9.1</b>
<i>Non-Reserve LT Pool Benchmark<sup>1</sup></i>				8.9
<b>Total Equity</b>	<b>\$124,384,747</b>	<b>\$135,600,878</b>	<b>26.8</b>	<b>9.1</b>
<b>Total Domestic Equity</b>	<b>\$104,808,721</b>	<b>\$115,318,542</b>	<b>22.8</b>	<b>10.1</b>
<i>Russell 3000 Index</i>				10.0
<b>Total International Equity</b>	<b>\$19,576,026</b>	<b>\$20,282,335</b>	<b>4.0</b>	<b>3.9</b>
<i>MSCI AC World ex USA (Net)</i>				4.7
<b>Total Fixed Income &amp; Cash</b>	<b>\$20,713</b>	<b>\$144,930</b>	<b>0.0</b>	<b>1.2</b>
<b>Non-Reserve Short-Term Pool</b>	<b>\$103,163,343</b>	<b>\$104,277,366</b>	<b>20.6</b>	<b>1.1</b>
<i>Blmbg. U.S. Treasury: 1-3 Year</i>				0.3
<b>Reserve Pool</b>	<b>\$266,008,796</b>	<b>\$266,252,380</b>	<b>52.6</b>	<b>0.6</b>
<i>Blmbg. U.S. Treasury: 1-3 Year</i>				0.3

<sup>1</sup>Russell 3000 Index: 80.00%, MSCI AC World ex USA (Net): 20.00%

# METROHEALTH: ATTRIBUTION OF MARKET VALUE CHANGE: NON-RESERVE LONG-TERM POOL

	Q2-2023	Q3-2023	Q4-2023	Q1-2024	One Year
Non-Reserve Long-Term Pool					
Beginning Market Value	\$108,152,513	\$115,653,282	\$111,260,975	\$124,405,460	\$108,152,513
Contributions	-	-	-	-	-
Distributions	-	-	-	-	-
Net Cash Flows	-	-	-	-	-
Net Investment Change	\$7,500,769	-\$4,392,307	\$13,144,485	\$11,340,348	\$27,593,295
Ending Market Value	\$115,653,282	\$111,260,975	\$124,405,460	\$135,745,808	\$135,745,808
Change \$	\$7,500,769	-\$4,392,307	\$13,144,485	\$11,340,348	\$27,593,295

Change in Market Value - 1 Year

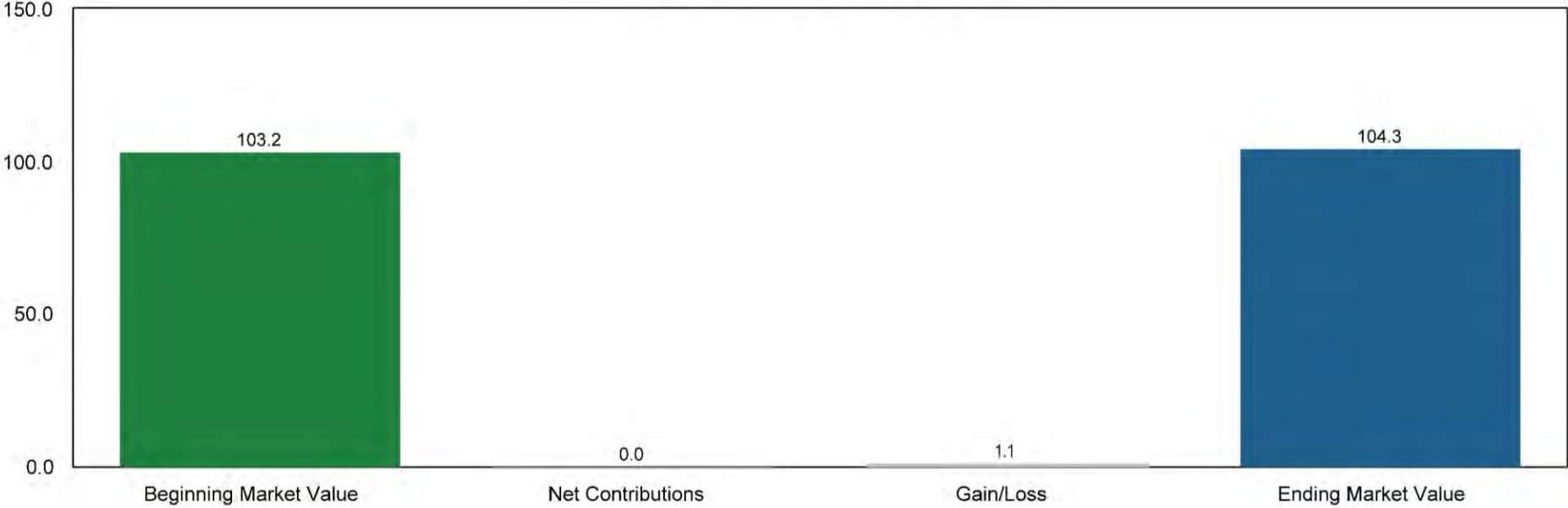




# METROHEALTH: ATTRIBUTION OF MARKET VALUE CHANGE: NON-RESERVE POOL SHORT-TERM POOL

	Q2-2023	Q3-2023	Q4-2023	Q1-2024	One Year
Non-Reserve Short-Term Pool					
Beginning Market Value	\$99,212,309	\$99,554,106	\$100,654,836	\$103,163,343	\$99,212,309
Contributions	-	-	-	-	-
Distributions	-	-	-	-	-
Net Cash Flows	-	-	-	-	-
Net Investment Change	\$341,796	\$1,100,730	\$2,508,508	\$1,114,023	\$5,065,057
Ending Market Value	\$99,554,106	\$100,654,836	\$103,163,343	\$104,277,366	\$104,277,366
Change \$	\$341,796	\$1,100,730	\$2,508,508	\$1,114,023	\$5,065,057

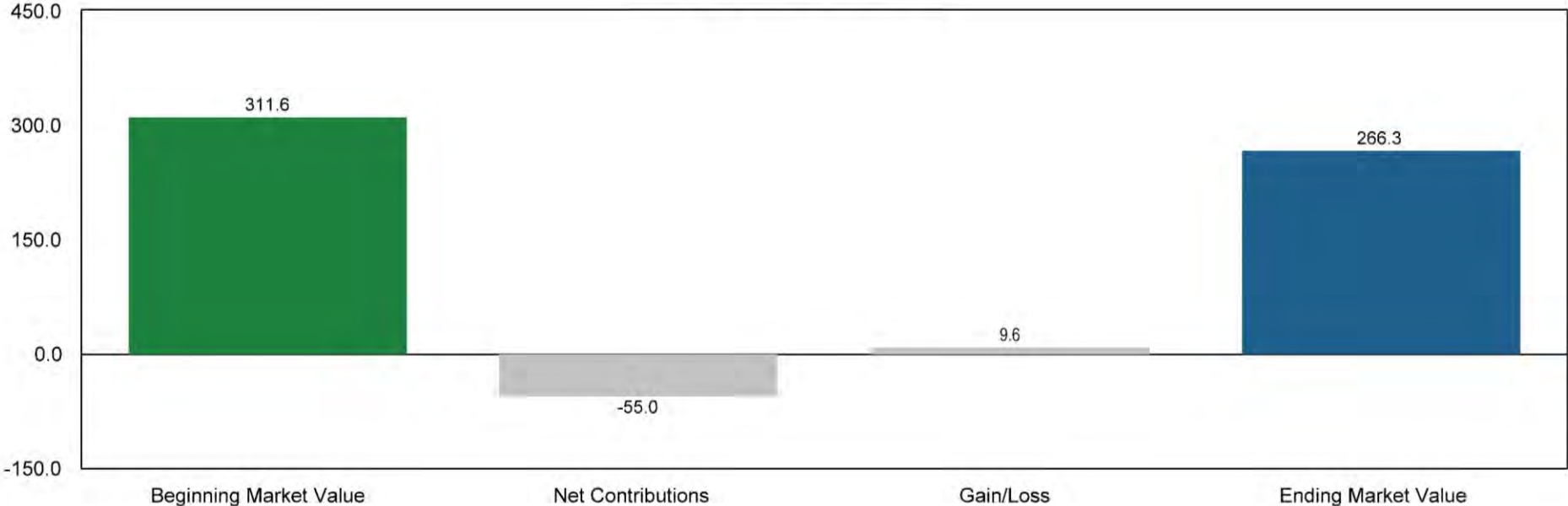
Change in Market Value - 1 Quarter



# METROHEALTH: ATTRIBUTION OF MARKET VALUE CHANGE: RESERVE POOL

	Q2-2023	Q3-2023	Q4-2023	Q1-2024	One Year
Reserve Pool					
Beginning Market Value	\$311,641,661	\$230,692,448	\$273,350,584	\$266,008,796	\$311,641,661
Contributions	\$25,064,708	\$50,864,015	\$1,846,438	\$109,988,222	\$187,763,383
Distributions	-\$106,150,107	-\$10,152,685	-\$15,153,635	-\$111,280,133	-\$242,736,560
Net Cash Flows	-\$81,085,399	\$40,711,330	-\$13,307,196	-\$1,291,911	-\$54,973,177
Net Investment Change	\$136,186	\$1,946,806	\$5,965,408	\$1,535,495	\$9,583,895
Ending Market Value	\$230,692,448	\$273,350,584	\$266,008,796	\$266,252,380	\$266,252,380
Change \$	-\$80,949,213	\$42,658,136	-\$7,341,788	\$243,584	-\$45,389,281

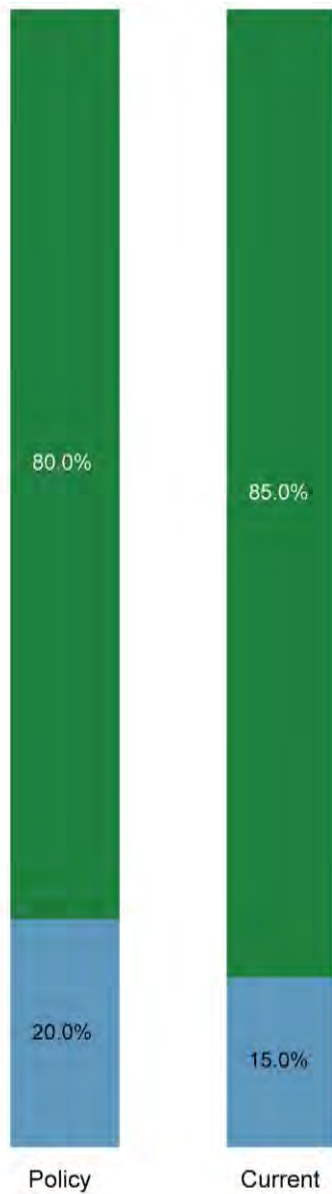
Change in Market Value - 1 Year



# METROHEALTH: SCHEDULE OF ASSETS

	Ticker	Account Type	Market Value 03/31/2024	% of Portfolio
<b>Total Plan</b>			<b>\$506,275,554</b>	<b>100.0</b>
<b>Non-Reserve Long-Term Pool</b>			<b>\$135,745,808</b>	<b>26.8</b>
<b>Total Equity</b>			<b>\$135,600,878</b>	<b>26.8</b>
<b>Total Domestic Equity</b>			<b>\$115,318,542</b>	<b>22.8</b>
Vanguard Institutional Index	VINIX	US Stock Large Cap Core	\$61,580,491	12.2
Vanguard FTSE Social Index I	VFTNX	US Stock Large Cap Growth	\$14,654,429	2.9
Harbor Capital Apprec. Instl	HACAX	US Stock Large Cap Growth	\$8,827,736	1.7
DFA U.S. Lg Cap Value Instl	DFLVX	US Stock Large Cap Value	\$9,275,829	1.8
Vanguard Mid Cap Index Adm	VIMAX	US Stock Mid Cap Core	\$10,568,517	2.1
Harbor Small Cap Growth Instl	HASGX	US Stock Small Cap Growth	\$5,348,870	1.1
Boston Partners Sm Cap Value II I	BPSIX	US Stock Small Cap Value	\$5,062,670	1.0
<b>Total International Equity</b>			<b>\$20,282,335</b>	<b>4.0</b>
Invesco Oppenheimer Int'l Growth R6	OIGIX	Non-US Stock Developed	\$10,107,357	2.0
Transamerica International Equity I	TSWIX	Non-US Stock Developed	\$10,174,979	2.0
<b>Total Fixed Income &amp; Cash</b>			<b>\$144,930</b>	<b>0.0</b>
First American Govt Obligations Y	FGVXX	Cash	\$144,930	0.0
<b>Non-Reserve Short-Term Pool</b>			<b>\$104,277,366</b>	<b>20.6</b>
Vanguard Ultra-Short-Term Bond Adm	VUSFX	US Fixed Income Short Term	\$53,139,091	10.5
Lord Abbett Short Duration Income F3	LOLDX	US Fixed Income Short Term	\$51,138,276	10.1
<b>Reserve Pool</b>			<b>\$266,252,380</b>	<b>52.6</b>
<b>Total Fixed Income</b>			<b>\$266,252,380</b>	<b>52.6</b>
US Bank Investment Account		US Fixed Income	\$162,133,474	32.0
Fifth-Third Managed		US Fixed Income	\$41,378,017	8.2
Key Bank Money Market		Cash	\$52,060,648	10.3
PNC Money Market		US Fixed Income	\$10,680,242	2.1

# METROHEALTH: ASSET ALLOCATION COMPLIANCE: NON-RESERVE POOL



	Current	Policy	Difference	Policy Range	Within Range
Total Domestic Equity	85.0	80.0	5.0	0.0 - 100.0	Yes
Total International Equity	15.0	20.0	-5.0	0.0 - 20.0	Yes
<b>Total Equity</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		

# METROHEALTH: PERFORMANCE REPORT CARD

	% of Portfolio	QTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2023 (%)	2022 (%)	2021 (%)	Inception (%)	Inception Date
<b>Total Plan</b>	<b>100.0</b>	<b>2.8</b>	<b>8.9</b>	<b>4.2</b>	<b>2.8</b>	<b>3.5</b>	-	-	<b>8.7</b>	<b>-5.0</b>	<b>3.2</b>	<b>3.6</b>	<b>Aug-18</b>
<b>Non-Reserve Long-Term Pool</b>	<b>26.8</b>	<b>9.1</b>	<b>25.5</b>	<b>7.9</b>	<b>7.8</b>	<b>12.2</b>	-	-	<b>23.1</b>	<b>-19.2</b>	<b>21.9</b>	<b>10.6</b>	<b>Aug-18</b>
<i>Non-Reserve LT Pool Benchmark</i>		8.9	26.0	7.8	8.2	12.7	-	-	23.9	-18.5	21.9	11.2	
<b>Total Equity</b>	<b>26.8</b>	<b>9.1</b>	<b>25.6</b>	<b>7.9</b>	<b>7.8</b>	<b>12.2</b>	-	-	<b>23.2</b>	<b>-19.2</b>	<b>21.9</b>	<b>10.6</b>	<b>Aug-18</b>
<b>Total Domestic Equity</b>	<b>22.8</b>	<b>10.1</b>	<b>28.2</b>	<b>8.5</b>	<b>9.5</b>	<b>13.7</b>	-	-	<b>24.4</b>	<b>-19.0</b>	<b>25.7</b>	<b>12.2</b>	<b>Aug-18</b>
<i>Russell 3000 Index</i>		10.0	29.3	8.7	9.8	14.3	13.4	12.3	26.0	-19.2	25.7	12.8	
Vanguard Institutional Index	12.2	10.5	29.8	9.4	11.5	15.0	14.1	12.9	26.2	-18.1	28.7	13.5	Aug-18
<i>S&amp;P 500 Index</i>		10.6	29.9	9.5	11.5	15.0	14.1	13.0	26.3	-18.1	28.7	13.6	
Vanguard FTSE Social Index I	2.9	10.2	32.3	9.1	10.4	15.2	14.6	13.3	31.8	-24.2	27.8	7.2	Aug-21
<i>S&amp;P 500 Index</i>		10.6	29.9	9.5	11.5	15.0	14.1	13.0	26.3	-18.1	28.7	7.6	
Harbor Capital Apprec. Instl	1.7	13.7	47.8	12.3	9.2	17.1	17.9	15.5	53.7	-37.7	15.6	15.7	Aug-18
<i>Russell 1000 Growth Index</i>		11.4	39.0	11.3	12.5	18.5	18.1	16.0	42.7	-29.1	27.6	16.9	
DFA U.S. Lg Cap Value Instl	1.8	11.2	23.4	8.3	9.2	11.0	9.5	9.3	11.5	-5.8	28.1	8.8	Aug-18
<i>Russell 1000 Value Index</i>		9.0	20.3	6.4	8.1	10.3	9.2	9.0	11.5	-7.5	25.2	9.1	
Vanguard Mid Cap Index Adm	2.1	7.9	20.4	4.2	5.7	10.9	10.4	9.9	16.0	-18.7	24.5	9.7	Aug-18
<i>Vanguard Mid Cap Index Benchmark</i>		7.9	20.4	4.2	5.7	10.9	10.4	9.9	16.0	-18.7	24.5	9.7	
Harbor Small Cap Growth Instl	1.1	9.0	23.6	6.2	1.6	12.0	12.0	10.2	22.2	-25.5	9.8	10.1	Aug-18
<i>Russell 2000 Growth Index</i>		7.6	20.3	3.7	-2.7	7.4	8.4	7.9	18.7	-26.4	2.8	5.6	
Boston Partners Sm Cap Value II I	1.0	5.3	20.1	5.5	5.0	9.7	7.2	7.3	16.7	-11.5	25.8	5.7	Dec-21
<i>Russell 2000 Value Index</i>		2.9	18.8	1.7	2.2	8.2	6.6	6.9	14.6	-14.5	28.3	2.1	
<b>Total International Equity</b>	<b>4.0</b>	<b>3.9</b>	<b>12.2</b>	<b>4.4</b>	<b>-0.1</b>	<b>5.6</b>	-	-	<b>16.9</b>	<b>-20.5</b>	<b>6.1</b>	<b>3.6</b>	<b>Aug-18</b>
<i>MSCI AC World ex USA (Net)</i>		4.7	13.3	3.7	1.9	6.0	5.9	4.3	15.6	-16.0	7.8	4.5	
Invesco Oppenheimer Int'l Growth R6	2.0	4.6	14.5	5.6	0.9	7.8	6.4	4.6	21.2	-27.0	11.0	5.1	Aug-18
<i>MSCI AC World ex USA (Net)</i>		4.7	13.3	3.7	1.9	6.0	5.9	4.3	15.6	-16.0	7.8	4.5	
Transamerica International Equity I	2.0	3.7	11.5	5.2	3.3	7.0	5.5	4.2	16.0	-14.1	13.2	4.4	Aug-18
<i>MSCI AC World ex USA (Net)</i>		4.7	13.3	3.7	1.9	6.0	5.9	4.3	15.6	-16.0	7.8	4.5	
<b>Total Fixed Income &amp; Cash</b>	<b>0.0</b>	<b>1.2</b>	<b>5.0</b>	<b>3.5</b>	<b>2.3</b>	<b>1.7</b>	-	-	<b>4.7</b>	<b>1.1</b>	<b>0.0</b>	<b>1.7</b>	<b>Aug-18</b>
First American Govt Obligations Y	0.0	1.2	5.0	3.6	2.4	1.7	1.6	1.1	4.7	1.3	0.0	1.8	Aug-18
<i>90 Day U.S. Treasury Bill</i>		1.3	5.2	3.9	2.6	2.0	1.9	1.4	5.0	1.5	0.0	2.0	

# METROHEALTH: PERFORMANCE REPORT CARD

	% of Portfolio	QTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2023 (%)	2022 (%)	2021 (%)	Inception (%)	Inception Date
<b>Non-Reserve Short-Term Pool</b>	<b>20.6</b>	<b>1.1</b>	<b>5.1</b>	<b>2.8</b>	-	-	-	-	<b>5.5</b>	<b>-2.6</b>	-	<b>1.4</b>	<b>May-21</b>
<i>Blmbg. U.S. Treasury: 1-3 Year</i>		0.3	2.9	1.6	0.0	1.1	1.2	1.1	4.3	-3.8	-0.6	0.0	
Vanguard Ultra-Short-Term Bond Adm	10.5	1.1	5.4	3.6	2.1	2.2	2.1	-	5.5	-0.4	0.2	2.1	May-21
<i>Blmbg. U.S. Treasury: 1-3 Year</i>		0.3	2.9	1.6	0.0	1.1	1.2	1.1	4.3	-3.8	-0.6	0.0	
Lord Abbett Short Duration Income F3	10.1	1.0	4.8	2.2	0.8	1.9	2.2	2.1	5.5	-4.5	1.2	0.8	May-21
<i>Blmbg. U.S. Treasury: 1-3 Year</i>		0.3	2.9	1.6	0.0	1.1	1.2	1.1	4.3	-3.8	-0.6	0.0	
<b>Reserve Pool</b>	<b>52.6</b>	<b>0.6</b>	<b>3.6</b>	<b>2.4</b>	<b>1.1</b>	<b>1.6</b>	-	-	<b>4.6</b>	<b>-1.6</b>	<b>-0.3</b>	<b>1.8</b>	<b>Aug-18</b>
<i>Blmbg. U.S. Treasury: 1-3 Year</i>		0.3	2.9	1.6	0.0	1.1	1.2	1.1	4.3	-3.8	-0.6	1.4	
<b>Total Fixed Income</b>	<b>52.6</b>	<b>0.6</b>	<b>3.6</b>	<b>2.4</b>	<b>1.1</b>	<b>1.6</b>	-	-	<b>4.6</b>	<b>-1.6</b>	<b>-0.3</b>	<b>1.8</b>	<b>Aug-18</b>
US Bank Investment Account	32.0	0.4	3.5	1.9	0.3	1.3	-	-	4.8	-3.5	-0.4	1.6	Aug-18
<i>Blmbg. U.S. Treasury: 1-3 Year</i>		0.3	2.9	1.6	0.0	1.1	1.2	1.1	4.3	-3.8	-0.6	1.4	
Fifth-Third Managed	8.2	0.2	2.8	1.3	-0.3	1.1	-	-	4.5	-4.8	-1.1	1.5	Aug-18
<i>Blmbg. U.S. Treasury: 1-3 Year</i>		0.3	2.9	1.6	0.0	1.1	1.2	1.1	4.3	-3.8	-0.6	1.4	
Key Bank Money Market	10.3	1.0	4.0	2.3	1.5	-	-	-	3.4	0.1	0.0	1.3	Oct-20
<i>90 Day U.S. Treasury Bill</i>		1.3	5.2	3.9	2.6	2.0	1.9	1.4	5.0	1.5	0.0	2.2	
PNC Money Market	2.1	1.3	5.1	3.8	2.6	1.9	-	-	4.9	1.5	0.0	1.9	Aug-18

# METROHEALTH: TIME-WEIGHTED AND MONEY-WEIGHTED RETURNS

	Q1-2024 (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
<b>Time Weighted</b>	<b>2.77</b>	<b>8.93</b>	<b>2.79</b>	<b>3.50</b>	-	<b>3.55</b>
Money Weighted	2.76	8.70	2.08	3.10	-	3.15

# DEFINITIONS AND DISCLOSURES

Information provided is general in nature, is provided for informational purposes only, and should not be construed as investment advice. Any views expressed are based upon the data available at the time the information was produced and are subject to change at any time based on market or other conditions. Clearstead disclaims any liability for any direct or incidental loss incurred by applying any of the information in this presentation. All investment decisions must be evaluated as to whether it is consistent with their investment objectives, risk tolerance, and financial situation.

Past performance is no guarantee of future results. Investing involves risk, including risk of loss. Diversification does not ensure a profit or guarantee against loss.

All indices are unmanaged and performance of the indices includes reinvestment of dividends and interest income, unless otherwise noted. An investment cannot be made in any index.

Although bonds generally present less short-term risk and volatility than stocks, bonds do contain interest rate risk (as interest rates rise, bond prices usually fall and vice versa) and the risk of default, or the risk that an issuer will be unable to make income or principal payments. Additionally, bonds and short-term investments entail greater inflation risk, or the risk that the return of an investment will not keep up with increases in the prices of goods and services, than stocks.

Lower-quality debt securities generally offer higher yields, but also involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. Any fixed income security sold or redeemed prior to maturity may be subject to loss.

The municipal market is volatile and can be significantly affected by adverse tax, legislative, or political changes and by the financial condition of the issuers of municipal securities. Interest rate increases can cause the price of a debt security to decrease. A portion of the dividends you receive may be subject to federal, state, or local income tax or may be subject to the federal alternative minimum tax. Generally, tax-exempt municipal securities are not appropriate holdings for tax advantaged accounts such as IRAs and 401(k)s.

Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Foreign securities are subject to interest-rate, currency-exchange-rate, economic, and political risks, all of which are magnified in emerging markets. The securities of smaller, less well-known companies can be more volatile than those of larger companies. Growth stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks. Value stocks can perform differently than other types of stocks and can continue to be undervalued by the market for long periods of time.

The commodities industry can be significantly affected by commodity prices, world events, import controls, worldwide competition, government regulations, and economic conditions.

Changes in real estate values or economic conditions can have a positive or negative effect on issuers in the real estate industry, which may affect your investment.

## Index Definitions:

The **S&P 500 Index** is a broad-based market index, comprised of 500 large-cap companies, generally considered representative of the stock market as a whole. The **S&P 400 Index** is an unmanaged index considered representative of mid-sized U.S. companies. The **S&P 600 Index** is a market-value weighted index that consists of 600 small-cap U.S. stocks chosen for market size, liquidity and industry group representation.

The **Russell 1000 Value Index**, **Russell 1000 Index** and **Russell 1000 Growth Index** are indices that measure the performance of large-capitalization value stocks, large-capitalization stocks and large-capitalization growth stocks, respectively. The **Russell 2000 Value Index**, **Russell 2000 Index** and **Russell 2000 Growth Index** are indices that measure the performance of small-capitalization value stocks, small-capitalization stocks and small-capitalization growth stocks, respectively. The **Russell Midcap Value Index**, **Russell Midcap Index** and **Russell Midcap Growth Index** are indices that measure the performance of mid-capitalization value stocks, mid-capitalization stocks and mid-capitalization growth stocks, respectively. The **Russell 2500 Value Index**, **Russell 2500 Index** and **Russell 2500 Growth Index** measure the performance of small to mid-cap value stocks, small to mid-cap stocks and small to mid-cap growth stocks, respectively, commonly referred to as "smid" cap. The **Russell 3000 Value Index**, **Russell 3000 Index** and **Russell 3000 Growth Index** measure the performance of the 3,000 largest U.S. value stocks, 3,000 largest U.S. stocks and 3,000 largest U.S. growth stocks, respectively, based on total market capitalization.

The **Wilshire 5000 Index** represents the broadest index for the U.S. equity market, measuring the performance of all U.S. equity securities with readily available price data. The **Wilshire Micro Cap Index** is a market capitalization-weighted index comprised of all stocks in the Wilshire 5000 Index below the 2,501<sup>st</sup> rank.

The **MSCI EAFE (Europe, Australasia, Far East) Index** is designed to measure developed market equity performance, excluding the U.S. and Canada. The **MSCI Emerging Markets (EM) Index** is designed to measure global emerging market equity performance. The **MSCI World Index** is designed to measure global developed market equity performance. The **MSCI World Index Ex-U.S. Index** is designed to measure the equity market performance of developed markets and excludes the U.S. The **MSCI Europe Index** is an unmanaged index considered representative of developed European countries. The **MSCI Japan Index** is an unmanaged index considered representative of stocks of Japan. The **MSCI Pacific ex. Japan Index** is an unmanaged index considered representative of stocks of Asia Pacific countries excluding Japan.

The **U.S. 10-Year Treasury Yield** is generally considered to be a barometer for long-term interest rates.

**Merrill Lynch 91-day T-bill index** includes U.S. Treasury bills with a remaining maturity from 1 up to 3 months.

The **Barclays Capital® (BC) U.S. Treasury Index** is designed to cover public obligations of the U.S. Treasury with a remaining maturity of one year or more. The **BC Aggregate Bond Index** is an unmanaged, market value-weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year. The **BC U.S. Credit Bond Index** is designed to cover publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements; bonds must be SEC-registered to qualify. The **BC U.S. Agency Index** is designed to cover publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government. The **BC CMBS Index** is designed to mirror commercial mortgage-backed securities of investment-grade quality (Baa3/BBB-/BBB- or above) using Moody's, S&P, and Fitch respectively, with maturity of at least one year. The **BC MBS Index** covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid ARMs) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The **BC U.S. Municipal Bond Index** covers the U.S. dollar-denominated, long-term tax-exempt bond market with four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds. The **BC TIPS Index** is an unmanaged market index made up of U.S. Treasury Inflation Linked Index securities. The **BC U.S. Government Bond Index** is a market value-weighted index of U.S. Government fixed-rate debt issues with maturities of one year or more. The **BC ABS Index** is a market value-weighted index that covers fixed-rate asset-backed securities with average lives greater than or equal to one year and that are part of a public deal; the index covers the following collateral types: credit cards, autos, home equity loans, stranded-cost utility (rate-reduction bonds), and manufactured housing. The **BC Global Aggregate Index** is composed of three sub-indices; the U.S. Aggregate Index, Pan-European Aggregate Index, and the Asian-Pacific Aggregate Index. In aggregate the index is created to be a broad-based measure of the performance of investment grade fixed rate debt on a global scale. The **BC US Corporate Long Aa Index** is an unmanaged index representing public obligations of the U.S. corporate and specified foreign debentures and secured notes with a remaining maturity of 10 years or more. The **BC U.S. Corporate High-Yield Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. The **BC Intermediate Corporate Index** includes dollar-denominated debt from U.S. and non-U.S. industrial, utility, and financial institutions issuers with a duration of 1-10 years. The **BC U.S. Treasury Long Index** is an unmanaged index representing public obligations of the U.S. Treasury with a remaining maturity of one year or more. The **BC U.S. Government 10 Year Treasury Index** measures the performance of U.S. Treasury securities that have a remaining maturity of less than 10 years. The **BC BAA Corporate Index** measures the performance of the taxable Baa rated fixed-rate U.S. dollar-denominated corporate bond market. The **BC Global Treasury ex US Index** includes government bonds issued by investment-grade countries outside the United States, in local currencies, that have a remaining maturity of one year or more and are rated investment grade or higher. The **BC Emerging Market Bond Index** is an unmanaged index that total returns for external-currency-denominated debt instruments of the emerging markets. The **BC U.S. Securitized Bond Index** is a composite of asset-backed securities, collateralized mortgage-backed securities (ERISA-eligible) and fixed rate mortgage-backed securities. The **BC Quality Distribution AAA, B, and CC-D Indices** measure the respective credit qualities of U.S. corporate and specified foreign debentures and secured notes. The **BC Universal Index** represents the union of the U.S. Aggregate Index, the U.S. High Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, and the non-ERISA portion of the CMBS Index. The **BC 1-3 Year Government Credit Index** is an unmanaged index considered representative of performance of short-term U.S. corporate bonds and U.S. government bonds with maturities from one to three years. The **BC Long-term Government Index** is an unmanaged index reflecting performance of the long-term government bond market. The **BC Intermediate Aggregate Index** measures the performance of intermediate-term investment grade bonds. The **BC Intermediate 1-3 Year Government/Credit Index** measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years.

The **Bank of America ML U.S. High Yield Index** tracks the performance of below investment grade US Dollar Denominated corporate bonds publicly issued in the US market. Qualifying bonds have at least one year remaining term to maturity, are fixed coupon schedule and minimum outstanding of \$100 million.



# DEFINITIONS AND DISCLOSURES

The **HFRI Funds of Funds Index (HFRI FOF)** is an equal weighted index designed to measure the performance of hedge fund of fund managers. The more than 800 multi-strategy constituents are required to have at least \$50 million in assets under management and a trading track record spanning at least 12 months. The index includes both on and offshore funds and all returns are reported in USD

The **NCREIF Property Index (NPI)** represents quarterly time series composite total rate of return measure of a very large pool of individual commercial real estate properties acquired in the private market. The index represents apartments, hotels, industrial properties, office buildings and retail properties which are at least 60% occupied and owned or controlled, at least in part by tax-exempt institutional investors or its designated agent. In addition these properties that are included must be investment grade, non-agricultural and income producing and all development projects are excluded. Constituents included in the NPI be valued at least quarterly, either internally or externally, using standard commercial real estate appraisal methodology. Each property must be independently appraised a minimum of once every three years.

The **FTSE NAREIT All REITs Index** is a market capitalization-weighted index that is designed to measure the performance of all tax-qualified Real Estate Investment Trusts (REITs) that are listed on the New York Stock Exchange, the American Stock Exchange, or the NASDAQ National Market List.

The **Dow Jones U.S. Select Real Estate Securities Index** is a float-adjusted market capitalization-weighted index of publicly traded real estate securities such as real estate investment trusts (REITs) and real estate operating companies (REOCs).

The **Cambridge PE Index** is a representation of returns for over 70% of the total dollars raised by U.S. leveraged buyout, subordinated debt and special situation managers from 1986 to December 2007. Returns are calculated based on the pooled time weighted return and are net of all fees. These pooled means represent the end to end rate of return calculated on the aggregate of all cash flows and market values reported by the general partners of the underlying constituents in the quarterly and annual reports.

The **University of Michigan Consumer Sentiment Index** is a consumer confidence index published monthly by the University of Michigan and Thomson Reuters. The index is normalized to have a value of 100 in December 1964.

**VIX** - The CBOE Volatility Index (VIX) is based on the prices of eight S&P 500 index put and call options.

**Gold** - represented by the dollar spot price of one troy ounce

**WTI Crude** - West Texas Intermediate is a grade of crude oil used as a benchmark in oil pricing.

The **Affordability Index** measures of a population's ability to afford to purchase a particular item, such as a house, indexed to the population's income

The **Homeownership %** is computed by dividing the number of owner-occupied housing units by the number of occupied housing units or households.

**HFRI Emerging Markets: Asia ex-Japan, Global Index, Latin America Index, Russia/Eastern Europe Index:** The constituents of the HFRI Emerging Markets Indices are selected according to their Regional Investment Focus only. There is no Investment Strategy criteria for inclusion in these indices. Funds classified as Emerging Markets have a regional investment focus in one of the following geographic areas: Asia ex-Japan, Russia/Eastern Europe, Latin America, Africa or the Middle East. **HFRI EH: Energy/Basic Materials** strategies which employ investment processes designed to identify opportunities in securities in specific niche areas of the market in which the Manager maintains a level of expertise which exceeds that of a market generalist. **HFRI EH: Equity Market Neutral** strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. **HFRI EH: Quantitative Directional** strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. **HFRI EH: Short-Biased** strategies employ analytical techniques in which the investment thesis is predicated on assessment of the valuation characteristics on the underlying companies with the goal of identifying overvalued companies. **HFRI EH: Technology/Healthcare** strategies employ investment processes designed to identify opportunities in securities in specific niche areas of the market in which the Manager maintain a level of expertise which exceeds that of a market generalist in identifying opportunities in companies engaged in all development, production and application of technology, biotechnology and as related to production of pharmaceuticals and healthcare industry. **HFRI ED: Distressed Restructuring** strategies which employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings. **HFRI ED: Merger Arbitrage** strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction. **HFRI ED: Private Issue/Regulation D** strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are primarily private and illiquid in nature. **HFRI Macro: Systematic Diversified** strategies have investment processes typically as function of mathematical, algorithmic and technical models, with little or no influence of individuals over the portfolio positioning. **HFRI RV: Fixed Income - Asset Backed** includes strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a fixed income instrument backed physical collateral or other financial obligations (loans, credit cards) other than those of a specific corporation. **HFRI RV: Fixed Income - Convertible Arbitrage** includes strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a convertible fixed income instrument. **HFRI RV: Fixed Income - Corporate** includes strategies in which the investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread is a corporate fixed income instrument. **HFRI RV: Multi-Strategies** employ an investment thesis is predicated on realization of a spread between related yield instruments in which one or multiple components of the spread contains a fixed income, derivative, equity, real estate, MLP or combination of these or other instruments. **HFRI RV: Yield Alternatives Index** strategies employ an investment thesis is predicated on realization of a spread between related instruments in which one or multiple components of the spread contains a derivative, equity, real estate, MLP or combination of these or other instruments. Strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager.

The **Consumer Price Index (CPI)** is an inflationary indicator that measures the change in the cost of a fixed basket of products and services, including housing, electricity, food, and transportation. The CPI is published monthly. Unless otherwise noted, the CPI figure is as of the date this report is created.

The **Credit Suisse Leveraged Loan Index** is a market value-weighted index designed to represent the investable universe of the U.S. dollar-denominated leveraged loan market.

The **Dow Jones-UBS Commodity Index** measures the performance of the commodities market. It consists of exchange-traded futures contracts on physical commodities that are weighted to account for the economic significance and market liquidity of each commodity.



**MetroHealth**  
Devoted to Hope, Health, and Humanity



# Unaudited Financial and Operational Results For the Quarter Ended March 31, 2024

Finance Committee

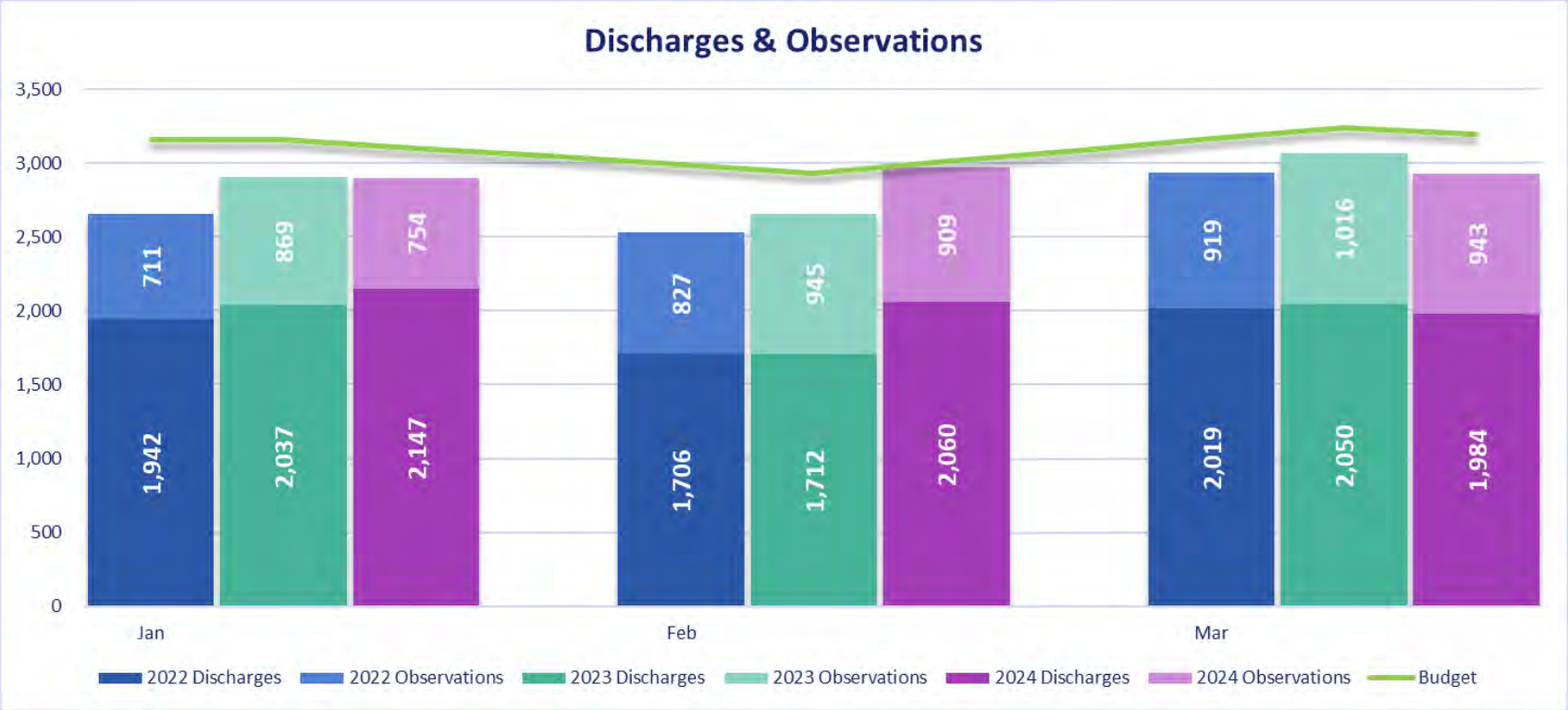
May 22, 2024

# Matters for Board Attention

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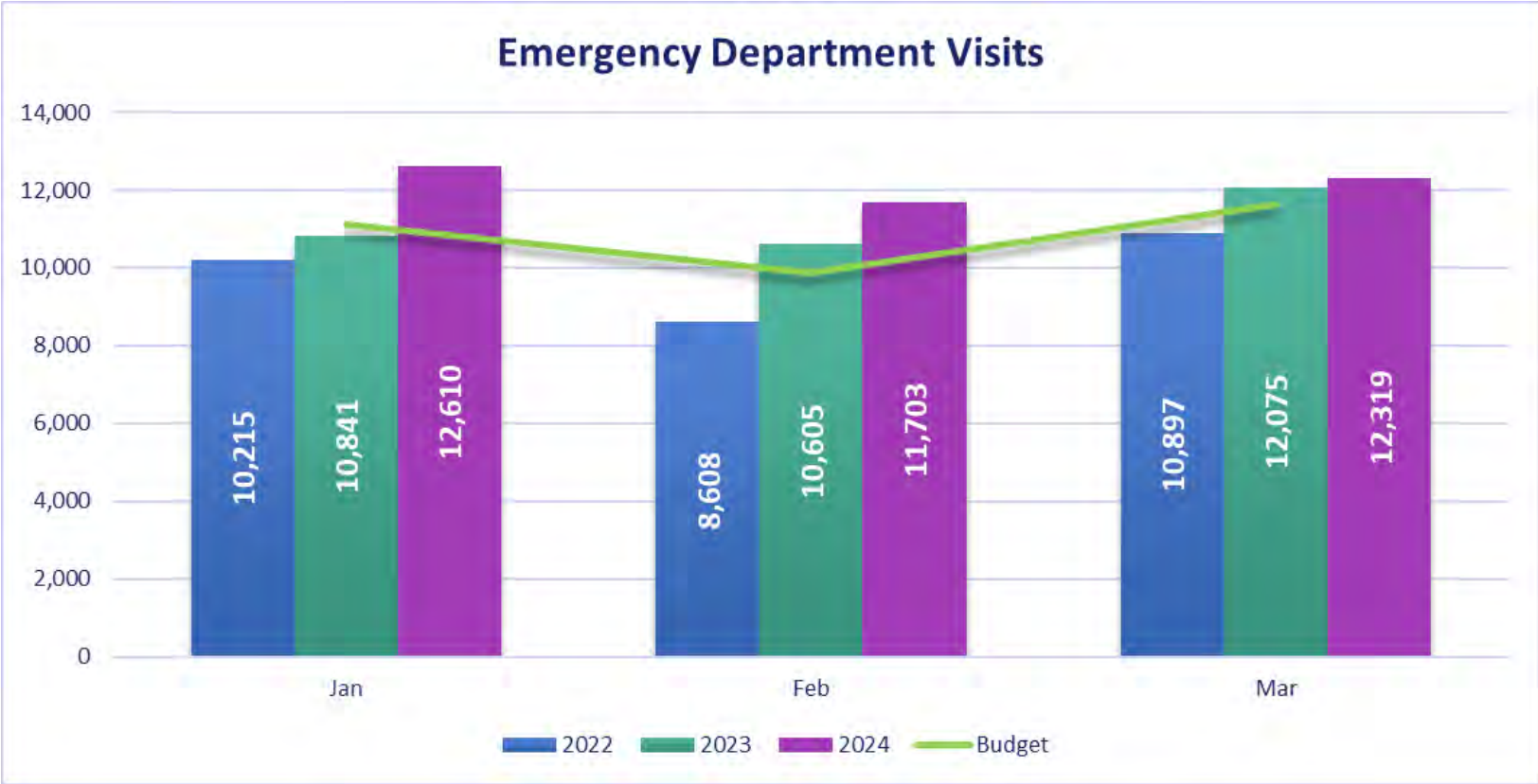
- **EBIDA for the quarter ended March 31, 2024, was \$11M, which falls short of the \$21M budget and comparable to March 31, 2023, of \$14M**
- **Net Patient Revenue is unfavorable to Budget by \$20M, this is driven by The Glick Center inpatient surgical cases running 19% behind budget and Behavioral Health Hospital discharges lags behind budget by 21%. The Behavioral Health Hospital discharges have grown 68% over the same period last year.**
- **Emergency Room visit activity exceeds both budget by 12% and the same period last year by 9%. The admission rate of 14% of emergency room visits and emergency room admissions as % of total discharges equals 80% and they are essentially unchanged between comparable periods.**
- **Premium Pay is also known as “overtime, shift incentives, and contract labor” unlike last year are all within budget. Full Time Equivalents and labor costs are less than budget. Salary, Wages and Benefits cost is 4% better than budget.**
- **Retail Rx volumes continue to grow, increasing 15% over prior year while margins show some shrinkage due to the Medication Inflation Reduction Act.**
- **Expenses are under control. Revenues have fallen short of expectations. Management has developed a plan focused on coarse correction initiatives that should help MetroHealth achieve its 2024 budget.**

# Statistics & Volumes



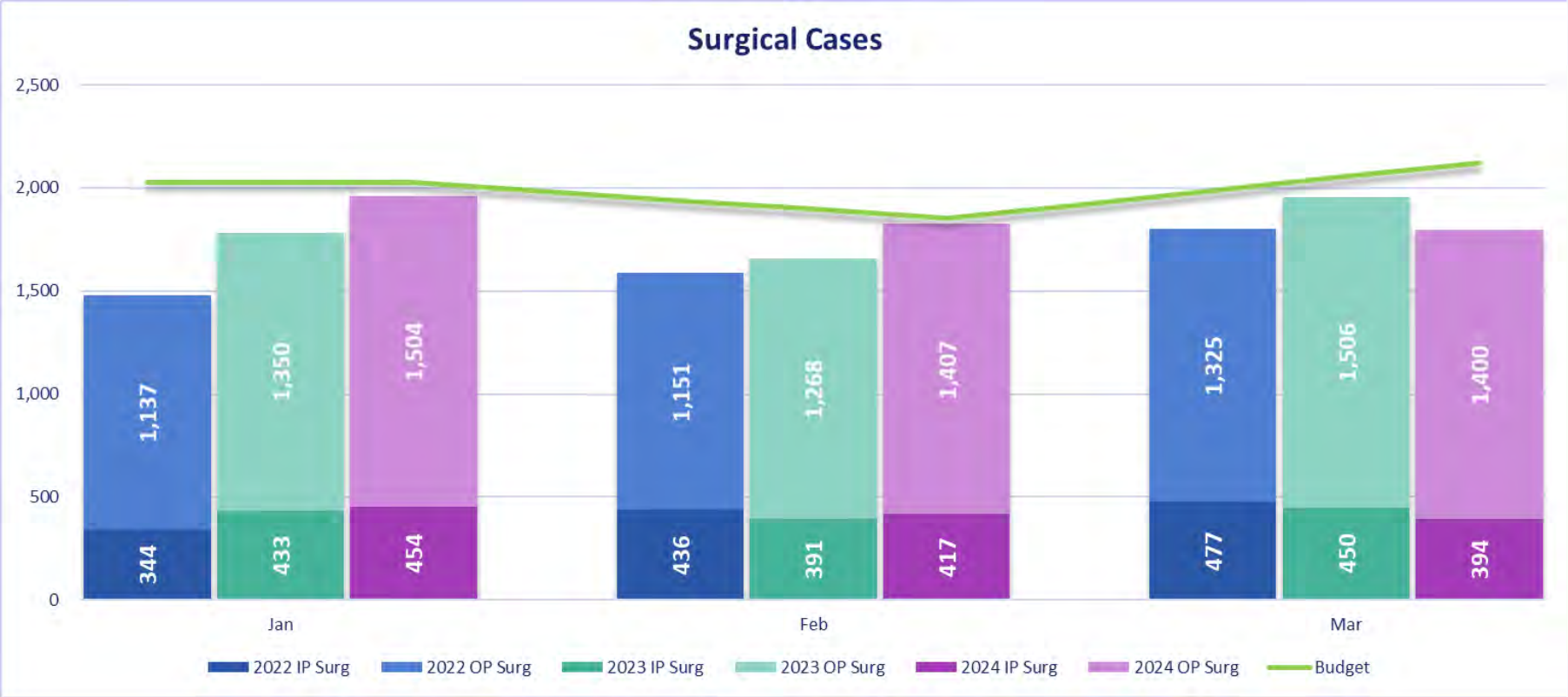
Discharges & Observations YTD Totals	Discharges	Observations	Total Discharges & Observations
2022	5,667	2,457	8,124
2023	5,799	2,830	8,629
2024	6,191	2,606	8,797
2024 Budget	6,771	2,570	9,341

# Statistics & Volumes



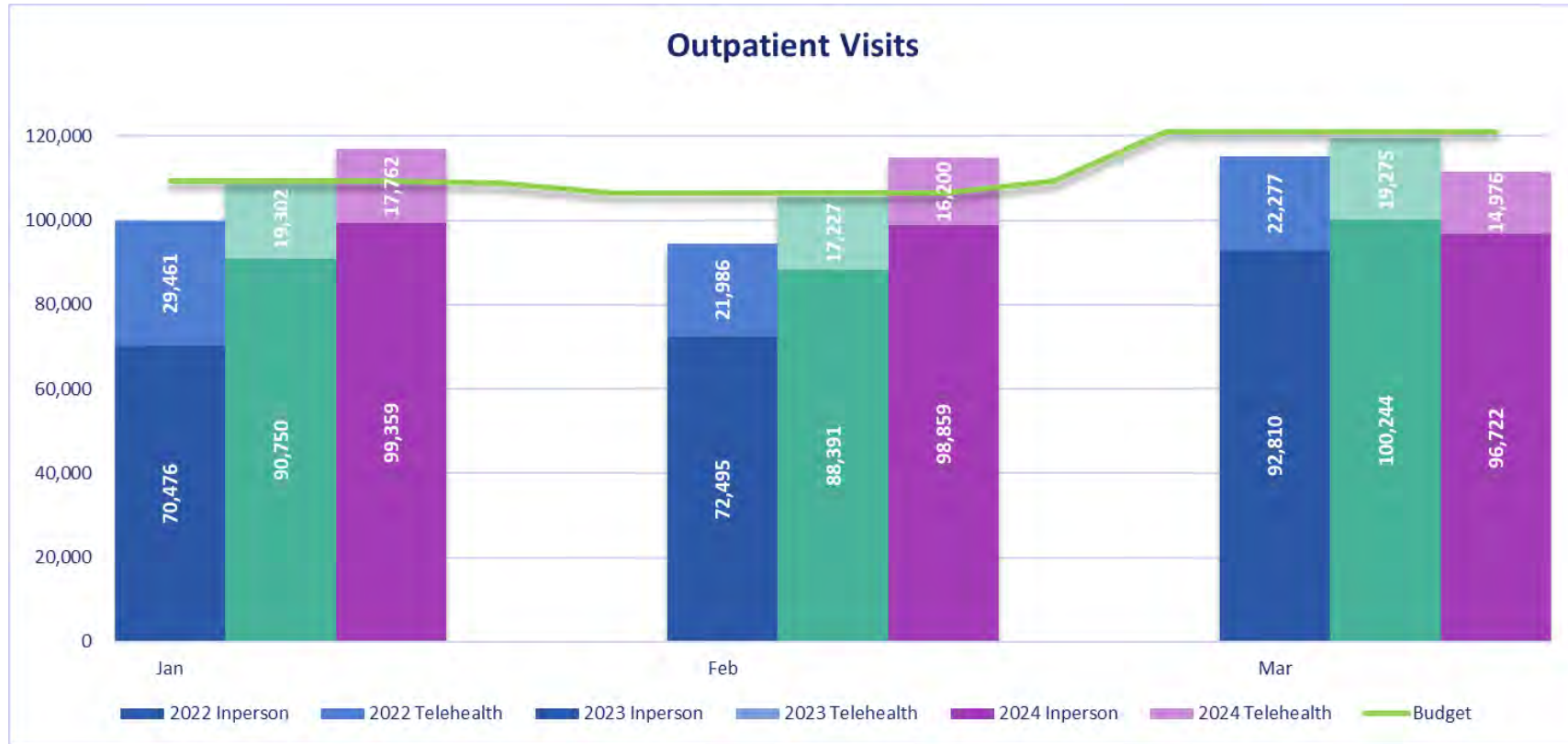
Emergency Departments YTD Totals	Emergency Department Visits	Emergency Department Admissions as a % of Discharges
2022	29,720	80.0%
2023	33,521	79.0%
2024	36,632	80.4%
2024 Budget	32,608	67.8%

# Statistics & Volumes



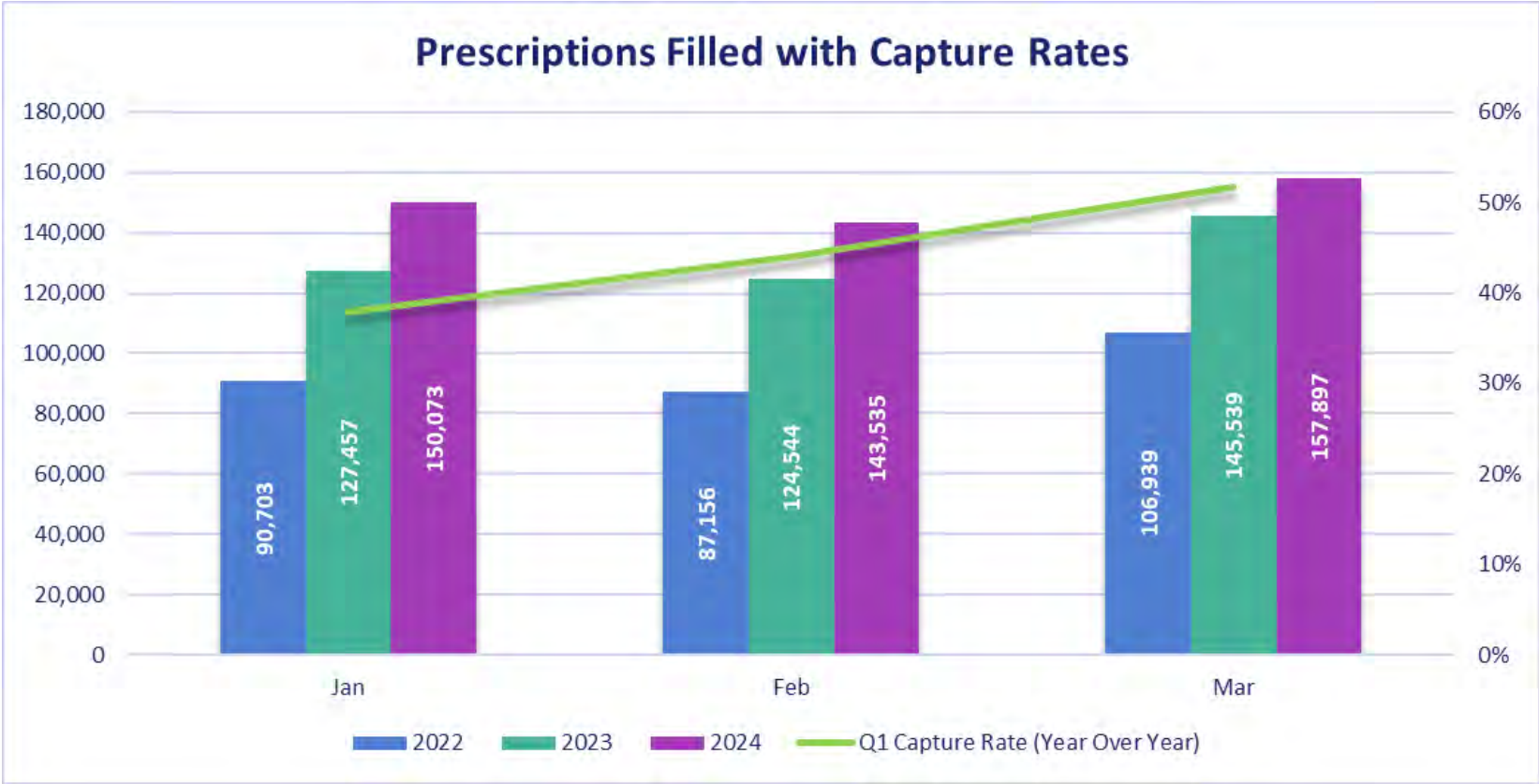
Surgical Cases YTD Total	Inpatient Surgical Cases	Outpatient Surgical Cases	Total Surgical Cases
<b>2022</b>	1,257	3,613	4,870
<b>2023</b>	1,274	4,124	5,398
<b>2024</b>	1,265	4,311	5,576
<b>2024 Budget</b>	1,562	4,440	6,002

# Statistics & Volumes



Outpatient Visit YTD Totals	In-Person	Telehealth	Total Outpatient Visits
2022	235,781	73,724	309,505
2023	279,385	55,804	335,189
2024	294,940	48,938	343,878
2024 Budget	302,573	34,345	336,918

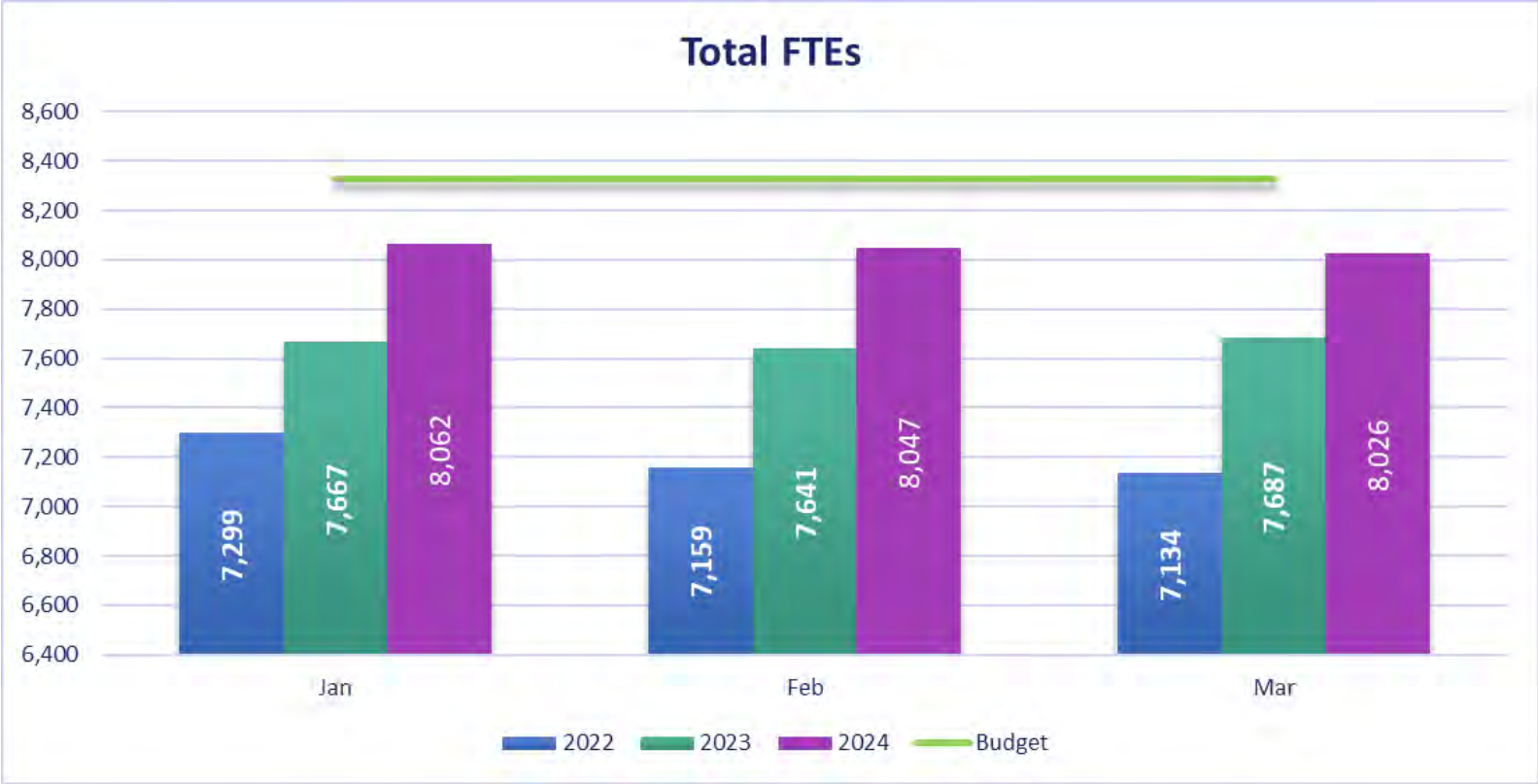
# Statistics & Volumes



Prescriptions Filled Totals	Prescriptions Filled	Capture Rate YTD
2022	284,798	38%
2023	397,540	44%
2024	451,505	52%

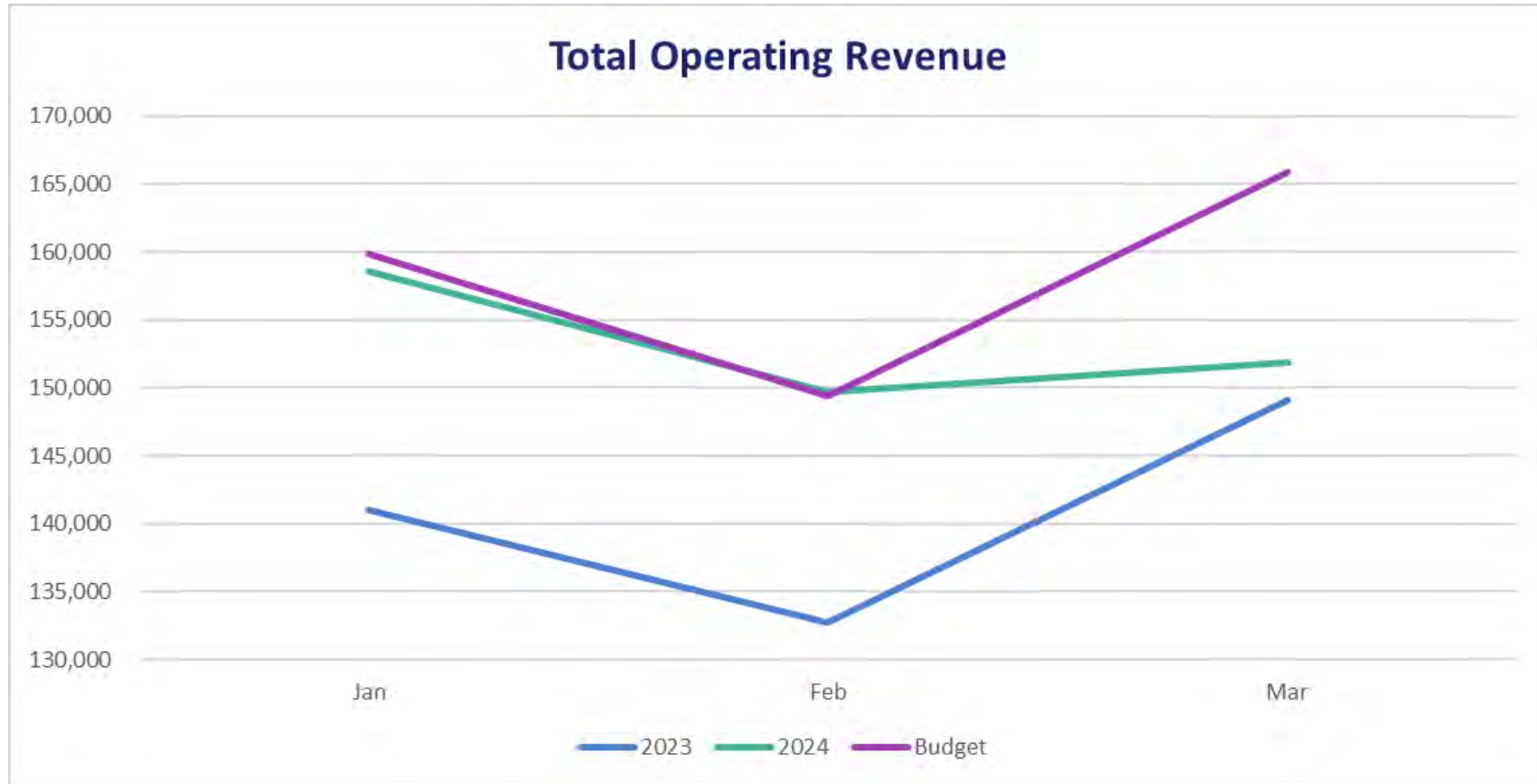


# Statistics & Volumes



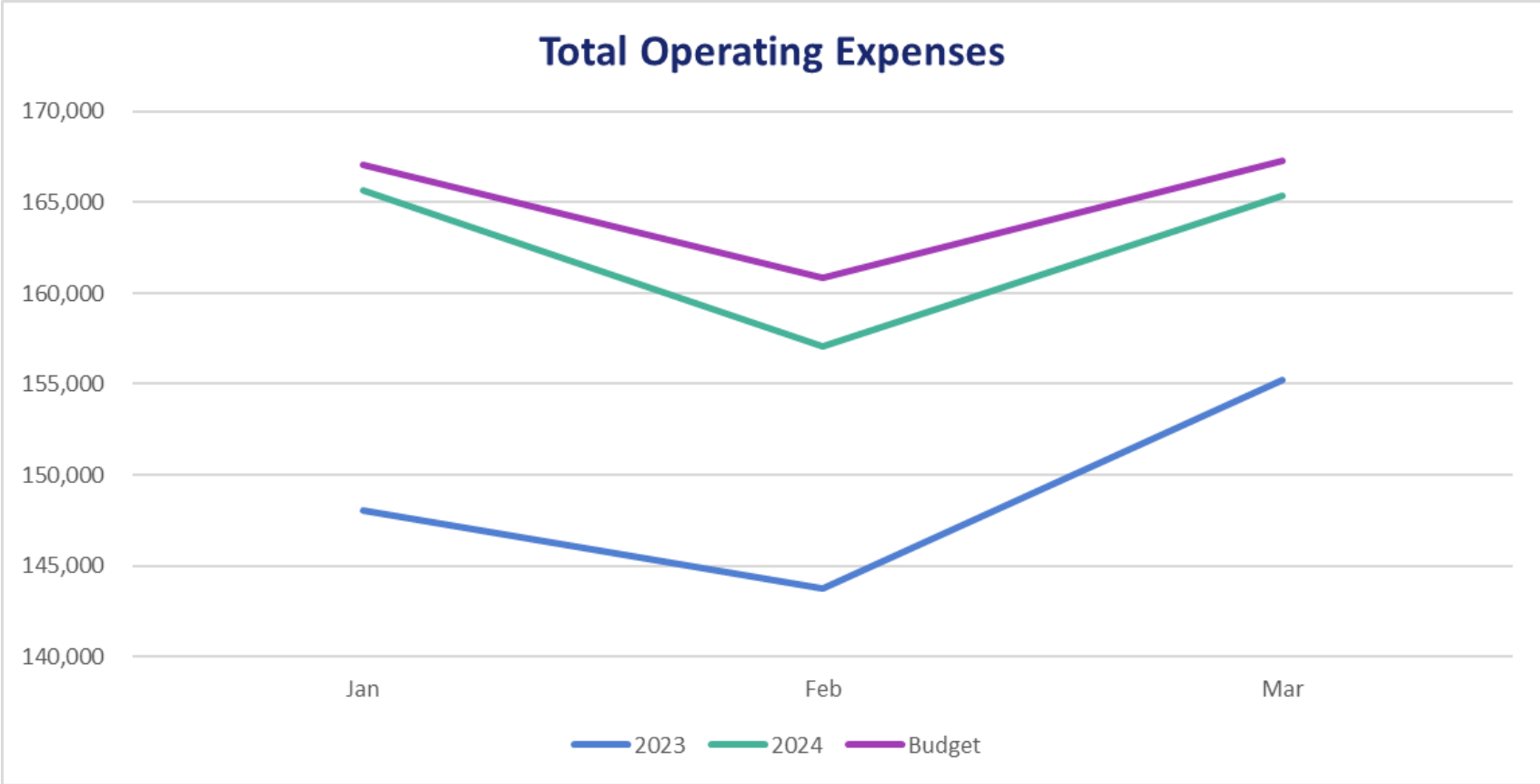
Total FTEs	FTEs
2022	7,134
2023	7,687
2024	8,026
2024 Budget	8,330

# Total Operating Revenue



Total Operating Revenue	Jan	Feb	Mar	Total
2023	\$141,045	\$132,743	\$149,091	\$422,879
2024	\$158,563	\$149,725	\$151,880	\$460,168
Budget	\$159,880	\$149,385	\$165,900	\$475,165

# Total Operating Expense



Total Operating Expenses	Jan	Feb	Mar	Total
<b>2023</b>	\$148,014	\$143,735	\$155,206	\$446,955
<b>2024</b>	\$165,672	\$157,086	\$165,362	\$488,120
<b>Budget</b>	\$167,078	\$160,825	\$167,259	\$495,162



## Statement of Revenues, Expense and Changes in Net Position For the Quarter Ended March 31, 2024

*In Thousands*

	2024		2024		Variance		2023		Variance	
	Actual	Budget	Fav (Unfav)	%	Actual	Fav (Unfav)	%			
<b>Operating Revenues</b>										
Net Patient Revenue <sup>1</sup>	\$ 322,348	\$ 342,213	\$ (19,865)	(5.8%)	\$ 295,479	26,869	9.1%			
Pharmacy Revenue	100,380	100,315	65	0.1%	85,491	14,889	17.4%			
Other Revenue <sup>1</sup>	37,440	32,637	4,803	14.7%	41,909	(4,469)	(10.7%)			
<b>Total Operating Revenue</b>	<b>\$ 460,168</b>	<b>\$ 475,165</b>	<b>\$ (14,997)</b>	<b>(3.2%)</b>	<b>\$ 422,879</b>	<b>37,289</b>	<b>8.8%</b>			
<b>Operating Expenses</b>										
Salaries, Wages & Benefits	282,766	294,886	(12,120)	(4.1%)	261,244	21,522	8.2%			
Department Expenses	166,269	158,995	7,274	4.6%	147,257	19,012	12.9%			
<b>Operating Expense Before Interest, Depreciation and Amortization</b>	<b>\$ 449,035</b>	<b>\$ 453,881</b>	<b>\$ (4,846)</b>	<b>(1.1%)</b>	<b>\$ 408,501</b>	<b>40,534</b>	<b>9.9%</b>			
<b>EBIDA</b>	<b>\$ 11,133</b>	<b>\$ 21,284</b>	<b>\$ (10,151)</b>	<b>(47.7%)</b>	<b>\$ 14,378</b>	<b>(14,378)</b>	<b>(100.0%)</b>			
Depreciation, Amortization & Interest	39,085	41,281	(2,196)	(5.3%)	38,454	(38,454)	(100.0%)			
<b>Total Operating Expenses</b>	<b>\$ 488,120</b>	<b>\$ 495,162</b>	<b>\$ (7,042)</b>	<b>(1.4%)</b>	<b>\$ 446,955</b>	<b>41,165</b>	<b>9.2%</b>			
<b>Operating loss</b>	<b>\$ (27,952)</b>	<b>\$ (19,997)</b>	<b>\$ (7,955)</b>	<b>(39.8%)</b>	<b>\$ (24,076)</b>	<b>(3,876)</b>	<b>(16.1%)</b>			
<b>Non-Operating Revenues</b>										
Change in net position	\$ 18,592	5,507	13,085	237.6%	18,168	424	2.3%			
	\$ (9,360)	(14,490)	\$ 5,130	35.4%	\$ (5,908)	(3,452)	(58.4%)			

1 - County Funding is classified as Net Patient Revenue in 2024, but was previously presented within Other Revenue in 2023



## Statements of Net Position

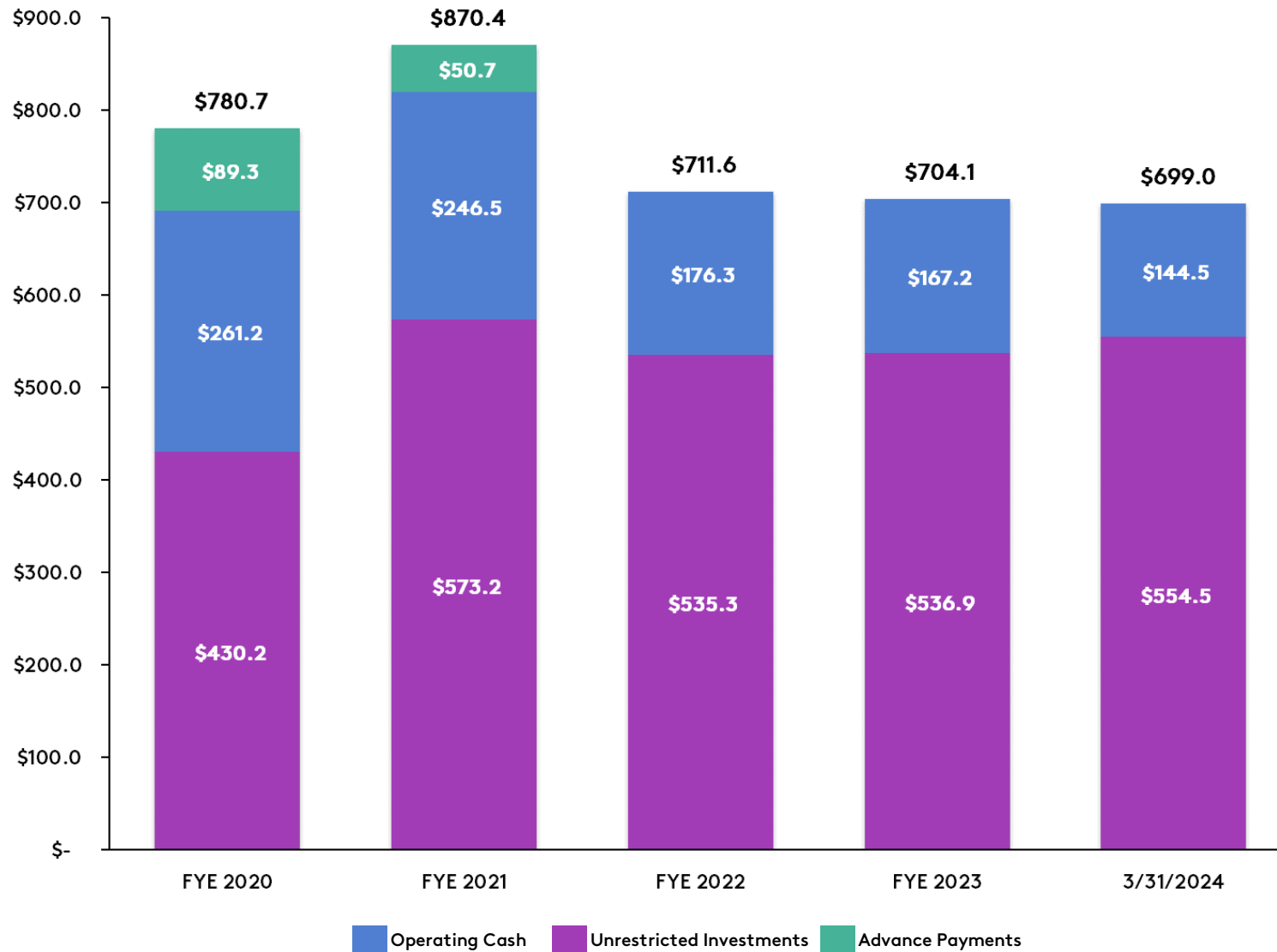
**March 31, 2024**

*In Thousands*

	Unaudited	Audited
Assets	3/31/24	12/31/23
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 144,527	\$ 167,168
Net accounts receivable	153,943	149,545
Other current assets	134,623	134,563
<b>Total current assets</b>	<b>433,093</b>	<b>451,276</b>
<b>Noncurrent Assets:</b>		
Investments	554,492	536,909
Restricted assets	40,560	62,603
Capital assets, net:	1,227,346	1,234,442
Right-of-use assets, net:	100,173	103,479
Other noncurrent assets	42,828	44,799
<b>Total assets</b>	<b>2,398,492</b>	<b>2,433,508</b>
<b>Deferred Outflows of Resources</b>	<b>523,777</b>	<b>523,837</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$2,922,269</b>	<b>\$2,957,345</b>

	Unaudited	Audited
Liabilities	3/31/24	12/31/23
<b>Current Liabilities:</b>		
Accounts payable	88,469	89,657
Accrued payroll and related liabilities	96,359	108,655
Other current liabilities	70,010	72,120
<b>Total current liabilities</b>	<b>254,838</b>	<b>270,432</b>
<b>Long-Term Liabilities, less current installments:</b>		
Net pension and OPEB liabilities	1,062,775	1,062,775
Long-term debt	1,012,586	1,025,014
Other long-term liabilities	168,804	166,135
<b>Total long-term liabilities</b>	<b>2,244,165</b>	<b>2,253,924</b>
<b>Total liabilities</b>	<b>2,499,003</b>	<b>2,524,356</b>
<b>Deferred Inflows of Resources</b>	<b>19,240</b>	<b>19,603</b>
<b>Total Net Position</b>	<b>404,026</b>	<b>413,386</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$2,922,269</b>	<b>\$2,957,345</b>

# Unrestricted Cash & Investments

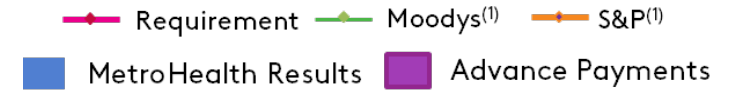
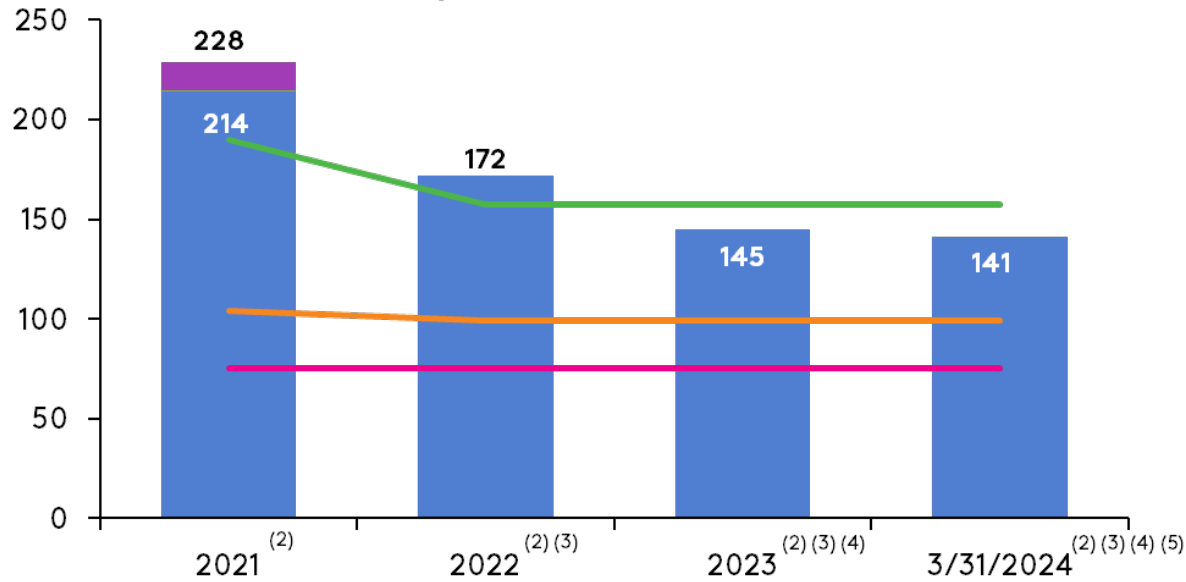


**Notes:**

- The 12/31/2020 & 12/31/2021 balances include \$89.3M and \$50.7M, respectively, in advanced payments from CMS and commercial payors. These advanced payments were repaid as of 12/31/2022.

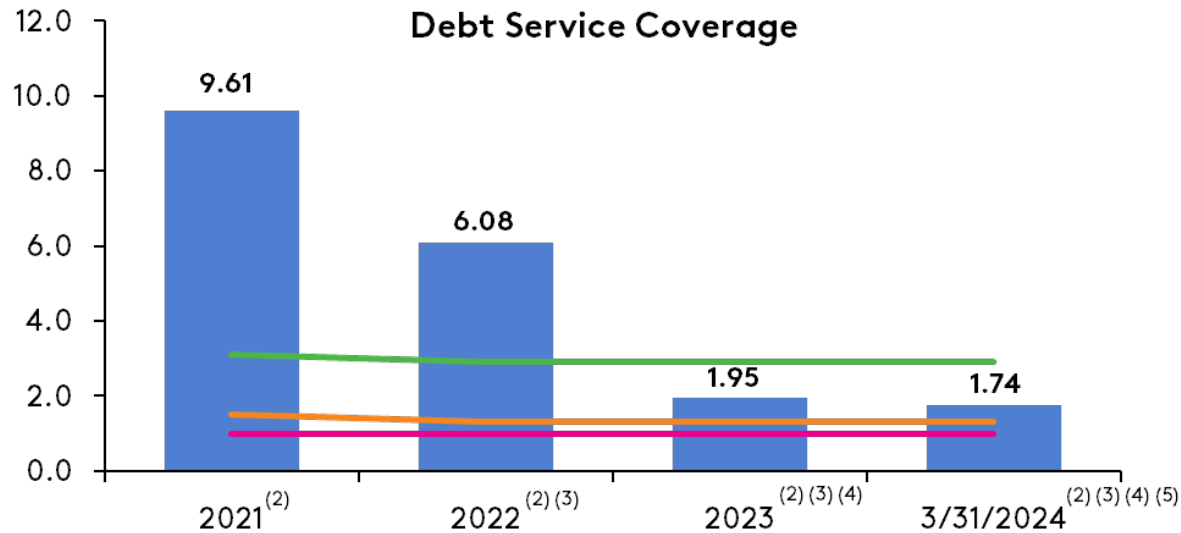
# Covenant Compliance

### Days Cash on Hand



- (1) 'BBB/Baa2' Healthcare System Medians
- (2) Calculations exclude the impact of GASB Statement No. 89
- (3) Calculations exclude the impact of GASB Statement No. 87
- (4) Calculations exclude the impact of GASB Statement No. 96
- (5) Trailing Twelve Months

### Debt Service Coverage



# Credit Rating Strength Diagnostic Tool

Trailing Twelve Months Ended March 31, 2024

MetroHealth Metrics vs. Rating Agency Medians (BBB Rating)						
		Moody's		S&P		
	MetroHealth Value	Benchmark Medians	Variance	Benchmark Medians	Variance	
(1)	Operating Margins	-1.55%	-1.40%	-10.37%	-0.90%	-71.68%
(1)	Excess Margins	1.45%	0.10%	1350.48%	-2.10%	169.07%
(1)	Operating EBITDA Margins	5.80%	4.40%	31.73%	4.10%	41.37%
(1)	Cash Flow as % of Total Liabilities	5.21%	N/A	N/A	2.60%	100.39%
(1)	Return on Assets	1.16%	0.10%	1055.18%	N/A	N/A
	Maximum Annual Debt Service Coverage	1.72	2.70	-36.46%	1.30	31.97%
	Cash on Hand (Days)	141.09	157.60	-10.47%	99.00	42.52%
	Cushion ratio	10.93	17.90	-38.95%	9.90	10.39%
	Cash-to-Debt	68.19%	116.80%	-41.62%	74.10%	-7.98%
	Account Receivable (days)	43.75	46.80	-6.52%	44.60	-1.91%
(1)	EBITDA Debt Service Coverage	1.74	2.90	-39.97%	N/A	N/A
	Capital Spending Ratio (x)	2.49	0.90	176.39%	N/A	N/A
	Capital Expenditures as % of Depreciation Expense	248.75%	N/A	N/A	117.20%	112.24%
	Debt-to-capitalization	52.39%	33.20%	57.80%	52.60%	-0.40%
(1)	Debt-to-Cash Flow (x)	9.57	4.70	103.58%	N/A	N/A
	Average Age of Plant (Years)	8.08	13.20	-38.79%	13.60	-40.59%

(1) The GASB Statement No. 68 & GASB Statement No. 75 adjustments, recorded on an annual basis using the results from the OPERS actuary reports, is excluded as there are no cash flows associated with the recognition of net pension and net OPEB liabilities, deferrals and expenses.



# Capital Budget Summary

(Dollars in Thousands)

Through March 31, 2024						
	Approved	Spent	Committed	Allocated	Balance \$	Balance %
2023	30,000	11,724	6,858	9,519	1,899	6.3%
2024	40,000	736	2,775	3,792	32,697	81.7%
Total	\$ 70,000	\$ 12,460	\$ 9,633	\$ 13,311	\$ 34,596	49.4%
		17.8%	13.8%	19.0%	49.4%	

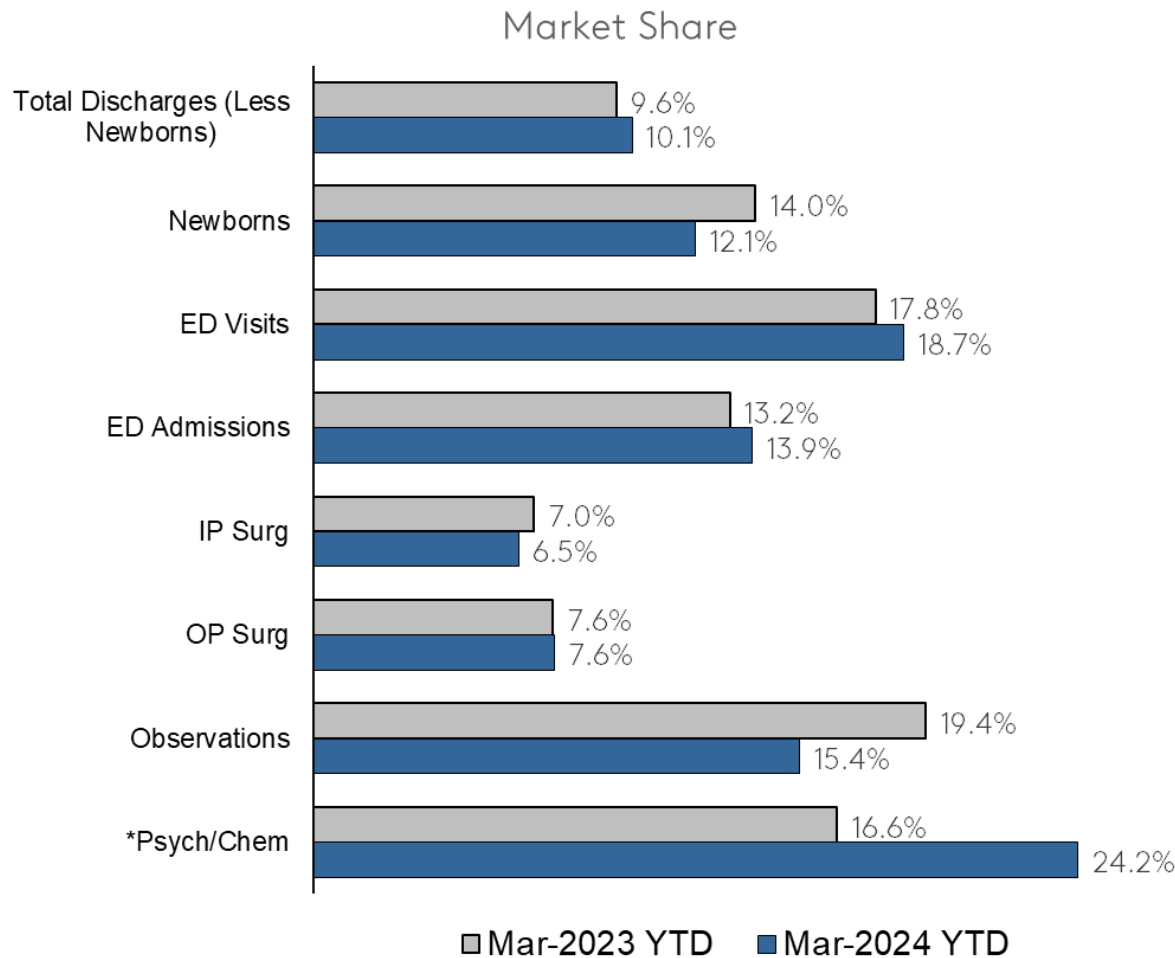
  

	Approved	Spent	Committed	Allocated	Balance \$	Balance %
Routine/Strategic	37,000	458	2,051	3,658	30,833	83.3%
Contingency	2,000	104	492	99	1,305	65.3%
Minor	1,000	174	232	35	559	55.9%
2024	\$ 40,000	\$ 736	\$ 2,775	\$ 3,792	\$ 32,697	81.7%

**Definitions:**

- **Spent** – Expense already incurred
- **Committed** – Purchase Order issue or Requisition submitted but expense not incurred
- **Allocated** – Project approved/pending but no Purchase Orders issued yet, and no expense incurred

# MetroHealth System Market Share



Service	Market Insights
Total Discharges (Less Newborns)	MetroHealth and CCHS discharges and share are up from the prior year, while UH is down. MH's Feb 2023 discharges saw a large dip, leading Q1 2024 to outperform Q1 2023.
Newborns	UH growth drives the Market's uptick, despite MHS and CCHS volume losses.
ED Visits & ED Admissions	MH and CCHS grew, while UH declined
IP Surg	MH was stable in a growing market, leading to share loss.
OP Surg	All systems saw volume growth. MH matched the market's growth to maintain share, while CCHS's growth did not keep up and saw a share decline.
Observations	UH restated Observation volumes, driving a market increase. MH and CCHS lost share.
*Psych/Chem	MH growth drove market increases.

Note: MetroHealth Total Discharges, ED Visits, ED Admissions and Observations include volume from Brecksville, Cleveland Hts and Parma where applicable.  
Data Source: CHA

# Volume Change by Service

## YTD March 2023 Compared to YTD March 2024

System	Total Disch (Minus Newborns)	Newborns	ED Admits	ED Visits	Obs	Inpatient Surg	Outpatient Surg	Psych- Chem
<i>Market (Cuyahoga Hosps)</i>	<b>2.4%</b>	<b>2.9%</b>	<b>3.4%</b>	<b>4.1%</b>	<b>16.2%</b>	<b>5.9%</b>	<b>4.8%</b>	<b>10.9%</b>
<b>MetroHealth System*</b>	7.6%	-11.3%	8.7%	9.3%	-7.9%	-0.8%	4.6%	61.4%
CCHS	3.8%	-2.3%	5.3%	6.5%	0.8%	6.7%	2.6%	-0.1%
UHHS	-1.2%	16.0%	-1.0%	-2.1%	57.0%	5.8%	7.7%	5.2%
Hospital	Total Disch (Minus Newborns)	Newborns	ED Admits	ED Visits	Obs	Inpatient Surg	Outpatient Surg	Psych- Chem
<b>MetroHealth System*</b>	7.6%	-11.3%	8.7%	9.3%	-7.9%	-0.8%	4.6%	61.4%
CCHS Cleveland Clinic*	1.9%		10.1%	14.3%	1.3%	3.6%	4.9%	
CCHS Euclid	13.0%		2.4%	9.9%	31.4%	1.2%	-50.4%	75.4%
CCHS Fairview	5.7%	-2.5%	10.2%	5.5%	-8.7%	13.0%	8.2%	-4.3%
CCHS Hillcrest	0.5%	-1.9%	-5.3%	-0.4%	-7.0%	15.0%	-3.3%	
CCHS Lutheran	1.4%		0.5%	4.1%	3.3%	6.1%	5.9%	-0.8%
CCHS Marymount	10.2%		10.6%	5.1%	26.8%	8.3%	6.5%	-6.7%
CCHS South Pointe	11.6%		10.7%	6.1%	14.7%	-0.3%	-1.3%	
UH Ahuja	1.5%		14.3%	12.0%	45.8%	1.2%	10.5%	
UH (LHS) Beachwood	-27.4%		-17.5%	21.2%	884.2%	-13.6%	2.6%	
UH Cleveland*	-0.9%	20.4%	-11.0%	-7.8%	114.6%	18.9%	27.6%	
UH Parma	-1.7%		1.9%	2.8%	28.3%	2.2%	-5.6%	
UH Southwest General	0.3%	-5.3%	6.3%	-6.3%	4.4%	-11.1%	-3.3%	5.2%
UH St. John Medical Center	-6.4%		-4.8%	-6.4%	39.9%	-19.1%	-0.5%	

UH Parma Psych unit closed in 2022, and UH Main is not reporting Psych volumes at this time..

UH restated Observation volumes in 2024 causing large volume swings

CCHS Lakewood FSED is reported here under CC Main Campus

MetroHealth Discharges, ED Visits, ED Admits & Observations include volume from Brecksville, Cleveland Hts & Parma where applicable  
St. Vincent, UH Bedford, and UH Richmond no longer appear on the report, all three hospitals closed in 2022.

<b>Key</b>	Increasing and outperforming the market
	Decreasing but outperforming the market
	Increasing but underperforming the market
	Decreasing worse than the market