



The MetroHealth System

Board of Trustees

Wednesday, May 28, 2025

1:00pm - 3:00pm

The MetroHealth System Board Room K-107 or via YouTube Stream

Finance Committee

Regular Meeting

The MetroHealth System Board of Trustees

FINANCE COMMITTEE

DATE: Wednesday, May 28, 2025
TIME: 1:00pm-3:00 pm
PLACE: MetroHealth System Board Room K107 / Via YouTube Stream
<https://www.youtube.com/@metrohealthCLE/streams>

AGENDA

I. **Approval of Minutes**

Finance Committee Meeting Minutes of February 26, 2025

II. **Information Items**

- A. Investment Committee Report – *A. Blake, C. Xu, D. Strickland* (Clearstead) (20 minutes)
- B. April 2025 Interim Financial Report – *D. Hollings* (10 minutes)
- C. Uncompensated Care Analysis – *N. Chehade* (15 minutes)

III. **Executive Session**

Return to Open Meeting

The MetroHealth System Board of Trustees

FINANCE COMMITTEE

February 26, 2025

1:00 pm - 3:00 pm

K107 Board Room / via Zoom

Meeting Minutes

Committee John Moss-R, E. Harry Walker, M.D.-I, Sharon Dumas-I,
Members Present: Ronald Dziedzicki-I, Artis Arnold, III-R

Other Trustees John Corlett-I, Nancy Mendez-I, Michael Summers-I
Present:

Staff Present: Christine Alexander, M.D.-I, Robin Barre-I, Peter Benkowski-I,
Nicholas Bernard-R, James Bicak-I, Victoria Bowser-I,
Chris Briddell-I, Phillip Brooks-R, Kate Brown-I, Nabil Chehade,
M.D.-I, William Dube-I, Joseph Golob, M.D.-I, Derrick Hollings-I,
Ryan Johnson-R, Kinsey Jolliff-I, William Lewis, M.D.-I, Christina
Morales-I, Allison Poullos-I, Tamiyka Rose-I, Brad Schwartz-I,
Deborah Southerington-I, James Wellons-I, Ryan Mezinger-I,
Ronald Walker-I

Invited Guests: Adam Blake-I, Michael Cronin-R, Ododo Enabulele-R, Claire Xu-I

Other Guests: Guests not invited by the Board of Trustees are not listed as they
are considered members of the audience and some were not
appropriately identified.

Mr. Moss called the meeting to order at 1:07pm, 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 October 23, 2024, Finance Committee and Investment subcommittee meeting were approved as submitted.



The MetroHealth System Board of Trustees

II. Information Items

A. Investment Committee Report – A. Blake, C. Xu - Clearstead

Adam Blake and Claire Xu with Clearstead (the System's investment advisor) provided updates on the oversight dashboard and reviewed investment performance through the end of fourth quarter 2024.

Economic and market update:

The economy showed continued growth in late 2024 as inflation slowed and U.S. stocks outperformed international stocks significantly. Market breadth improved as more companies contributed beyond big tech leaders. The Federal Reserve adjusted its 2025 rate cut expectations downward, leading to modest yield increases, benefiting MetroHealth's bond holdings through higher yields. With a positive outlook for consumer strength and employment in 2025, corporate earnings in the S&P 500 are expected to grow 15% in 2025, higher than in 2024.

Mr. Blake introduced Claire Xu, who provided an update on the System's investment performance. The portfolio complies fully with Ohio Revised Code and investment policy guidelines. Investments are monitored via a watch list incorporating qualitative and quantitative factors, with no concerns arising recently. Ms. Xu provided a snapshot of the total System's assets. The System's assets at year-end of 2024 were \$546.8 million and the captive portfolio at year-end was \$120.8 million, so the combined assets for the System totaled \$667.6 million.

The performance for the calendar year was very strong for investments, with the reserve pool increasing by \$9.1 million and the non-reserve pool increasing by \$30.2 million, resulting in a combined investment growth of \$39.3 million. The non-reserve long-term pool in fourth quarter 2024 was up 0.8% across the year, and the total equity portfolio was up near 20% across the year. The performance of fourth quarter of 2024 saw mixed returns: domestic equities rose to 22.3% in fourth quarter of 2024, and international equities fell 6.4% in the quarter but still outperformed benchmarks, and short-duration bonds performed well relative to broader bonds. As of fourth quarter of 2024, the reserve pool, comprised of fixed income, was down slightly by 0.2% in the quarter, although up by 4.1% across the year. Additionally, the captive portfolio returned 10.3% across 2024 resulting in \$10.2 million in investment growth and overall, \$50 million dollars in investment gains between the System and captive total assets.



The MetroHealth System Board of Trustees

B. Fiscal Year 2024 Unaudited Financial Statements - *D. Hollings*

Derrick Hollings presented the unaudited fiscal year 2024 financial results to the committee. While the audit is ongoing, preliminary figures indicate strong KPI performance relative to prior years, despite a projected loss consistent with budget expectations. EBIDA for 2024 was \$104 million—\$37 million below budget and \$33 million lower than the previous year. Net patient revenue increased by \$119 million year-over-year but fell short of budget by \$28 million, primarily due to lower surgical discharges and volumes at Cleveland Heights Behavioral Health Hospital. Emergency department visits exceeded budget by 8% and prior year levels by 6%. Overtime and contract labor costs remained within budget and declined 22% compared to the previous year. Full-time equivalents and related compensation expenses were 2% under budget. Retail pharmacy prescription volume grew 13% year-over-year, though drug costs exceeded budget by 20%. Both days cash on hand (125/75) and the debt service coverage ratio (1.55/1.10) remain in compliance with the Series 2017 hospital revenue bond covenants.

C. January 2025 Interim Financial Report

Mr. Hollings presented the January 2025 interim financial report providing a comprehensive overview of operational and financial performance across the System. Total discharges and observations reached 3,218, exceeding both the prior year and budget. Emergency department visits rose to 13,137, with admissions accounting for 79.1% of discharges, surpassing the budgeted 78.2%. Outpatient visits totaled 123,841, slightly under budget but up from the previous year. Surgical cases fell short of expectations at 1,857 versus a budget of 2,008. Prescriptions filled increased significantly to 187,974, outperforming both budget and prior year figures. Financially, total operating revenue was \$170,999 million, slightly below the \$174,031 million budget but up from \$158,565 million in January 2024. Operating expenses totaled \$178,140 million, under budget but higher than the previous year. EBIDA stood at \$6,151 million, below the \$8,618 million target. The balance sheet reflected \$94.86 million in cash and cash equivalents and total assets amounting to over \$2.82 billion. The System maintains compliance with financial covenants, including Days Cash on Hand (DCOH) of 129 and Debt Service Coverage (DSC) ratio of 1.60, which are above required thresholds.



The MetroHealth System Board of Trustees

III. Executive Session

Mr. Moss asked for a motion to move into an executive session to discuss hospital trade secrets as defined by ORC 1333.61 and to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee, or the investigation of charges or complaints against a public official, and to conference with the public body's attorney to discuss disputes involving the public body that are the subject of pending or imminent court action as defined by ORC 121.22(G). Dr. Walker made a motion and Mr. Dziedzicki seconded. Upon unanimous roll call vote, the Committee went into executive session to discuss such matters stated by Mr. Moss. Members of the public were excused, and the Committee went into executive session to discuss the identified matters at 2:04 pm

Following the executive session, the meeting reconvened in open session at approximately 3:01 pm and welcomed back the public via Zoom and those members of the public who remained in person.

Return to Open Meeting

With no further business to bring before the Committee, the meeting was adjourned at approximately 3:01 pm.

Respectfully submitted,

Derrick Hollings,
EVP, Chief Financial Officer





May 28, 2025

MetroHealth System

Finance and Investment Committee

Adam Blake
ablake@clearstead.com

Claire Xu
cxu@clearstead.com

David Strickland, CFA
dstrickland@clearstead.com

1100 Superior Avenue East
Suite 700 | Cleveland, Ohio 44114

(216) 621-1090
clearstead.com

Agenda

1. Oversight Dashboard
2. Capital Markets Review
3. Performance Review: 3/31/2025
 - ORC and Investment Policy Compliance
 - Management Watchlist
4. Strategic Asset Allocation Analysis and Investment Policy Review

Appendix

1. Additional Performance Slides
2. Fiduciary Education

Oversight Dashboard

		4Q 24	1Q 25	2Q 25	3Q 25	Comments
Strategic	Investment Policy Review		✓			
	Fiduciary Education		✓			
	Strategic Asset Allocation Analysis		✓			
	ESG Education				<input type="checkbox"/>	
	2026 Oversight Dashboard				<input type="checkbox"/>	
Portfolio	Clearstead Due Diligence Process	✓				
	Equity Analysis	✓				
	Fixed Income Analysis			<input type="checkbox"/>		
	Portfolio Rebalancing	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	
Markets & Performance	Capital Markets Review	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	
	Quarterly Performance Review	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	
Other	Clearstead Firm Update	✓				
	Clearstead Portal Overview	✓				
	Fee Review			<input type="checkbox"/>		

Last Reviewed

Investment Policy:	05/28/25
Strategic Asset Allocation:	05/28/25
Fee Review:	05/22/24
ESG Review:	10/23/24

Management Meeting Schedule

Q4 2024 (Q1)	01/20/25
Q1 2025 (Q2)	05/01/25
Q2 2025 (Q3)	09/25/25
Q2 2025 (Q3)	11/13/25

System IC Schedule

Q4 2024 (Q1)	02/26/25
Q1 2025 (Q2)	05/28/25
Q2 2025 (Q3)	08/27/25
Q2 2025 (Q3)	10/22/25

Follow-Up Items



Capital Markets Review

Quarterly Themes

► Looking Backward: Q1 2025 and April

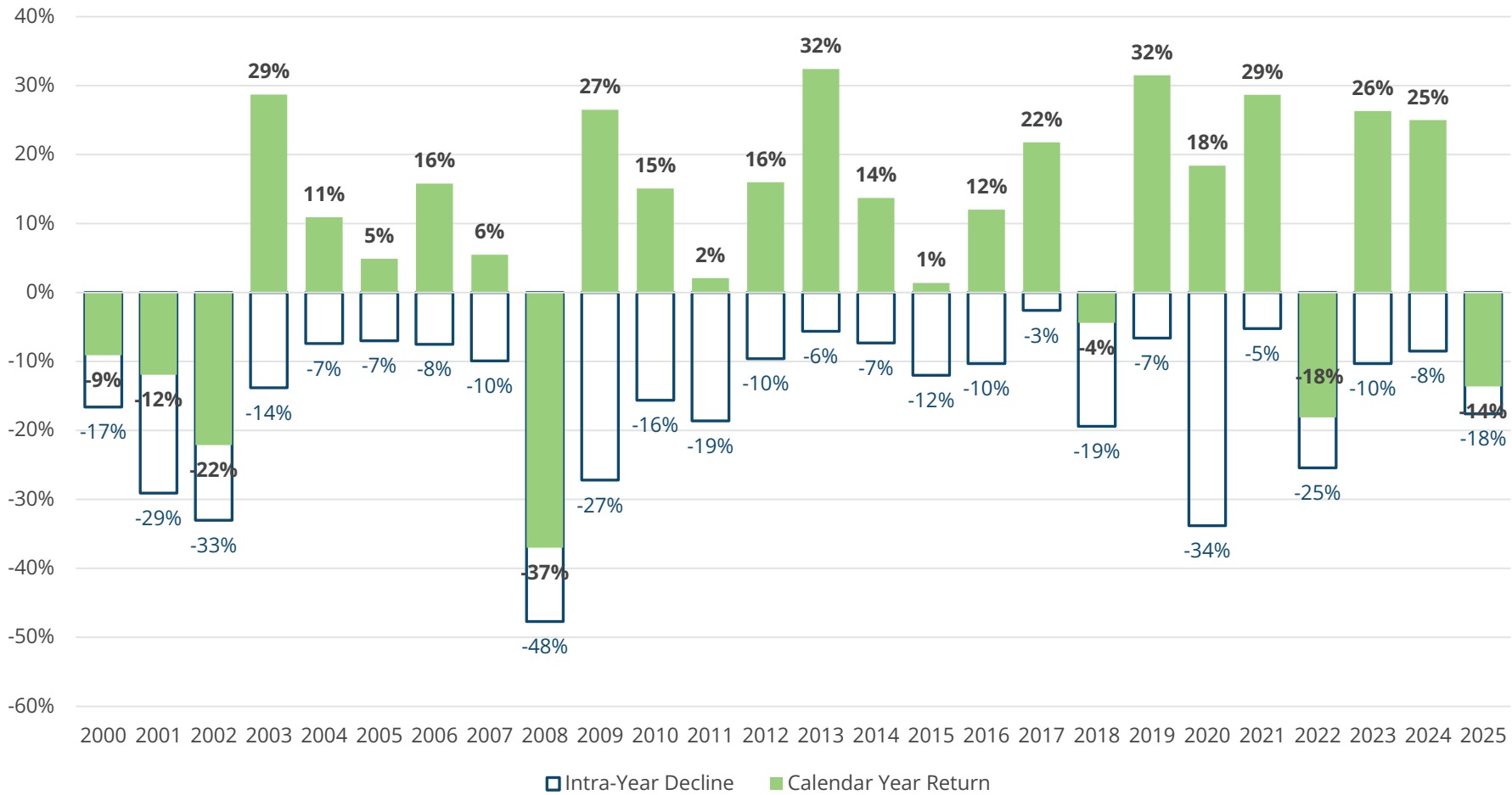
- Although the S&P 500 hit an all time high on February 19th, equity market sentiment shifted by quarter end
 - US large caps outperformed small; value outperformed growth; non-US had its best relative quarter in 15 years from a weaker US Dollar and investors shifting funds abroad
- Economy softened but still grew; some inflation progress; Fed hawkish pause
- March Federal Reserve Update for 2025 projections: GDP +1.7% (down from +2.1%), Inflation +2.8% (up from +2.5%), 50bps cut expectation held
- **1Q25 Returns:** S&P 500 -4.3%; Russell 2000 -9.5%; MSCI EAFE +6.9%; Bloomberg US Agg +2.8%
- Early April volatility: Global trade war began, S&P 500 touched bear market territory intraday (-20% from peak)

► Looking Forward

- Economy showing some signs of weakness, but a recession is not a given—roughly a 50-50 proposition
 - Economy still hinges on the continued strength of the labor market (and the US consumer)
 - Foreign country trade retaliation and US\$ strength/weakness may also inform economic outlook
 - Fed caught between rising prices and weakening economy
- Equity sentiment has turned negative
 - Market volatility has jumped and is likely to continue
 - Mag-7 became the Lag-7; leadership rotation towards defensives/value may persist
 - US policy uncertainty (taxes, tariffs, budgets, DOGE, deregulation, immigration) creates variability in economic growth projections and corporate earnings
 - Geopolitical risks are abundant, and “peace dividend” may fizzle
 - Fed Funds Futures are predicting more aggressive cuts; 4 25bps cuts in 2025 (up from 1-2 at the start of the year)
- Fixed income yields remain attractive but volatility likely to persist; lean toward higher quality bonds and maintain shorter duration posture

Intra Year Market Declines | S&P 500

S&P 500 Intra-Year Declines and Calendar Year Returns (2025 through 4/8/2025)



Fed Economic Projections | March 2025

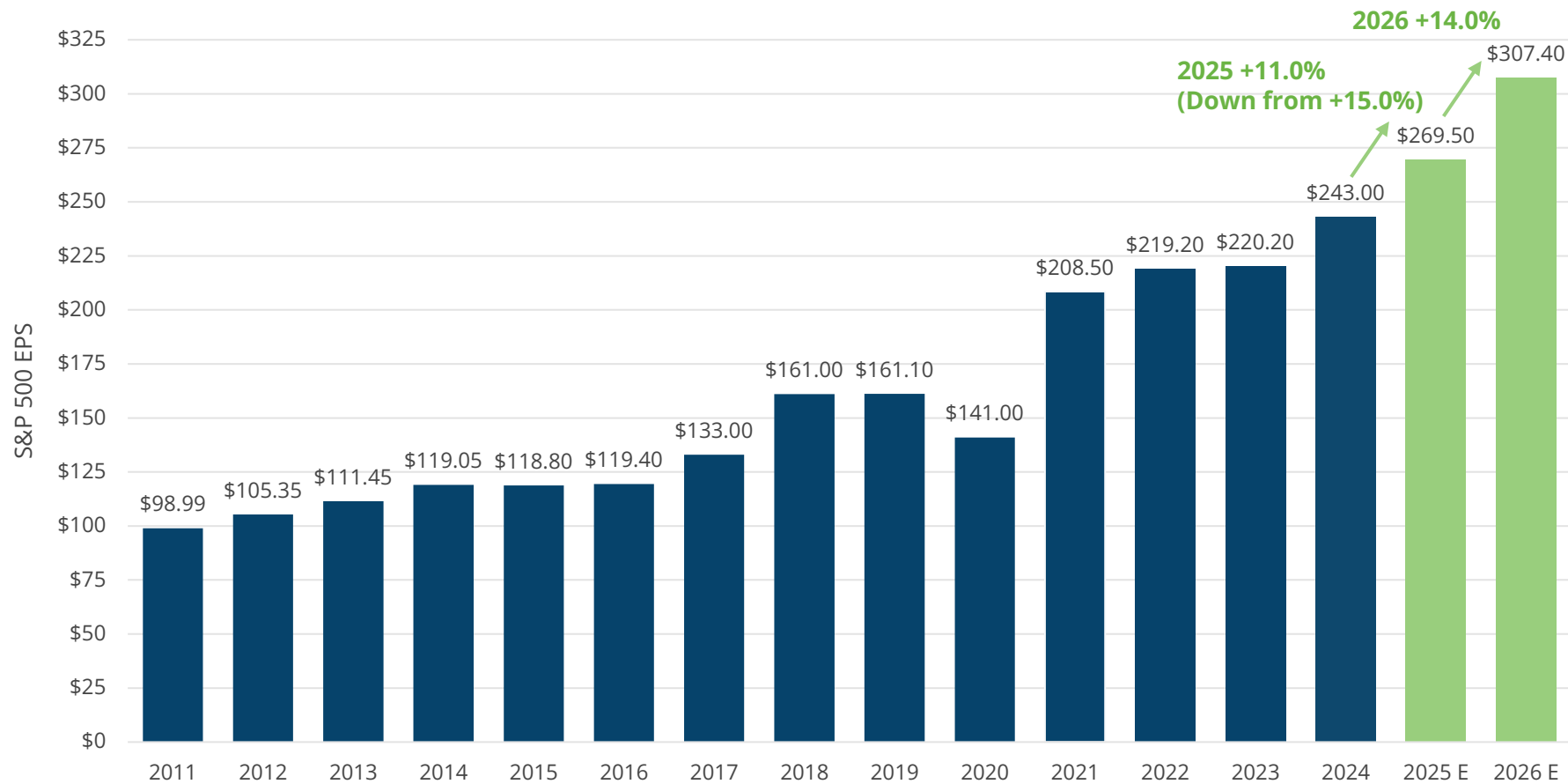
Federal Reserve Board Members & Bank Presidents

		2025	2026	2027	LONGER RUN*
GDP	March 2025	1.7%	1.8%	1.8%	1.8%
	December 2024	2.1%	2.0%	1.9%	1.8%
	September 2024	2.0%	2.0%	2.0%	1.8%
	June 2024	2.0%	2.0%		1.8%
Unemployment Rate	March 2025	4.4%	4.3%	4.3%	4.2%
	December 2024	4.3%	4.3%	4.3%	4.2%
	September 2024	4.4%	4.3%	4.2%	4.2%
	June 2024	4.2%	4.1%		4.2%
Core PCE Inflation	March 2025	2.8%	2.2%	2.0%	
	December 2024	2.5%	2.2%	2.0%	
	September 2024	2.2%	2.0%	2.0%	
	June 2024	2.3%	2.0%		
Federal Funds Rate	March 2025	3.9%	3.4%	3.1%	3.0%
	December 2024	3.9%	3.4%	3.1%	3.0%
	September 2024	3.4%	2.9%	2.9%	2.9%
	June 2024	4.1%	3.1%		2.8%
# of implied 25 bps Rate changes/year	March 2025	-2	-2	-1	
	December 2024	-2	-2	-1	
	September 2024	-4	-2		
	June 2024	-4	-4		

The Fed decided to maintain the benchmark rate in the target range of 4.25% - 4.50%. But in its statement and the presser, the Fed acknowledged that uncertainty around the economic outlook has increased.

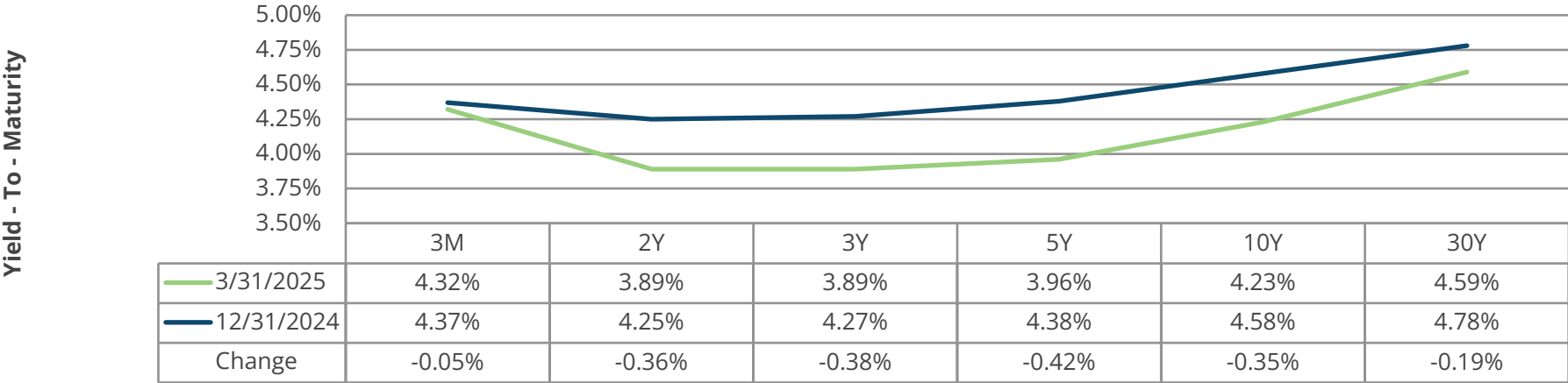
S&P 500 Earnings | Growth Expected | Estimates Have Come Down

S&P 500 Earnings Outlook

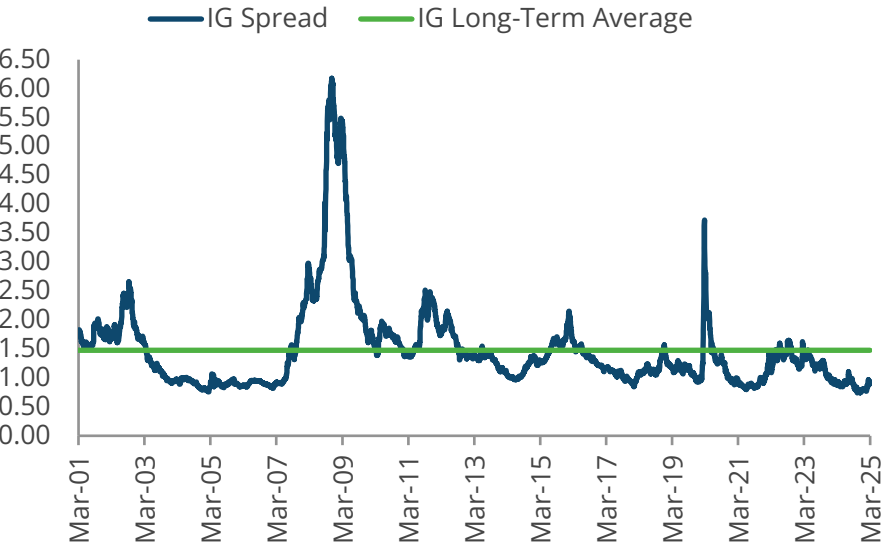


- ▶ Bottom-up earnings estimates for CY2025 at $\approx +11\%$ but these are largely pre- “Liberation Day”
 - Expectations for margin pressure and weakening sales likely to hinge on Q1-2025 forward guidance/outlook
 - Tariff uncertainty may begin to fade, but corporate sector may still not fully believe/judge that current tariff regime is permanent

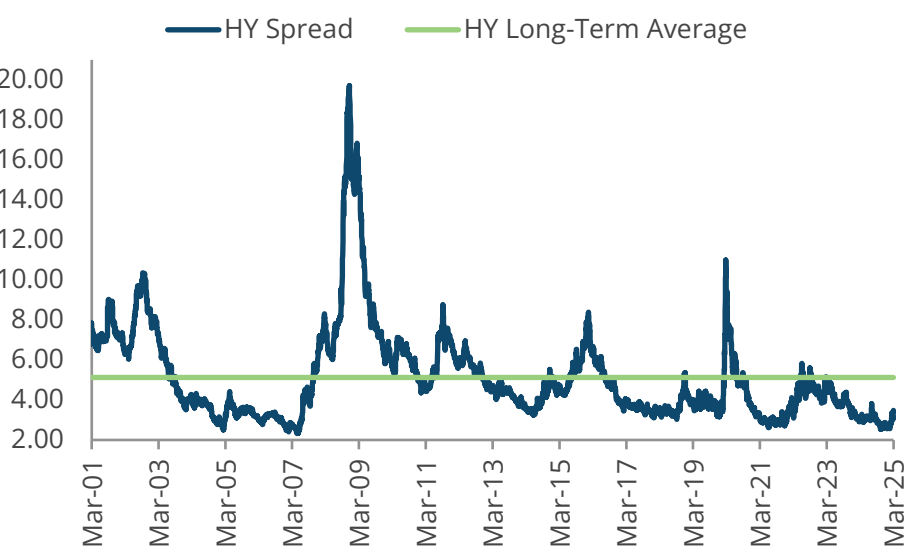
Fixed Income | Yields & Spreads



Investment Grade OAS



High Yield OAS





Performance Review: 3/31/2025

ORC and Investment Policy Compliance

		In Compliance
Ohio Revised Code Sections 339.06 and 339.061	All fiduciaries shall discharge their duties with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;	Yes
	At least twenty-five per cent of the average amount of the investment portfolio over the course of the preceding fiscal year shall be invested, as a reserve, in securities of the United States government or of its agencies or instrumentalities, the treasurer of state's Ohio subdivisions fund, obligations of this state or any political subdivision of this state, certificates of deposit of any national bank located in this state, 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, or bankers acceptances maturing in two hundred seventy days or less that are eligible for purchase by the federal reserve system;	Yes
	Money not required to be invested as a reserve under division (C)(2) of this section may be pooled with other institutional funds and invested in accordance with section 1715.52 of the Revised Code;	Yes
	The establishment of an investment committee within the board of county hospital trustees, which shall meet at least quarterly, to review and recommend revisions to the board's investment policy and to advise the board on investments made under division (C) of this section for the purpose of assisting the board in meeting its obligations as a fiduciary under that division.	Yes
	The investment advisor must be licensed by the division of securities under section 1707.141 of the Revised Code or is registered with the United States securities and exchange commission and must have experience in the management of investments of public funds, especially in the investment of state government investment portfolios, or is an institution eligible to be a public depository as described in section 135.03 of the Revised Code,	Yes
	Title to investments made by a board of county hospital trustees with money described in division (B) of this section shall not be vested in the county but shall be held in trust by the board.	Yes
Reserve Pool Investment Policy Guidelines	At all times MHS will maintain the amount of \$300 million as Designated Funds (Reserve Portfolio)	Yes*
	Minimum of 25% over the course of the preceding fiscal year shall be invested as a reserve	Yes
	Only qualifying securities are included	Yes
Non-Reserve Pool Investment Policy Guidelines	Only permissible securities are included	Yes
	Fixed income investments should emphasize high-quality (on average, the portfolio should have BBB- rating or better) and reasonable diversification.	Yes
	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.	Yes

Watch List Guidelines

Fund Manager Watch List/Termination Guidelines

While it is not the intention of the Investment Committee to regularly change investments, from time to time it may be necessary to do so based on performance or organizational issues. Each fund is expected to achieve certain Performance Objectives, as described in the Investment Policy Statement. Actual performance will be compared to these Performance Objectives by the investment consultant. From time to time, the funds may not achieve one or more of these standards, but will be expected to achieve them over a reasonable market cycle. Any shortfalls should be explainable in terms of general economic and capital market conditions.

The Management Investment Committee keeps a “Watch list” as a prudent step that precedes fund removals. The MetroHealth Investment Committee remains as the sole decision maker for fund addition and removal based on the Investment Policy Statement evaluation criteria specified, with or without a “Watch list.”

An investment option may be placed on a “Watch list” for closer monitoring when one or more of the following occur but is not limited to these items:

- An active investment strategy performs in the bottom quartile for its peer group for more than 2 consecutive years
- An active investment strategy underperforms its respective benchmark for more than 2 consecutive years
- There is an ownership change at the firm
- There is a Portfolio Manager departure
- There are significant/abnormal asset flows
- There is a violation of the investment philosophy’s guidelines

The investment may be placed on the “Watch list” for a period of 12 months; however, the Management Investment Committee retains the discretion to extend or reduce the time period that an investment option is on watch and the Management Investment Committee will review and evaluate the appropriateness of the investment for MetroHealth.

Watch List | As of 03/31/2025

Qualitative	Ownership Change	PM Departure	Strategy Inconsistency	Abnormal Asset Flows	Violating Guidelines	Other	Watch List
Vanguard Institutional Index	No	No	No	No	No	No	No
Vanguard FTSE Social Index	No	No	No	No	No	No	No
Harbor Capital Apprec. Instl	No	No	No	No	No	No	No
DFA U.S. Lg Cap Value Instl	No	No	No	No	No	No	No
Vanguard Mid Cap Index Adm	No	No	No	No	No	No	No
Harbor Small Cap Growth Instl	No	No	No	No	No	No	No
Boston Partners Sm Cap Value II	No	No	No	No	No	No	No
Vanguard Int't Growth	No	No	No	No	No	No	No
TransAmerican International Equity	No	No	No	No	No	No	No
First American Govt Obligations	No	No	No	No	No	No	No
Vanguard Ultra-Short-Term Bond	No	No	No	No	No	No	No
Lord Abbett Short Duration Income	No	No	No	No	No	No	No

Green/Yes = Concern

Quantitative	YTD	Performance vs. Benchmark					
		2024	2023	2022	2021	2020	2019
Vanguard Institutional Index	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%
Vanguard FTSE Social Index	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Harbor Capital Apprec. Instl	-0.1%	-2.9%	11.0%	-8.6%	-12.0%	15.9%	-3.1%
DFA U.S. Lg Cap Value Instl	0.2%	-1.7%	0.0%	1.7%	2.9%	-3.4%	-1.0%
Vanguard Mid Cap Index Adm	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%
Harbor Small Cap Growth Instl	0.6%	-5.9%	3.5%	0.9%	7.0%	3.8%	13.8%
Boston Partners Sm Cap Value II	1.8%	5.9%	2.1%	3.0%	-2.5%	-3.0%	5.6%
Vanguard Int'l Growth	-3.8%	4.0%	-0.8%	-14.8%	-8.5%	49.0%	10.0%
TransAmerican International Equity	4.5%	-2.0%	0.4%	1.9%	5.4%	-3.9%	-0.4%
Vanguard Ultra-Short-Term Bond	-0.3%	1.7%	1.2%	3.4%	0.8%	-1.1%	-0.2%
Lord Abbett Short Duration Income	0.0%	1.6%	1.2%	-0.7%	1.8%	0.0%	2.1%

Green = Negative Excess Return

Peer Performance						
YTD	2024	2023	2022	2021	2020	2019
41.0%	29.0%	25.0%	50.0%	21.0%	35.0%	22.0%
13.0%	5.0%	4.0%	98.0%	38.0%	10.0%	6.0%
65.0%	33.0%	4.0%	83.0%	81.0%	13.0%	45.0%
39.0%	68.0%	47.0%	54.0%	28.0%	81.0%	52.0%
9.0%	32.0%	49.0%	79.0%	41.0%	22.0%	20.0%
51.0%	94.0%	11.0%	32.0%	49.0%	49.0%	2.0%
29.0%	12.0%	43.0%	49.0%	81.0%	65.0%	12.0%
67.0%	21.0%	69.0%	84.0%	87.0%	2.0%	23.0%
62.0%	52.0%	69.0%	87.0%	32.0%	13.0%	22.0%
17.0%	3.0%	50.0%	1.0%	30.0%	94.0%	91.0%
68.0%	18.0%	51.0%	36.0%	13.0%	74.0%	22.0%

Blue = Bottom Quartile

Total System Snapshot | 03/31/2025

	System	Select Assurance	Total
Clearstead Investment Reports	\$ 467,683,854	\$ 108,455,882	\$ 577,139,736
Cash on Hand (Operating Accounts)	51,999,860	10,315,407	62,315,267
Other Investments (Premier shares, Recovery Resources, MHS Purchasing, MHS Care Innovation)	7,465,084	-	7,465,084
Total Cash & Unrestricted Investments	\$ 527,148,798	\$ 118,771,289	\$ 645,920,087

	Reserve Pool	Non Reserve Pool	Total
Clearstead System Report	\$ 213,694,459	\$ 253,989,395	\$ 467,683,854
Clearstead Select Assurance Report	-	108,455,882	108,455,882
System Cash Balance	51,999,860	-	51,999,860
Select Assurance Cash Balance	10,315,407	-	10,315,407
Other Investments	-	7,465,084	7,465,084
Total Cash & Unrestricted Investments	\$ 276,009,726	\$ 369,910,361	\$ 645,920,087

MetroHealth System | Attribution of Market Value Change

		Starting Balance	Net Cash Flow	Net Investment Change	Ending Balance
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
	Total	\$651,651,065	\$9,346,621	\$21,379,245	\$682,376,931
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
	Total	\$682,376,931	(\$122,436,356)	(\$34,104,619)	\$525,835,956
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
	Total	\$525,835,956	(\$73,829,293)	\$41,570,937	\$493,577,600
2024	Reserve	\$266,008,796	(\$64,369,811) ***	\$9,150,459	\$210,789,443
	Non-Reserve	\$227,568,804	\$0	\$30,159,238	\$257,728,041
	Total	\$493,577,600	(\$64,369,811)	\$39,309,694	\$468,517,482
1Q 2025	Reserve	\$210,789,443	(\$304,485)	\$3,209,502	\$213,694,460 *
	Non-Reserve	\$257,728,041	\$0	(\$3,738,646)	\$253,989,395 **
	Total	\$468,517,484	(\$304,485)	(\$529,148)	\$467,683,854

*The Reserve Pool balance excludes approximately \$28 million in System operating cash.

** The overall balance does not include \$108.6 million of Captive investments and \$10.3 million of Captive operating cash.

*** A large portion of this cash flow is due to a change in reporting. The Key Bank Operating account, which was valued at \$44,888,696 at 6/30/24 will be tracked internally as System Operating Cash rather than by Clearstead. Reported periods prior to 6/30/24 include the Key Bank Operating account

MetroHealth System | Performance Summary 3/31/2025

	QTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Total Plan	0.1	5.6	7.3	4.7	4.4	8.5	8.7	-5.0	3.9	Aug- 18
Non-Reserve Long-Term Pool	-3.2	6.1	15.4	7.3	16.2	19.6	23.1	-19.2	9.9	Aug- 18
<i>Non-Reserve LT Pool Benchmark¹</i>	-3.3	7.2	16.2	7.6	16.8	20.7	23.9	-18.5	10.6	
Total Equity	-3.2	6.0	15.4	7.2	16.2	19.6	23.2	-19.2	9.9	Aug- 18
Total Domestic Equity	-4.6	5.9	16.6	7.6	17.4	22.3	24.4	-19.0	11.2	Aug- 18
<i>Russell 3000 Index</i>	-4.7	7.2	17.7	8.2	18.2	23.8	26.0	-19.2	12.0	
<i>Russell 2000 Index</i>	-9.5	-4.0	7.2	0.5	13.3	11.5	16.9	-20.4	4.2	
<i>S&P 500 Index</i>	-4.3	8.3	18.6	9.1	18.6	25.0	26.3	-18.1	12.8	
Total International Equity	5.8	7.0	9.6	5.3	10.7	5.2	16.9	-20.5	4.1	Aug- 18
<i>MSCI AC World ex USA (Net)</i>	5.2	6.1	9.6	4.5	10.9	5.5	15.6	-16.0	4.7	
Total Fixed Income & Cash	1.0	4.6	4.8	3.9	2.3	4.9	4.7	1.1	2.2	Aug- 18
Non-Reserve Short-Term Pool	1.4	6.0	5.6	3.9	-	5.6	5.5	-2.6	2.6	May- 21
<i>Blmbg. U.S. Treasury: 1-3 Year</i>	1.6	5.4	4.2	2.8	1.1	4.0	4.3	-3.8	1.4	
Reserve Pool	1.7	5.2	4.4	3.3	1.8	4.1	4.6	-1.6	2.3	Aug- 18
<i>Blmbg. U.S. Treasury: 1-3 Year</i>	1.6	5.4	4.2	2.8	1.1	4.0	4.3	-3.8	2.0	
Total Fixed Income	1.7	5.2	4.4	3.3	1.8	4.1	4.6	-1.6	2.3	Aug- 18

¹Russell 3000 Index: 85.00%, MSCI AC World ex USA (Net): 15.00%

Select Assurance Captive | Attribution of Market Value Change

	Starting Balance	Contributions	Withdrawals	Net Investment Change	Ending Balance
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
2024	\$98,237,421	\$0	(\$23,239)	\$10,158,032	\$108,372,214
1Q 2025	\$108,372,214	\$0	(\$6,124)	\$89,793	\$108,455,882 *

- 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, \$10.3 million.

MetroHealth System: Portfolio Snapshot (as of 5/16/2025)

	Market Value as of 5/16/25		Change	New Allocation		Combined System Policy Range	Non-Reserve	
	\$1,000s	%		\$1,000s	%		Current	Range
Non-Reserve	\$210,287	39.8%	\$0	\$210,287	39.8%		100.0%	
<u>Domestic Equity</u>	<u>\$137,448</u>	<u>26.0%</u>	<u>\$0</u>	<u>\$137,448</u>	<u>26.0%</u>	<u>0-30%</u>	65.4%	<u>0-100%</u>
Large Cap	\$107,644	20.4%	\$0	\$107,644	20.4%			
Vanguard Inst 500 Index	\$70,869	13.4%		\$70,869	13.4%			
Vanguard FTSE Social Index	\$16,900	3.2%		\$16,900	3.2%			
Harbor Capital Appreciation	\$10,275	1.9%		\$10,275	1.9%			
DFA US Large Cap Value	\$9,600	1.8%		\$9,600	1.8%			
Mid Cap	\$11,781	2.2%	\$0	\$11,781	2.2%			
Vanguard Mid Cap Index	\$11,781	2.2%		\$11,781	2.2%			
Small Cap	\$10,558	2.0%	\$0	\$10,558	2.0%			
Harbor Small Growth	\$5,123	1.0%		\$5,123	1.0%			
Boston Partners Small Value	\$5,435	1.0%		\$5,435	1.0%			
Other Investments**	\$7,465	1.4%		\$7,465	1.4%			
Premier, Recovery Res, MHS Purch, MHS Innov	\$7,465	1.4%		\$7,465	1.4%			
<u>International Equity</u>	<u>\$22,051</u>	<u>4.2%</u>	<u>\$0</u>	<u>\$22,051</u>	<u>4.2%</u>	<u>0-10%</u>	10.5%	<u>0-20%</u>
Vanguard International Growth	\$10,289	1.9%		\$10,289	1.9%			
Transamerica (TS&W) International	\$11,762	2.2%		\$11,762	2.2%			
<u>Fixed Income & Cash (Non-Res ST Pool)</u>	<u>\$50,788</u>	<u>9.6%</u>	<u>\$0</u>	<u>\$50,788</u>	<u>9.6%</u>		24.2%	<u>0-100%</u>
Lord Abbett Short Duration	\$25,408	4.8%		\$25,408	4.8%			
Vanguard Ultra Short-Term Bond	\$25,380	4.8%		\$25,380	4.8%			
Reserve Pool (5/16/25)	\$317,900	60.2%		\$317,900	60.2%			
<u>Total System Fixed Income & Cash</u>	<u>\$368,688</u>	<u>69.8%</u>	<u>\$0</u>	<u>\$368,688</u>	<u>69.8%</u>	<u>60-100%</u>		
Combined System	\$528,187	100.0%		\$528,187	100.0%			

**Other Investments as of 03/31/25

- Through 5/16, the Non-Reserve Long-Term Pool was estimated to be up \$8 million since 3/31/2025
- The Reserve Pool has a market value of over \$300 million
- Both the Non-Reserve Pool and Combined System Portfolio are in compliance with the Investment Policy Statement and Ohio Revised Code guidelines



Strategic Asset Allocation Analysis and Investment Policy Review

Holistic View of Risk



Capital Market Assumptions

Purpose	Asset Class	Forecasted Return	Forecasted Volatility
Growth Assets	Global Equity	6.6%	17.7%
Growth Assets	U.S. Large / Mid Cap	5.6%	17.0%
Growth Assets	U.S. Small Cap	6.8%	17.9%
Growth Assets	Developed Int'l Large / Mid Cap	7.1%	17.5%
Growth Assets	Developed Int'l Small Cap	7.8%	21.4%
Growth Assets	Emerging Markets	9.0%	22.9%
Growth Assets	Public REITs	6.5%	19.8%
Growth Assets	Public Real Asset / Infrastructure	8.2%	13.6%
Growth Assets	Private Equity	9.6%	21.1%
Liquidity & Income	Core Fixed Income	4.9%	4.8%
Liquidity & Income	High Yield	5.7%	10.1%
Liquidity & Income	Emerging Markets Debt	6.3%	10.3%
Liquidity & Income	Long Gov't/Credit	5.3%	11.1%
Liquidity & Income	Private Credit	9.0%	12.1%
Liquidity & Income	Cash	2.6%	1.9%
Diversifying Assets	Absolute Return	6.6%	8.1%
Diversifying Assets	Diversified Growth	6.3%	11.7%
Diversifying Assets	Private Real Assets	8.2%	13.6%
Diversifying Assets	Private Core Real Estate	5.6%	12.8%
Diversifying Assets	Private Core Real Estate (Value Add)	7.6%	17.3%

Growth Assets | Growth assets are intended to generate higher relative returns for the portfolio, providing real growth of the portfolio over time. It is assumed that growth assets carry risk in various forms. In the case of an asset pool with a defined spending policy, the growth bucket is intended to help maintain the purchasing power of the assets.

Liquidity & Income | Income oriented assets are included with the primary objective of generating income. Credit quality tends to be the major driver of investment income, as well as risk. Secondary objectives for income investments may include preservation of capital, volatility mitigation, diversification and in some cases growth.

Diversifying Assets | Diversifying assets are intended to achieve returns like growth and/or income assets over time but with less correlation to those assets. The primary purposes of these strategies are for diversification and growth and/or income.

Strategic Asset Allocation Review | Forward Looking Analysis

05/16/2025

	\$318 million 60.2% Reserve Pool	\$51 million 9.7% Non-Reserve Pool ST	\$159 million 30.1% Non-Reserve Pool LT (Policy Range)	\$528 million 100.0% Combined System (Policy Range)	\$112 million Select Assurance (Policy Range)
U.S. Equity	0%	0%	85% (0%-100%)	26% (0%-30%)	35% (0%-50%)
International Equity	0%	0%	15% (0%-20%)	5% (0%-10%)	15% (0%-20%)
Alternative Investments	0%	0%	0%	0%	10% (0%-20%)
Fixed Income & Cash	100%	100%	0%	69% (60%-100%)	40% (0%-70%)
Total	100%	100%	100%	100%	100%
*10-Yr Forecasted Return	3.9%	3.9%	6.0%	4.6%	6.1%
*10-Yr Forecasted Return (75th – 25th Percentile)	3.3% - 4.5%	3.3% - 4.5%	2.5% - 10.0%	3.1% - 6.2%	4.0% - 8.3%
Forecasted Volatility (annual)	2.7%	2.7%	17.3%	7.2%	9.6%

Strategic Asset Allocation Review | Portfolio Sensitivity Analysis (Combined System Portfolio)

How to read:

A 0.5% decrease in rates combined with a 15% decrease in the S&P 500 would result in a return of approximately -0.8% for the Portfolio.

Data Inputs

Beginning Value: \$528 million
Portfolio Beta (S&P 500): 0.28
Fixed Income Duration: 1.6

		Portfolio Return (%) - 1 Year Estimate						
		Equity Return						
		25%	15%	5%	0%	-5%	-15%	-25%
Rate Change	-1.0%	11.0%	8.2%	5.4%	4.0%	2.6%	-0.2%	-3.0%
	-0.5%	10.4%	7.6%	4.8%	3.4%	2.0%	-0.8%	-3.6%
	0.0%	9.9%	7.1%	4.3%	2.9%	1.5%	-1.3%	-4.1%
	1.0%	8.8%	6.0%	3.2%	1.8%	0.3%	-2.5%	-5.3%
	2.0%	7.6%	4.8%	2.0%	0.6%	-0.8%	-3.6%	-6.4%
		Portfolio Return (\$ in '000) - 1 Year Estimate						
		Equity Return						
		25%	15%	5%	0%	-5%	-15%	-25%
Rate Change	-1.0%	\$58,027	\$43,243	\$28,459	\$21,067	\$13,675	-\$1,109	-\$15,893
	-0.5%	\$55,070	\$40,286	\$25,502	\$18,110	\$10,718	-\$4,066	-\$18,850
	0.0%	\$52,114	\$37,330	\$22,546	\$15,154	\$7,762	-\$7,022	-\$21,806
	1.0%	\$46,200	\$31,416	\$16,632	\$9,240	\$1,848	-\$12,936	-\$27,720
	2.0%	\$40,286	\$25,502	\$10,718	\$3,326	-\$4,066	-\$18,850	-\$33,634
		Portfolio Market Value (\$ in '000) - 1 Year Estimate						
		Equity Return						
		25%	15%	5%	0%	-5%	-15%	-25%
Rate Change	-1.0%	\$586,027	\$571,243	\$556,459	\$549,067	\$541,675	\$526,891	\$512,107
	-0.5%	\$583,070	\$568,286	\$553,502	\$546,110	\$538,718	\$523,934	\$509,150
	0.0%	\$580,114	\$565,330	\$550,546	\$543,154	\$535,762	\$520,978	\$506,194
	1.0%	\$574,200	\$559,416	\$544,632	\$537,240	\$529,848	\$515,064	\$500,280
	2.0%	\$568,286	\$553,502	\$538,718	\$531,326	\$523,934	\$509,150	\$494,366

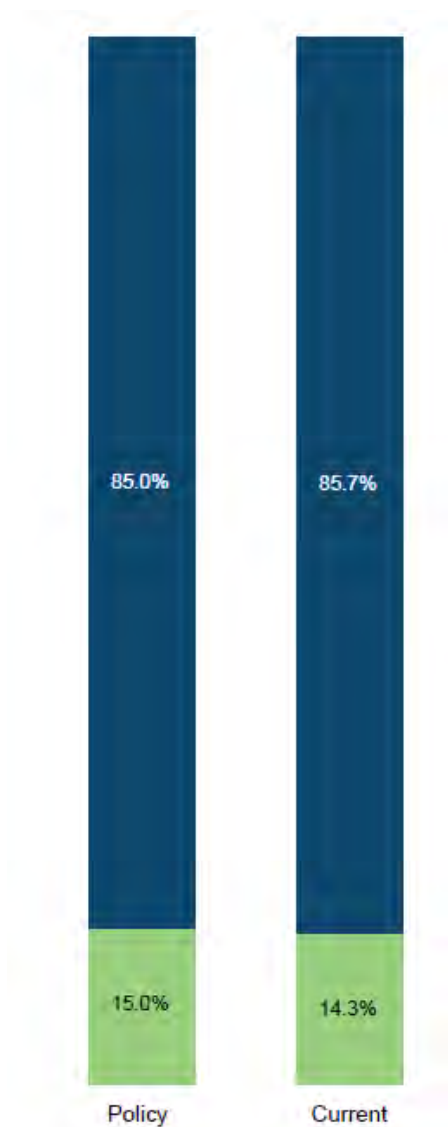
Investment Policy Review Checklist

		Key Guidelines
Objectives	Purpose of the Policy	Establish rules for the management and investment of MHS Qualifying Funds
	Time Horizon	Non-Reserve Portfolio has a long-term time horizon and are not needed for operations for at least 7 years
	Investment Objectives	Preserves capital via the Reserve Portfolio , and mitigates unavoidable volatility and capital losses over shorter periods through diversity of the asset allocation strategy; Manages risk by diversifying investments, market segments, and investment styles; Maintains adequate liquidity consistent with MHS's annual budgeting process and longer-range projections and as further detailed in this Policy; Maximizes total investment return by an effective asset allocation process that results in returns in excess of the overall market while avoiding excessive risk; Emphasizes long-term capital growth, excluding contributions and withdrawals.
Governance	Standards and Duties	Ensure that management and investment decisions about any individual or group of assets adhere to the Investment Objectives; Ensure that costs incurred for the Investment Portfolio are appropriate and reasonable in relation to the Investment Portfolio in accordance with applicable law and are reviewed against comparables in accordance with reporting; Reasonable efforts are to be made to control risk, and investment managers will be evaluated regularly to ensure that the risk assumed is commensurate with the objectives.
	Investment Committee Responsibilities	Investment Committee shall meet quarterly to advise the Board of Trustees on the performance of the Investment Portfolio. MHS May retain the services of an Investment Advisor with certain qualifications. MHS shall manage and administer the ongoing operations of the Investment Portfolio by providing safekeeping of documents, making records available, establishing and monitoring a system of internal controls, and ensuring that investment activity is reviewed by an external auditor.
Investment Guidelines/Constraints	Reserve Portfolio	Minimum of 25% and \$300 million of investment portfolio over the course of the preceding fiscal year shall be invested as a reserve. Eligible securities and obligations stated.
	Non-Reserve Portfolio	Can have equity allocation up to 100% ; All permissible investments within the Reserve Portfolio are allowable with additional guidelines stated.
	Total Portfolio	Must have a minimum of 60% Fixed Income/Cash and Equivalents and maximum of 40% Equities
	Prohibited Investments and Transactions	Stated
Other	Ohio Revised Code Compliance	Invest in accordance with the provisions of Sections 339.06 and 339.061 of the Ohio Revised Code
	Ethics and Conflict of Interest	Stated



Appendix

MetroHealth System | Performance Report Card



	Current	Policy	Difference	Policy Range	Within Range
Total Domestic Equity	85.7	85.0	0.7	0.0 - 100.0	Yes
Total International Equity	14.3	15.0	-0.7	0.0 - 20.0	Yes
Total Equity	100.0	100.0	0.0		

MetroHealth System | Performance Report Card

	% of Portfolio	QTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Total Plan	100.0	0.1	5.6	7.3	4.7	4.4	-	-	8.5	8.7	-5.0	3.9	Aug-18
Non-Reserve Long-Term Pool	30.7	-3.2	6.1	15.4	7.3	16.2	-	-	19.6	23.1	-19.2	9.9	Aug-18
<i>Non-Reserve LT Pool Benchmark</i>		-3.3	7.2	16.2	7.6	16.8	-	-	20.7	23.9	-18.5	10.6	
Total Equity	30.4	-3.2	6.0	15.4	7.2	16.2	-	-	19.6	23.2	-19.2	9.9	Aug-18
Total Domestic Equity	26.1	-4.6	5.9	16.6	7.6	17.4	-	-	22.3	24.4	-19.0	11.2	Aug-18
<i>Russell 3000 Index</i>		-4.7	7.2	17.7	8.2	18.2	12.5	11.8	23.8	26.0	-19.2	12.0	
Vanguard Institutional Index	14.2	-4.3	8.2	18.5	9.0	18.6	13.2	12.5	25.0	26.2	-18.1	12.7	Aug-18
<i>S&P 500 Index</i>		-4.3	8.3	18.6	9.1	18.6	13.2	12.5	25.0	26.3	-18.1	12.8	
Vanguard FTSE Social Index I	3.4	-6.2	7.3	19.1	8.5	18.2	13.4	12.6	26.0	31.8	-24.2	7.2	Aug-21
<i>FTSE U.S. Choice Index</i>		-6.2	7.4	19.2	8.6	18.4	13.5	12.7	26.1	31.9	-24.1	6.4	
Harbor Capital Apprec. Instl	1.9	-10.1	3.2	23.5	9.1	17.9	14.2	14.2	30.5	53.7	-37.7	13.7	Aug-18
<i>Russell 1000 Growth Index</i>		-10.0	7.8	22.4	10.1	20.1	16.1	15.1	33.4	42.7	-29.1	15.5	
DFA U.S. Lg Cap Value Instl	2.1	2.3	3.7	13.1	6.7	17.6	8.3	8.9	12.7	11.5	-5.8	8.0	Aug-18
<i>Russell 1000 Value Index</i>		2.1	7.2	13.5	6.6	16.1	9.2	8.8	14.4	11.5	-7.5	8.8	
Vanguard Mid Cap Index Adm	2.4	-1.6	5.1	12.5	4.5	16.2	9.4	8.9	15.2	16.0	-18.7	9.0	Aug-18
<i>Vanguard Mid Cap Index Benchmark</i>		-1.6	5.2	12.6	4.5	16.2	9.4	8.9	15.3	16.0	-18.7	9.0	
Harbor Small Cap Growth Instl	1.0	-10.5	-10.2	5.4	0.5	12.1	7.5	7.6	9.3	22.2	-25.5	6.8	Aug-18
<i>Russell 2000 Growth Index</i>		-11.1	-4.9	7.0	0.8	10.8	5.0	6.1	15.2	18.7	-26.4	3.9	
Boston Partners Sm Cap Value II I	1.1	-5.9	1.9	10.6	4.3	18.3	6.4	6.9	14.0	16.7	-11.5	4.6	Dec-21
<i>Russell 2000 Value Index</i>		-7.7	-3.1	7.3	0.0	15.3	5.3	6.1	8.1	14.6	-14.5	0.5	
Total International Equity	4.4	5.8	7.0	9.6	5.3	10.7	-	-	5.2	16.9	-20.5	4.1	Aug-18
<i>MSCI AC World ex USA (Net)</i>		5.2	6.1	9.6	4.5	10.9	4.5	5.0	5.5	15.6	-16.0	4.7	
Transamerica International Equity I	2.4	9.7	9.6	10.5	6.7	13.4	4.9	5.2	3.5	16.0	-14.1	5.2	Aug-18
<i>MSCI AC World ex USA (Net)</i>		5.2	6.1	9.6	4.5	10.9	4.5	5.0	5.5	15.6	-16.0	4.7	
Vanguard International Growth Adm	2.0	1.4	5.5	6.4	1.8	10.6	6.5	8.3	9.5	14.8	-30.8	-4.1	Oct-24
<i>MSCI AC World ex USA (Net)</i>		5.2	6.1	9.6	4.5	10.9	4.5	5.0	5.5	15.6	-16.0	-2.8	
Total Fixed Income & Cash	0.3	1.0	4.6	4.8	3.9	2.3	-	-	4.9	4.7	1.1	2.2	Aug-18
First American Govt Obligations Y	0.3	1.0	4.6	4.8	3.9	2.3	2.1	1.6	4.9	4.7	1.3	2.2	Aug-18
<i>90 Day U.S. Treasury Bill</i>		1.0	5.0	5.1	4.2	2.6	2.5	1.9	5.3	5.0	1.5	2.5	

MetroHealth System | Performance Report Card

	% of Portfolio	QTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Non-Reserve Short-Term Pool	23.6	1.4	6.0	5.6	3.9	-	-	-	5.8	5.5	-2.6	2.6	May-21
Blmbg. U.S. Treasury: 1-3 Year		1.6	5.4	4.2	2.8	1.1	2.0	1.5	4.0	4.3	-3.8	1.4	
Vanguard Ultra-Short-Term Bond Adm	12.0	1.3	5.8	5.6	4.4	2.9	2.8	2.3	5.7	5.5	-0.4	3.0	May-21
Blmbg. U.S. Treasury: 1-3 Year		1.6	5.4	4.2	2.8	1.1	2.0	1.5	4.0	4.3	-3.8	1.4	
Lord Abbett Short Duration Income F3	11.6	1.6	6.2	5.5	3.5	3.6	2.8	2.5	5.6	5.5	-4.5	2.1	May-21
Blmbg. U.S. Treasury: 1-3 Year		1.6	5.4	4.2	2.8	1.1	2.0	1.5	4.0	4.3	-3.8	1.4	
Reserve Pool	45.7	1.7	5.2	4.4	3.3	1.8	-	-	4.1	4.6	-1.6	2.3	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		1.6	5.4	4.2	2.8	1.1	2.0	1.5	4.0	4.3	-3.8	2.0	
Total Fixed Income	45.7	1.7	5.2	4.4	3.3	1.8	-	-	4.1	4.6	-1.6	2.3	Aug-18
US Bank Investment Account	36.4	1.6	5.1	4.3	2.9	1.3	-	-	3.8	4.8	-3.5	2.1	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		1.6	5.4	4.2	2.8	1.1	2.0	1.5	4.0	4.3	-3.8	2.0	
Fifth-Third Managed	9.3	2.0	5.5	4.1	2.7	1.0	-	-	3.5	4.5	-4.8	2.1	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		1.6	5.4	4.2	2.8	1.1	2.0	1.5	4.0	4.3	-3.8	2.0	
PNC Money Market	0.0	1.0	4.9	5.0	4.2	2.5	-	-	5.1	4.9	1.5	2.3	Aug-18

Oversight Committee Best Practices

When working with a Fiduciary, the following are some important best-practice governance factors that should be considered by oversight committees:

- ▶ **Set a framework for investment governance and operations**
 - There should be no ambiguity surrounding who is responsible for what; a complete assessment of governance and operational needs should be carried out
- ▶ **Convey broader institutional responsibilities to the fiduciary**
 - Budget, finance, accounting, compliance, development, and other operational functions should be made known and considered by the fiduciary
- ▶ **Investment policy statement (IPS)**
 - The fiduciary must understand the IPS and work with the oversight committee to align goals and mission with asset allocation, risk management, performance targets, and manager selection, among other fiduciary components
- ▶ **Establish a diligence framework**
 - Ensure the fiduciary is on the same page regarding manager selection parameters and goals
- ▶ **Assess and convey liquidity needs**
 - Confirm that important liquidity elements, such as spending policies and illiquid investment tolerance are in the IPS and understood by the fiduciary
- ▶ **Monitor other effects on the institution**
 - Changes in goals, strategy, liquidity needs, etc. should be coordinated with the fiduciary

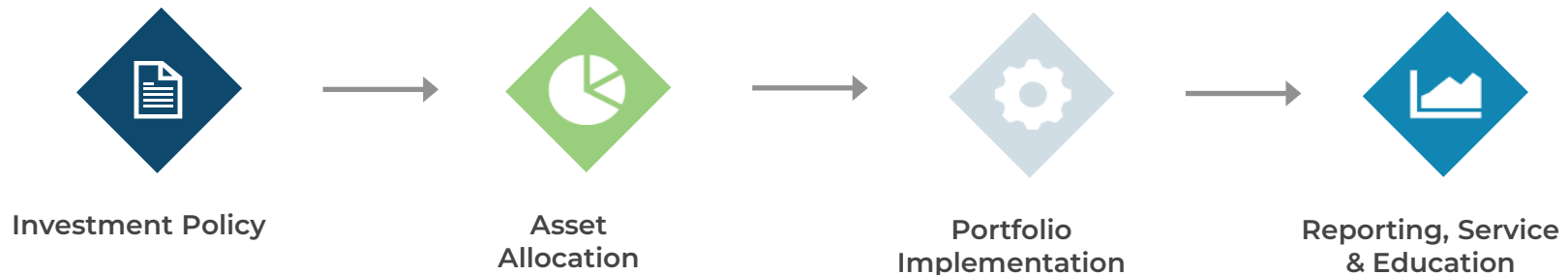
Fiduciary Standards

What Does It Mean To Be A Fiduciary?

Being a Fiduciary is a great honor; however, it also carries with it a tremendous amount of responsibility. Essentially, the fiduciary is being asked to make decisions (in this case, regarding money and investments) for the greater good of a community or group of people. Under most circumstances, the assets overseen are not their own. As such, there are several rules and regulations that apply to Fiduciaries.

Set a framework for investment governance and operations

- ▶ Know and Understand Your Fiduciary Duties
- ▶ Diversify Portfolio Assets With Regard to the Specific Risk/Return Objectives of Beneficiary Institution
- ▶ Prepare Written Investment Policies, and Document the Process Used to Derive Investment Decisions
- ▶ Use Professionals (“Prudent Experts”) to Help Make Investment Decisions
- ▶ Monitor the Activities of All Investments and Service Providers
- ▶ Control and Account for All Investment Expenses (Ensure Reasonable Costs)
- ▶ Avoid Conflicts of Interest



Definitions & 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.

The performance data shown represent past performance. Past performance is not indicative of future results. Current performance data may be lower or higher than the performance data presented. Returns for periods longer than one year are annualized. Each number is independently rounded.

Information contained in these reports was received via a variety of sources and data is believed to be accurate, but Clearstead has not independently verified the information. These reports are for informational purposes only and are not intended to satisfy any compliance or regulatory conditions set forth by any governing body of the securities industry. These reports do not take the place of any brokerage statements, any fund company statements, or tax forms. **You are urged to compare this report with the statement you receive from your custodian covering the same period.** Differences in positions may occur due to reporting dates used and whether certain assets are not maintained by your custodian. There may also be differences in the investment values shown due to the use of differing valuation sources and methods.

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.

These reports are not to be construed as an offer or the solicitation of an offer to buy or sell securities mentioned herein. Information contained in these reports are based on sources and data believed reliable. The information used to construct these reports was received via a variety of sources. These reports are for informational purposes only and are not intended to satisfy any compliance or regulatory conditions set forth by any governing body of the securities industry. These reports do not take the place of any brokerage statements, any fund company statements, or tax forms. You are urged to compare this report with the statement you receive from your custodian covering the same period. Differences in positions may occur due to reporting dates used and whether certain assets are not maintained by your custodian. There may also be differences in the investment values shown due to the use of differing valuation sources and methods. 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.

This evaluation report has been prepared for the exclusive use of a specific client and no part of it may be used by any investment manager without permission of that client and Clearstead. Evaluation of investment managers covers both quantitative and qualitative aspects. In addition to the investment performance evaluation, we monitor ownership structure, track key-employee information, and hold regular meetings with each investment management organization employed by our clients.

The data presented in this report have been calculated on a time-weighted rate of return basis. All returns are net of investment advisory fees, but gross of Clearstead advisory fees and custodian fees, unless otherwise labeled. The deduction of Clearstead advisory fees and custodian fees would have the effect of decreasing the indicated investment performance.

A current copy of Clearstead's ADV-Part 2 is available to all clients upon request. 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, and 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 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.

Bloomberg U.S. Treasury Index is designed to cover public obligations of the U.S. Treasury with a remaining maturity of one year or more. Bloomberg 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. Bloomberg 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 be included in the index. Bloomberg International Bond 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. Bloomberg CMBX Index is designed to mirror commercial mortgage-backed securities of investment-grade quality (Baa3/BBB-/BBB- above) using Moody's S&P, and Fitch respectively, with maturity of at least one year. Bloomberg 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). Bloomberg 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. Bloomberg TIPS Index is an unmanaged market index made up of U.S. Treasury Inflation Linked Index securities. Bloomberg 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. Bloomberg 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 debt; the index covers the following collateral types: credit cards, autos, home equity loans, stranded-cost utility (rate-reduction bonds), and manufactured housing. Bloomberg 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. Bloomberg US Corporate Long Aa Index is an unmanaged index representing public obligations of U.S. corporate and specified foreign debentures and secured notes with a remaining maturity of 10 years or more. Bloomberg U.S. Corporate High-Yield Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Bloomberg 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. Bloomberg 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. Bloomberg 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. Bloomberg BAA Corporate Index measures the performance of the taxable Baa rated fixed-rate U.S. dollar-denominated corporate bond market. Bloomberg 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. Bloomberg Emerging Market Bond Index is an unmanaged index that total returns for external-currency-denominated debt instruments of the emerging markets. Bloomberg Secured Bond Index is a composite of asset-backed securities, collateralized mortgage-backed securities (ERISA-eligible) and fixed rate mortgage-backed securities. Bloomberg Quality Distribution AAA, B, and CC-D Indices measure the respective credit qualities of U.S. corporate and specified foreign debentures and secured notes. Bloomberg 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 CMBX Index. Bloomberg 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. Bloomberg Intermediate Aggregate Index measures the performance of intermediate-term investment grade bonds. Bloomberg 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. 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 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 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 JP Morgan Emerging Markets Bond Index Plus (EMBI+) Index tracks total returns for traded external debt instruments (external meaning foreign currency denominated fixed income) in the emerging markets. The JPMorgan GBI Global ex-US Index represents the total return performance of major non-U.S. bond markets.

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 HFRI Global Market Index is a benchmark designed to reflect the performance of global macro hedge fund strategies, focusing on identifying opportunities by examining global economic relationships and trends. 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. HFR Relative Value Index tracks investment managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income 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. RV position may be involved in corporate transactions also, but as opposed to ED exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction. HFRI Fund of Funds Conservative Index is an equal-weighted index representing funds or funds that invest with multiple managers. 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 FTSE All-World ex US Index comprises large and mid-cap stocks providing coverage of developed and emerging markets, excluding the US. The FTSE NAREIT Developed Index is a global market capitalization weighted index composed of listed real estate securities from developed market countries in North America, Europe, and Asia. The FTSE NAREIT Developed ex U.S. Index is a global market capitalization weighted index composed of listed real estate securities from developed market countries in North America, Europe, and Asia, excluding the U.S. The FTSE High Yield Index comprises stocks that are characterized by higher-than average dividend yields, and is based on the US component of the FTSE Global Equity Index Series (GEIS). 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 FTSE NAREIT Equity REIT Index is an unmanaged index reflecting performance of the U.S. real estate investment trust market. The Morningstar Lifetime Allocation Index series consists of 13 indexes (Income, 2025, 2030, 2035, 2040, 2045, 2050, 2055, 2060) available in three risk profiles: aggressive, moderate, and conservative. The indexes are built on asset allocation methodologies developed by Ibbotson Associates, a leader in asset allocation research and a Morningstar company since 2006. The Indexes provide pure asset-class exposure to global equities, global fixed-income, commodities, and Treasury Inflation-Protected Securities (TIPS) by using existing Morningstar indexes as allocation building blocks. The portfolio allocations are held in proportions appropriate to the U.S. investor's number of years until retirement. The Conservative, Moderate and Aggressive risk profiles are for investors who are comfortable with below-average exposure to equity market volatility, investors who are comfortable with average exposure to equity market volatility and well-funded investors who are comfortable with above average exposure to equity market volatility, respectively.



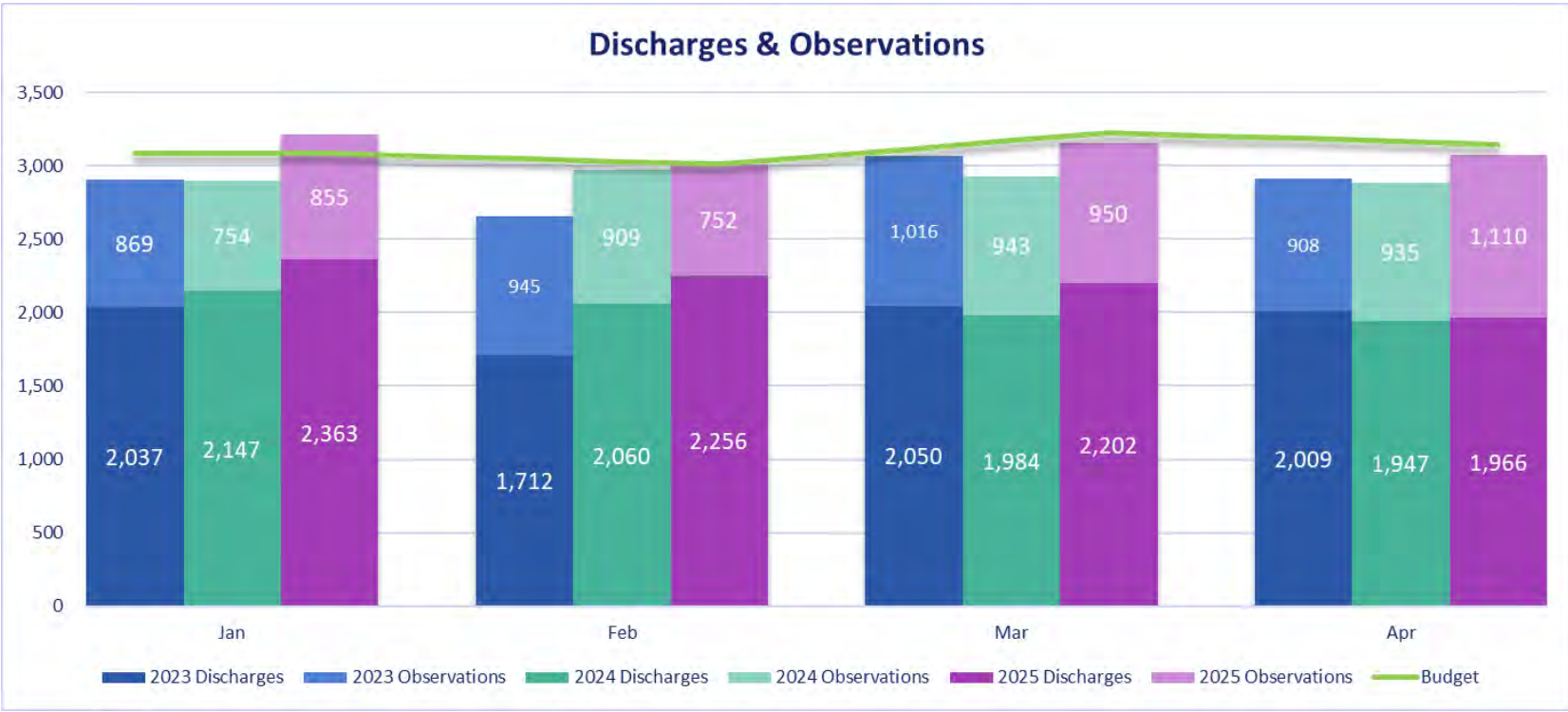


MetroHealth

Monthly Financial Results Public Session

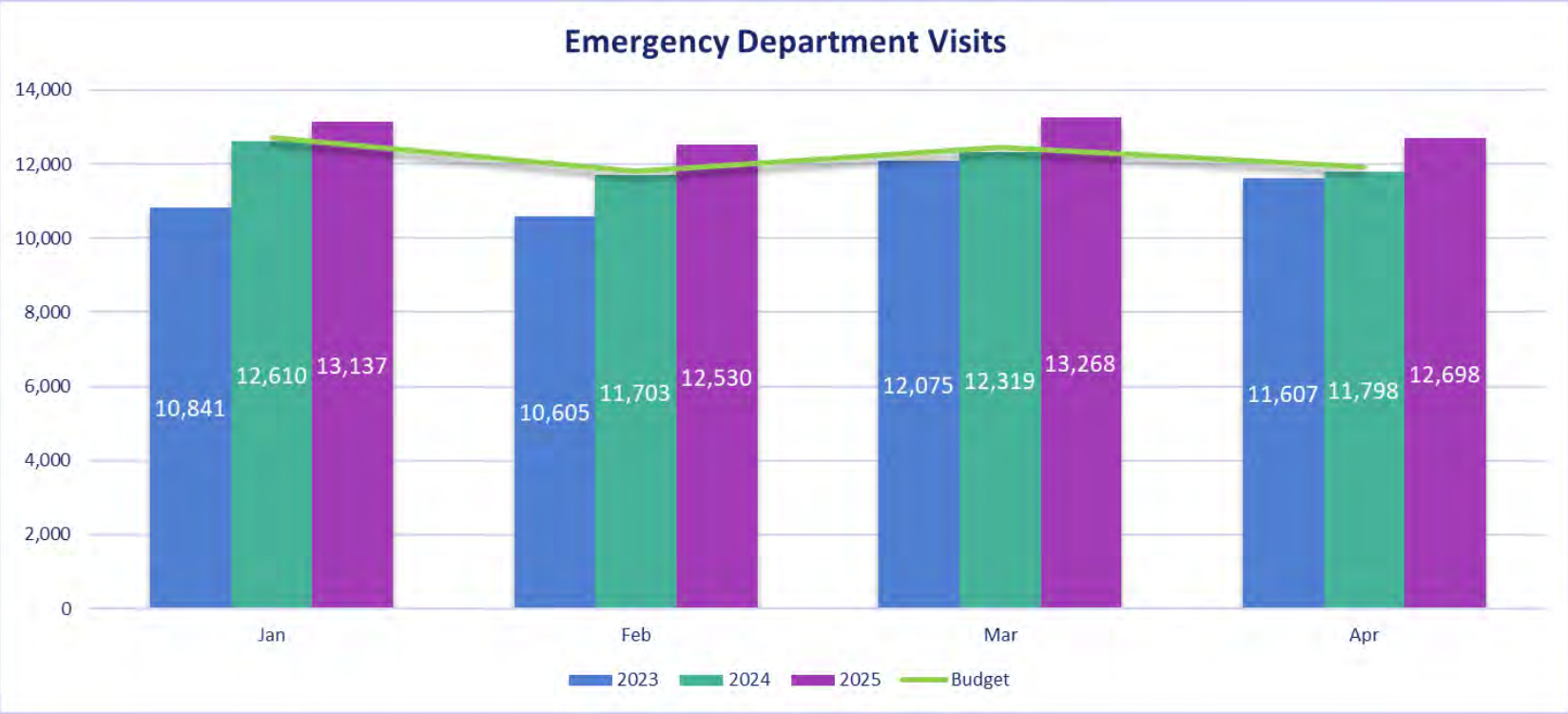
April 30, 2025

Statistics & Volumes



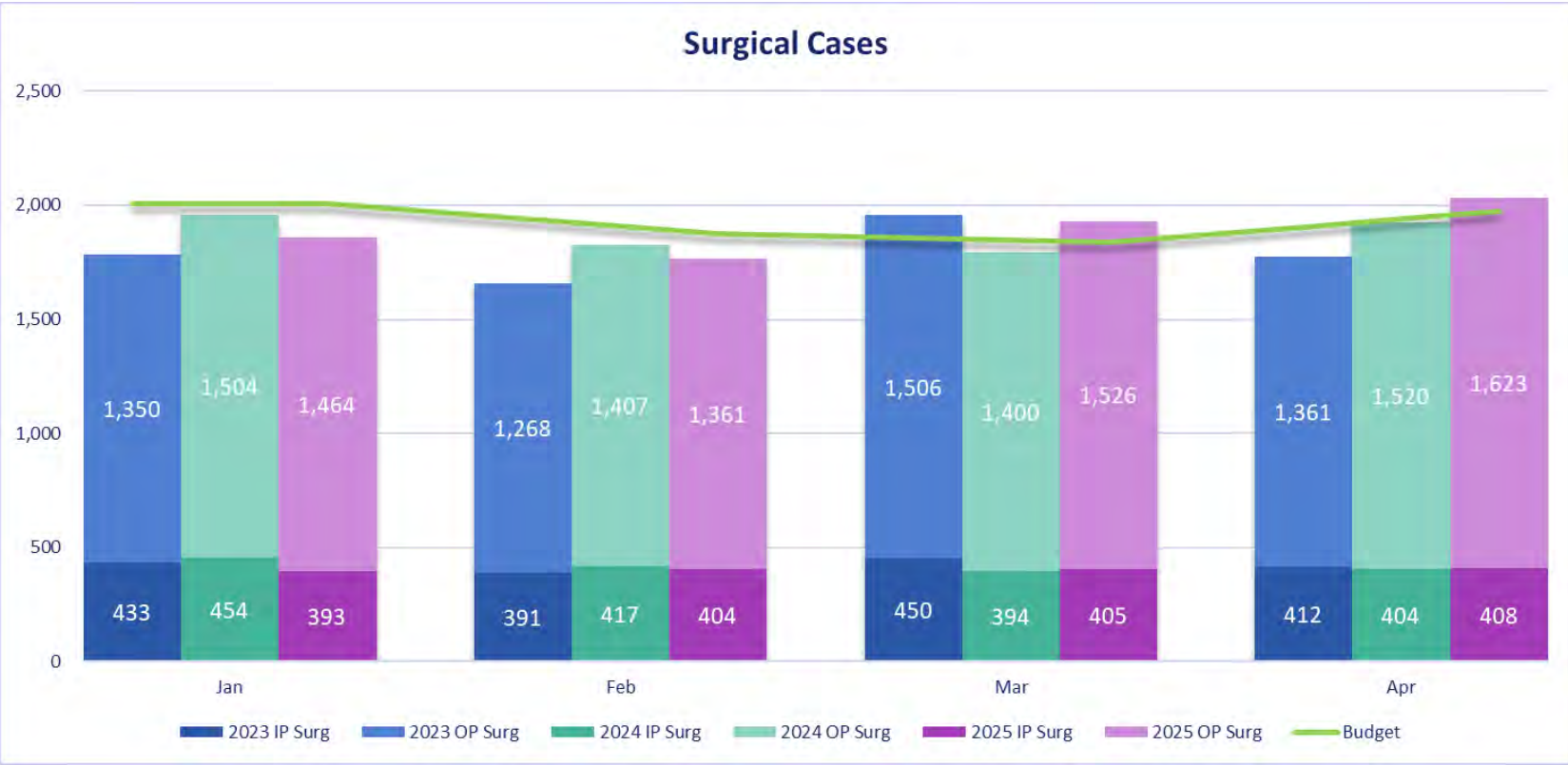
Discharges & Observations YTD Totals	Discharges	Observations	Total Discharges & Observations
2023	7,808	3,738	11,546
2024	8,138	3,541	11,679
2025	8,787	3,667	12,454
2025 Budget	8,816	3,652	12,468

Statistics & Volumes



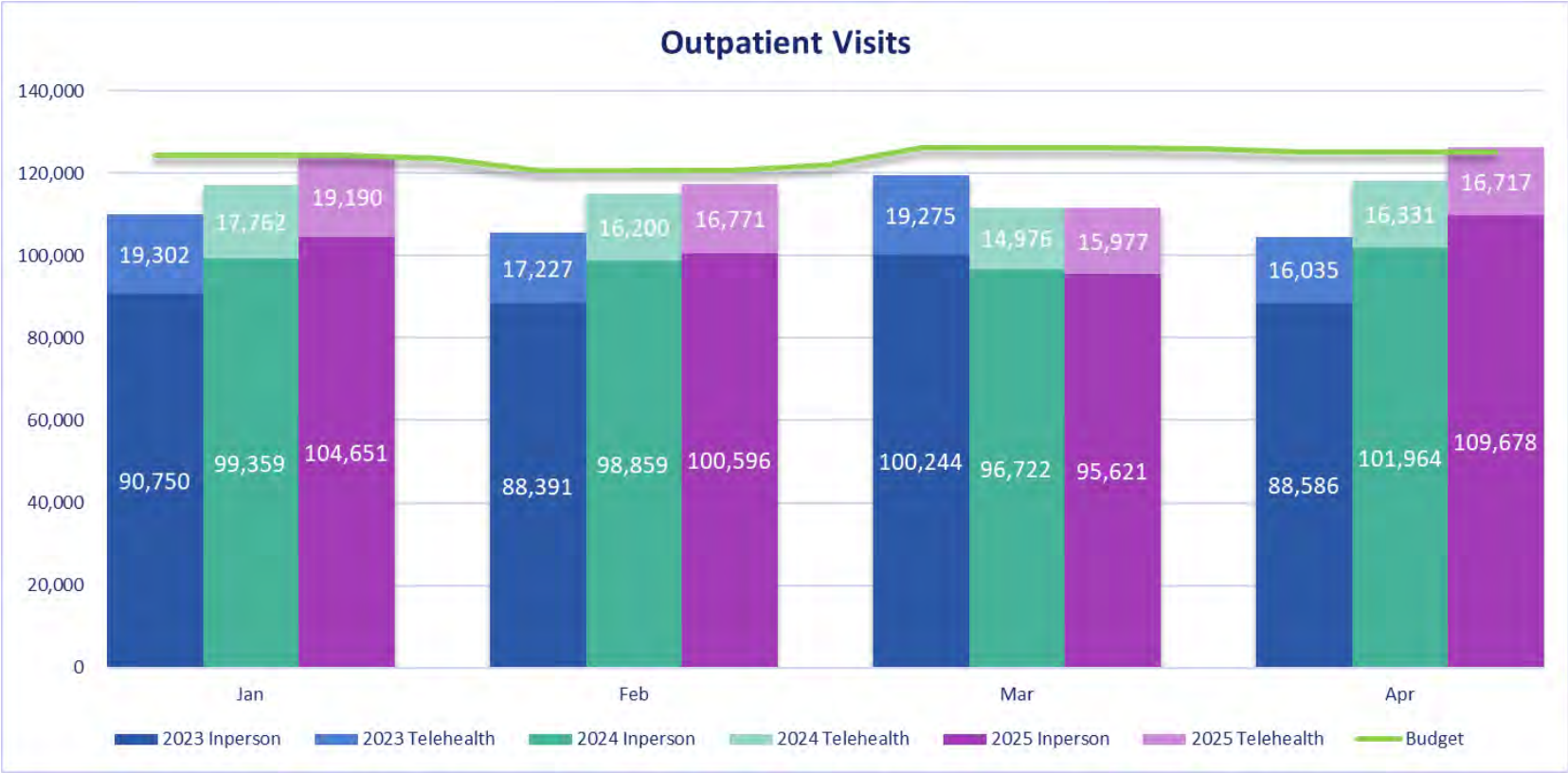
Emergency Departments YTD Totals	Emergency Department Visits	Emergency Department Admissions as a % of Discharges
2023	45,128	80.1%
2024	48,430	82.1%
2025	51,633	81.2%
2025 Budget	48,888	80.2%

Statistics & Volumes



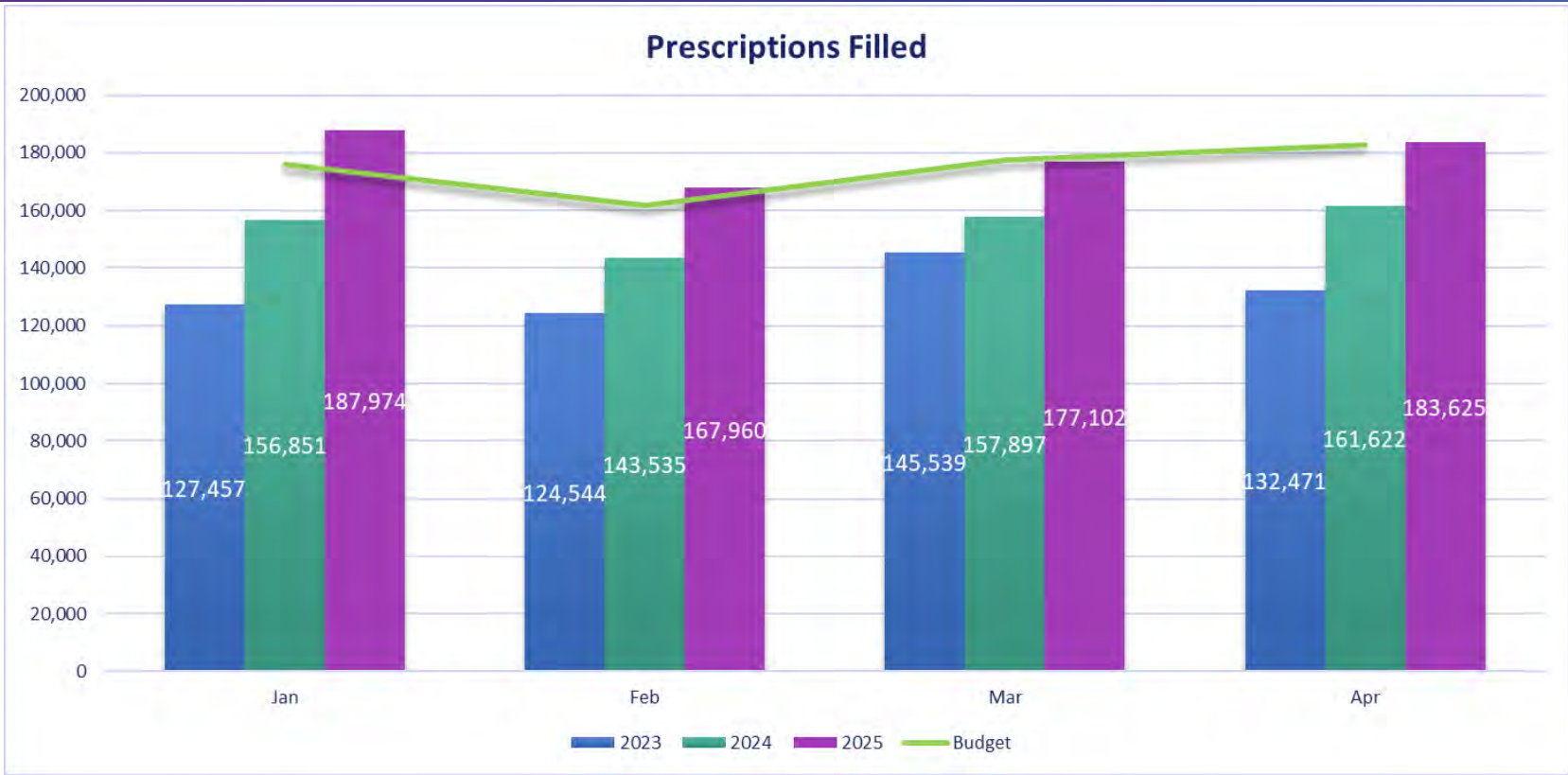
Surgical Cases YTD Total	Inpatient Surgical Cases	Outpatient Surgical Cases	Total Surgical Cases
2023	1,686	5,485	7,171
2024	1,669	5,831	7,500
2025	1,610	5,974	7,584
2025 Budget	1,864	5,829	7,693

Statistics & Volumes



YTD Totals	In-Person	Telehealth	Total Outpatient Visits
2023	367,971	71,839	439,810
2024	396,904	65,269	462,173
2025	410,546	68,655	479,201
2025 Budget	428,510	68,014	496,524

Statistics & Volumes



Prescriptions Filled Totals	Prescriptions Filled	Capture Rate YTD
2023	530,011	44.4%
2024	619,905	51.7%
2025	716,661	56.3%
2025 Budget	698,238	

Income Statement – Internal (\$ in '000s)



April 2025

Current Month						Year to Date				
Actual	Budget	Fav (Unfav)	PY	Fav (Unfav)		Actual	Budget	Fav (Unfav)	PY	Fav (Unfav)
					Operating Revenue					
137,629	141,591	(3,962)	129,163	8,466	Inpatient Revenue	567,437	591,232	(23,795)	529,245	38,192
322,615	310,850	11,765	288,922	33,693	Outpatient Revenue	1,227,909	1,234,175	(6,266)	1,134,821	93,088
460,244	452,441	7,803	418,085	42,159	Gross Patient Revenue	1,795,346	1,825,407	(30,061)	1,664,066	131,280
(359,560)	(345,095)	(14,465)	(326,773)	(32,787)	Contractuals, Bad Debt & Charity	(1,401,806)	(1,390,902)	(10,904)	(1,314,006)	(87,800)
19,049	16,415	2,634	22,520	(3,471)	Supplemental Revenue	74,354	65,655	8,699	86,119	(11,765)
119,733	123,761	(4,028)	113,832	5,901	Net Patient Revenue	467,894	500,160	(32,266)	436,179	31,715
12,910	13,063	(153)	10,955	1,955	Other Revenue	51,070	52,253	(1,183)	48,395	2,675
42,479	35,039	7,440	35,718	6,761	Retail & Contract Pharmacy Revenue	159,906	135,132	24,774	136,099	23,807
175,122	171,863	3,259	160,505	14,617	Total Operating Revenue	678,870	687,545	(8,675)	620,673	58,197
					Operating Expenses					
95,166	98,440	3,274	91,448	(3,718)	Salaries, Wages & Employee Benefits	393,286	400,624	7,338	374,214	(19,072)
12,981	13,369	388	10,208	(2,773)	Purchased Services	51,406	53,917	2,511	40,309	(11,097)
11,872	11,154	(718)	11,348	(524)	Medical Supplies	48,103	45,253	(2,850)	43,305	(4,798)
28,957	24,903	(4,054)	24,849	(4,108)	Pharmaceuticals	109,709	96,832	(12,877)	93,211	(16,498)
11,720	12,864	1,144	12,785	1,065	Other Departmental Expenses	47,947	50,887	2,940	48,635	688
13,603	13,746	143	13,153	(450)	Depreciation, Amortization & Interest	54,148	54,756	608	52,237	(1,911)
174,299	174,476	177	163,791	(10,508)	Total Operating Expense	704,599	702,269	(2,330)	651,911	(52,688)
823	(2,613)	3,436	(3,286)	4,109	Operating Income (Loss)	(25,729)	(14,724)	(11,005)	(31,238)	5,509
14,426	11,133	3,293	9,867	4,559	EBIDA	28,419	40,032	(11,613)	20,999	7,420



MetroHealth

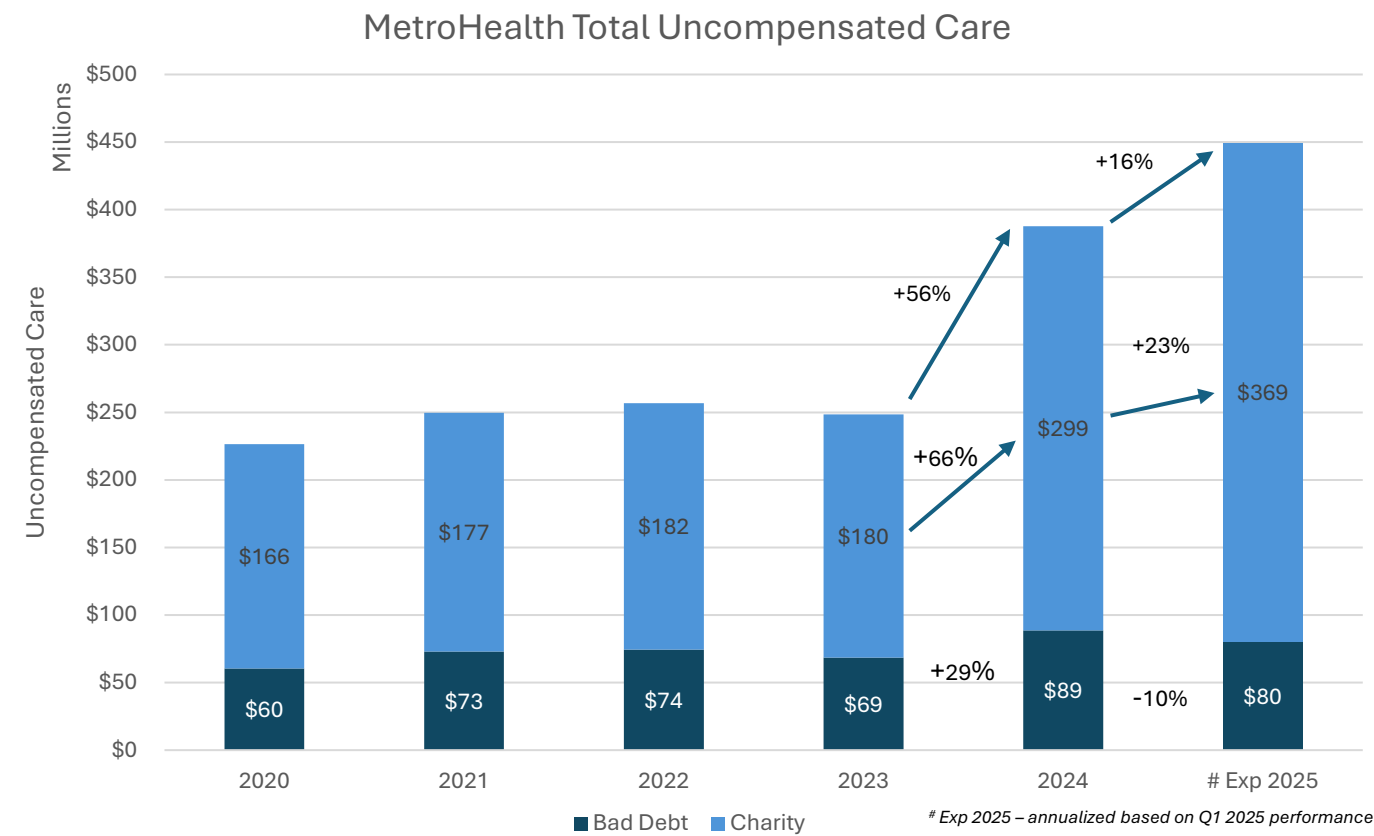
Uncompensated Care Discussion

May 28, 2025

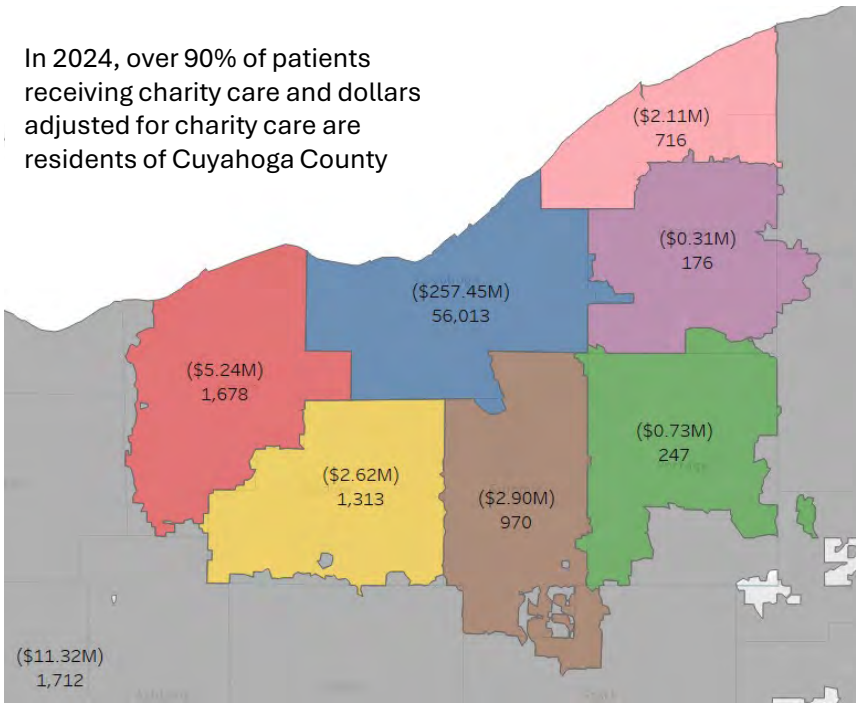
Finance Committee Update

Dr. Chegade

Unsustainable growth in uncompensated care

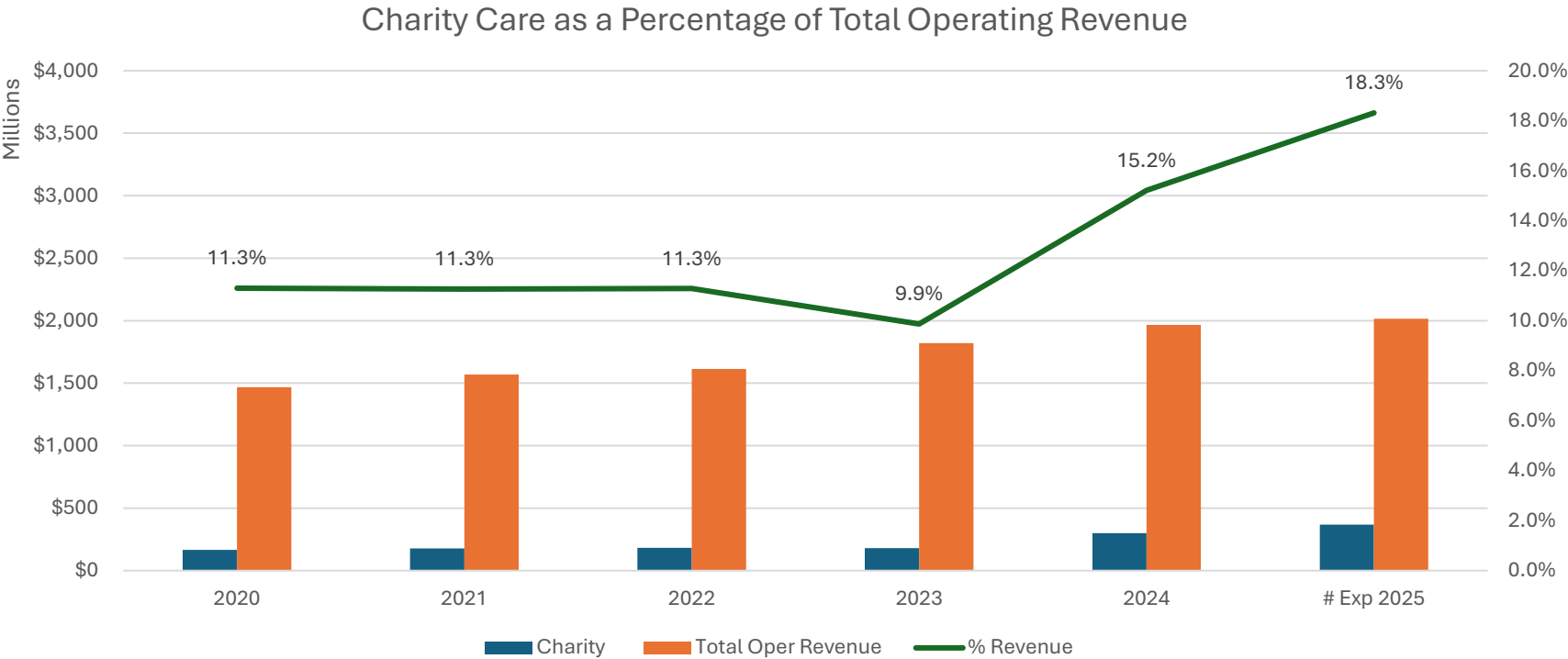


In 2024, over 90% of patients receiving charity care and dollars adjusted for charity care are residents of Cuyahoga County



- **Uncompensated Care Growth:**
 - Charity care is expected to more than double from 2023 to 2025
 - Total uncompensated care will increase by over \$200M from 2023 to 2025
 - Bad Debt is expected to decrease in 2025 due to increased activity surrounding Revenue Cycle management and collection efforts aligned with current policies

Unsustainable growth in charity care



- **Uncompensated Care Growth:**
 - Total Operating Revenue has significantly increased since 2020, however the increase in Uncompensated Care has outpaced that growth
 - Charity care as a percentage of Total Operating Revenue now exceeds 15% at MetroHealth; Total uncompensated care exceeds 20%