The MetroHealth System

Board of Trustees

Wednesday, August 27, 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, August 27, 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 May 28, 2025

II. Information Items
A. Investment Committee Report – A. Blake, D. Strickland (Clearstead) (20 minutes)
B. June 2025 Interim Financial Report – G. Himes (25 minutes)

III. Recommendation / Resolution Approvals

A. Recommendation To Use Remaining Series 2017 Bond Proceeds For Previously Approved Capital Expenditures For System's Apex Project

IV. Executive Session

V. Return to Open Meeting

The MetroHealth System Board of Trustees

FINANCE COMMITTEE
May 28, 2025
1:00 pm - 3:00 pm
K107 Board Room / via Zoom

Meeting Minutes

Committee Members Present:	Artis Arnold, III-R, John Moss-I, E. Harry Walker, M.D.-I, Sharon Dumas-I, Ronald Dziedzicki-I
Other Trustees Present:	John Corlett-I, Nancy Mendez-I (late), Michael Summers-I
Staff Present:	Christine Alexander-Rager, M.D.-I, Robin Barre-I, Peter Benkowski-I, Nicholas Bernard-R, James Bicak-I, Victoria Bowser-I, Phillip Brooks-R, Kate Brown-I, Nabil Chehade, M.D.-I, William Dube-R, Joseph Golob, M.D.-I, Geoff Himes-I, Derrick Hollings-I, Ryan Johnson-R, Kinsey Jolliff-I, William Lewis, M.D.-I, Dr. Candy Mori-I, Kate Nagel-I, Holly Perzy, M.D.-I, Allison Poulios-I, Tamiyka Rose-I, Brad Schwartz-I, Deborah Southerington-I, James Wellons-I, Ryan Mezinger-I, Ronald Walker-I, Darlene White-I, Mara Wilber -I, Patrick Woods-I
Invited Guests:	Adam Blake-I, David Strickland-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 1:05pm, 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 26, 2025, Finance Committee and Investment subcommittee meeting were approved by majority vote as submitted.

II. Information Items

A. Investment Committee Report – *A. Blake, D. Strickland - Clearstead*

Adam Blake introduced David Strickland, a new partner with Clearstead (the System's investment advisor), provided updates on the oversight dashboard and reviewed investment performance through the end of March 2025.

Economic and market update:

Mr. Strickland and Mr. Blake provided the capital markets review, noting that 2025 began with significant policy uncertainty, particularly regarding tariffs, which contributed to market volatility. This uncertainty led to slower growth and higher inflation concerns, resulting in negative returns for U.S. equities declining by 10%, particularly growth stocks. In contrast, international equities outperformed due to a weaker dollar, and value stocks surpassed growth stocks. Diversified portfolios performed well in the first quarter, as fixed income markets showed positive performance. Mr. Strickland further explained that the S&P 500 experienced significant volatility, with a 19% drawdown in response to tariff announcements. However, markets rebounded sharply after a 90-day pause on reciprocal tariffs, leading to slightly positive year-to-date returns for U.S. equity markets. The Federal Reserve is adopting a wait-and-see approach, monitoring tariff impacts and signaling potential rate cuts in the latter half of the year if growth slows and the labor market weakens. Positive returns in fixed income were driven by lower yields, and despite some widening of credit spreads, a diversified portfolio proved beneficial. Mr. Strickland noted that the current higher-yield environment is a positive for the bond outlook, as it will help reduce overall portfolio volatility, provide higher income, and support the System's long-term goals.

Mr. Strickland transitioned the discussion to investment performance. All investments were found to comply with the Ohio Revised Code and MetroHealth's investment policy guidelines. Most investments outperformed their benchmarks for the quarter, with no qualitative concerns. The portfolio maintained high-quality fixed income assets and strong diversification. As of the end of March 2025, the System held $527 million in investments, with an additional $119 million in the Select Assurance Captive, totaling approximately $646 million. For the quarter, the system's investments were flat. The non-reserve pool, which has equity exposure, was down, but this was offset by gains in the reserve pool, which consists of cash and short-term fixed income. On a one-year basis, system investments were up 5.6%. The Select Assurance Captive, with a 50/50 stock-bond allocation, posted slight gains. As of May 16, 2025, system investments (excluding Captive) were valued at $528 million, with the reserve pool exceeding $300 million.

The non-reserve pool, which includes equities, gained approximately $8 million or 5–6% in the second quarter, indicating a strong rebound. The strategic asset allocation review was then presented. Clearstead's annual 10-year market capital assumptions showed slightly lower equity return expectations and higher fixed income and cash returns compared to the previous year. Applying these assumptions, the long-term forecast estimated a 4% return for the reserve and short-term pools, and a 6% return for the long-term pool for a combined system return of around 4.5% and a 6% return for the Captive. A sensitivity analysis was presented to stress test the portfolio. The analysis estimated that if equity markets were down 15% and bond yields shifted down by 50 basis points, the total system investments would only be down about 0.8% to 1%, or about $4 million, highlighting the portfolio's conservative nature.

B. April 2025 Interim Financial Report - *D. Hollings*

Derrick Hollings, EVP – Chief Finance & System Services Officer, presented the financial report for April 2025 to the Committee. Mr. Hollings began with operational metrics, noting steady growth in total discharges and observations since 2023, although slightly below budget. Inpatient discharges showed significant growth, attributed to the "Glick effect"— the impact of a new, modern facility. This growth is notable, considering stagnant inpatient volumes nationwide. Emergency department (ED) visits remained strong, with 81% of admissions originating from the ED, aligning with budget expectations. Patient experience scores also improved, reflecting operational efficiency and quality care. While total surgical cases (inpatient and outpatient) have grown year-over-year, there has been a significant shift from inpatient to outpatient surgical cases. Inpatient surgeries have decreased from 2023 to 2025, contrary to expectations and planning. The leadership team is implementing initiatives to increase volumes and improve efficiency. Current surgical capacity utilization at the Glick Center is about 17 out of 20 rooms, indicating slack capacity due to staffing constraints and efficiency needs. Maximizing current capacity is a priority before investing in additional operating room space. Efforts are underway to improve the first case on-time start rate, currently at 65% (below the 90% industry standard), and optimize block utilization. Outpatient visits and their downstream revenues now account for approximately 70% of gross charges, a significant shift from previous years when inpatient services drove the economics. This change necessitates a continuous process of reallocating resources and right-sizing operations. Total operating revenues for April 2025 exceeded the budget by $3 million, reducing the year-to-date unfavorable variance to $8.7 million. The EBIDA for April was $14.4 million, exceeding the budget of $11.1 million and marking the highest EBIDA requirement in the first four months. Year-to-date EBIDA stands at $28.4 million, a $7.5 million improvement over the same period last year, although the target of $40 million was not met.

Year-to-date operating income also demonstrates improvement, with a $20.5 million loss compared to a $31 million loss in 2024, indicating movement in the right direction despite not being at the planned pace.

C. Uncompensated Care Analysis – *N. Chehade*
Nabil Chehade, MD, Senior EVP Chief Clinical Transformation Innovation & Strategy Officer, presented an update on uncompensated care to the Committee.
Dr. Chehade defined uncompensated care as having two components: bad debt and charity care. Bad debt refers to amounts owed by insured patients who do not pay (co-pays, deductibles), while charity care is for uninsured or underinsured patients determined unable to pay their portion of care. Geographically, 90% of charity care recipients are residents of Cuyahoga County. Analysis of uncompensated care from 2020 to 2025 revealed a concerning trend. From 2020 to 2023, total uncompensated care remained stable, ranging from $226 million to $249 million. However, a significant escalation is projected from 2023 to 2025. The total uncompensated care is expected to jump from $249 million in 2023 to an estimated $449 million by the end of 2025, a $200 million increase within two years. Digging deeper, the growth in charity care is notably higher than that of bad debt, which has stabilized due to tighter revenue cycle processes. Charity care alone is projected to more than double from $180 million in 2023 to $369 million in 2025, indicating unsustainable growth.

When viewed as a proportion of total operating revenue, charity care remained around 10-11% from 2020-2023. This percentage rose to 15.2% in 2024 and is expected to reach 18.3% by year-end 2025. Including bad debt, uncompensated care could reach approximately 22% of total operating revenue. It was noted that these uncompensated care numbers are believed to be at least ten times higher than competitors in the community, though direct "apple to apple" comparisons are difficult due to differences in reporting cost versus charges.

III. 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. Dumas 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 1:54 pm.

Return to Open Meeting

Following the executive session, the meeting reconvened in open session at approximately 2:50 pm and welcomed back the public via Zoom and those members of the public who remained in person.

With no further business to bring before the Committee, the meeting was adjourned at approximately 2:51 pm.

Respectfully submitted,

Geoff Himes, Interim Chief Financial Officer

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August 27, 2025

MetroHealth System

Finance and Investment Committee

Adam Blake
ablake@clearstead.com

David Strickland, CFA
dstrickland@clearstead.com

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Agenda

1. Oversight Dashboard
2. Capital Markets Review
3. Performance Review: 6/30/2025
    - ORC and Investment Policy Compliance
    - Management Watchlist
4. Rebalancing Recommendations
5. Fee Review

Appendix

Additional Performance Information

Fixed Income Analysis

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Oversight Dashboard

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

Last Reviewed

Investment Policy:	05/28/25
Strategic Asset Allocation:	05/28/25
Fee Review:	08/05/25
ESG Review:	10/23/24

Management Meeting Schedule

Q4 2024 (Q1)	01/20/25
Q1 2025 (Q2)	05/01/25
Q2 2025 (Q3)	08/05/25
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

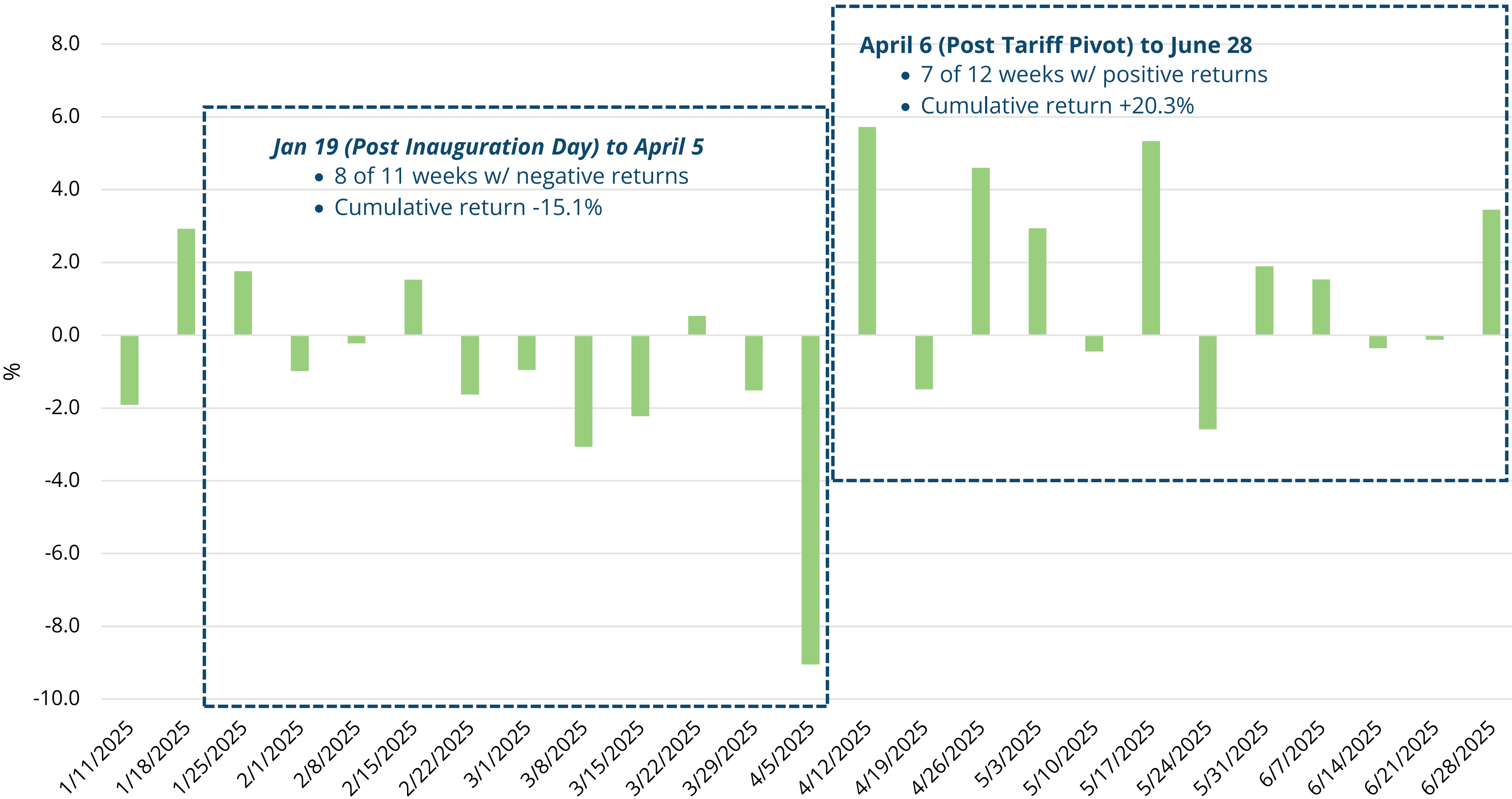
Quarterly Themes

- **Looking Backward**
  - Economy "appeared" to slow in Q1, and "appeared" to accelerate in Q2—but reality is ~1.5% (sub-trend) growth expected for the year.
  - US corporation and consumer fundamentals remained healthy and labor markets continued to be resilient.
  - Equity markets recovered from early April volatility (Bear market intraday), with the S&P 500 reaching record highs.
    - Mag-7 to Lag-7 back to Mag-7 (+21% in Q2).
  - Treasury yields were volatile, but the10-year ended the quarter nearly unchanged from Q1; however, the yield curve steepened
  - **2Q25 Returns:** S&P 500 +10.9%; Russell 2000 +8.5%; MSCI EAFE +11.8%; Bloomberg US Agg +1.2%
  - **YTD Returns:** S&P 500 +6.2%; Russell 2000 -1.8%; MSCI EAFE +19.5%; Bloomberg US Agg +4.0%
- **Looking Forward**
  - Economy stable, and recession risks are decreasing—roughly a 20-30% proposition; but inflation risks remain elevated
    - Economy still hinges on the continued strength of the labor market and the US consumer.
    - US trade policy presents headwinds to growth, while the passage of U.S. tax bill is likely to be modestly supportive.
    - Foreign country trade retaliation and US$ strength/weakness may also inform economic outlook.
    - Fed caught between rising prices and rising unemployment; the market expects 2X (25 bps) cuts in 2025.
  - Equity sentiment is positive
    - Volatility has normalized; areas to watch – trade talks, debt ceiling, geopolitical risks.
    - Fundamentals are neutral-to-positive
      - Q2 earnings season guidance will be a key factor in determining future earnings revisions/downgrades.
  - Fixed Income spreads remain historically tight
  - Geopolitical tail risk remain—Middle East trending more positive; Ukraine trending worse; east-Asia mostly status-quo.

Source: Clearstead, Bloomberg, as of 7/2/2025,
Past performance is not an indicator of future results

S&P 500 First Half of 2025 | How We Got Here

S&P 500 Weekly Returns: Reflect Mood Swings



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Source: Clearstead, Morningstar, 6/30/2025

Fed Economic Projections | June 2025

Federal Reserve Board Members & Bank Presidents

		2025	2026	2027	LONGER RUN*
	June 2025	1.4%	1.6%	1.8%	1.8%
	March 2025	1.7%	1.8%	1.8%	1.8%
	December 2024	2.1%	2.0%	1.9%	1.8%
GDP	September 2024	2.0%	2.0%	2.0%	1.8%
	June 2025	4.5%	4.5%	4.4%	4.2%
	March 2025	4.4%	4.3%	4.3%	4.2%
	December 2024	4.3%	4.3%	4.3%	4.2%
Unemployment Rate	September 2024	4.4%	4.3%	4.2%	4.2%
	June 2025	3.1%	2.4%	2.1%	
	March 2025	2.8%	2.2%	2.0%	
	December 2024	2.5%	2.2%	2.0%	
Core PCE Inflation	September 2024	2.2%	2.0%	2.0%	
	June 2025	3.9%	3.6%	3.4%	3.0%
	March 2025	3.9%	3.4%	3.1%	3.0%
	December 2024	3.9%	3.4%	3.1%	3.0%
Federal Funds Rate	September 2024	3.4%	2.9%	2.9%	2.9%
	June 2025	-2	-1	-1	
	March 2025	-2	-2	-1	
# of implied 25 bps	December 2024	-2	-2	-1	
Rate changes/year	September 2024	-4	-2		

The Fed decided to maintain the benchmark rate in the target range of 4.25% - 4.50%. In its statement the Fed noted that "... recent indicators suggest that economic activity has continued to expand at a solid pace. The unemployment rate remains low, and labor market conditions remain solid. Inflation remains somewhat elevated."

*Longer-run projections: The rates to which a policymaker expects the economy to converge over time – maybe in five or six years – in the absence of further shocks and under appropriate monetary policy.
Source: Clearstead, U.S. Federal Reserve 6/18/2025

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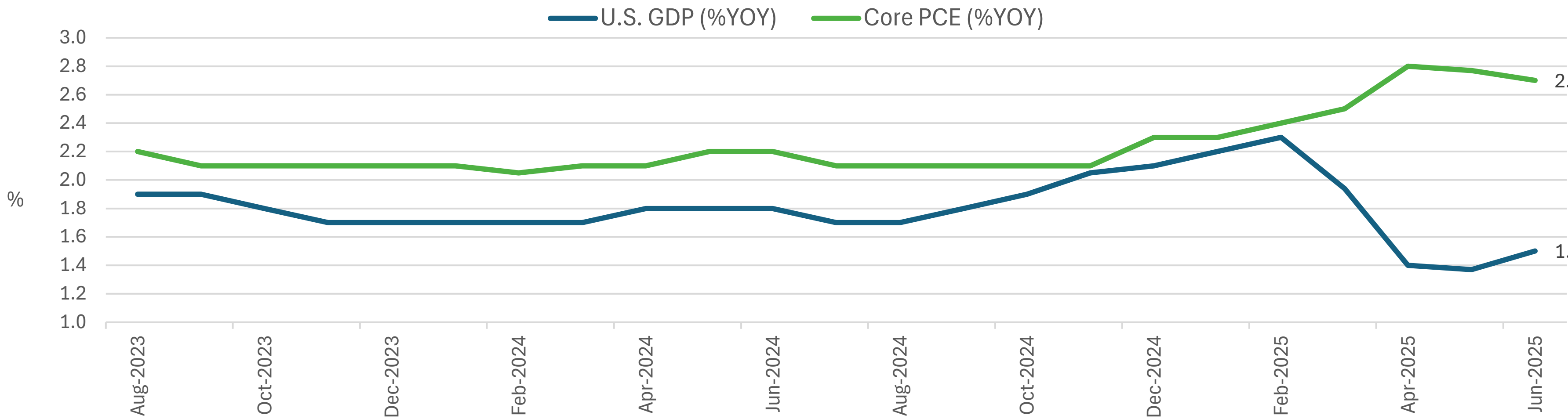
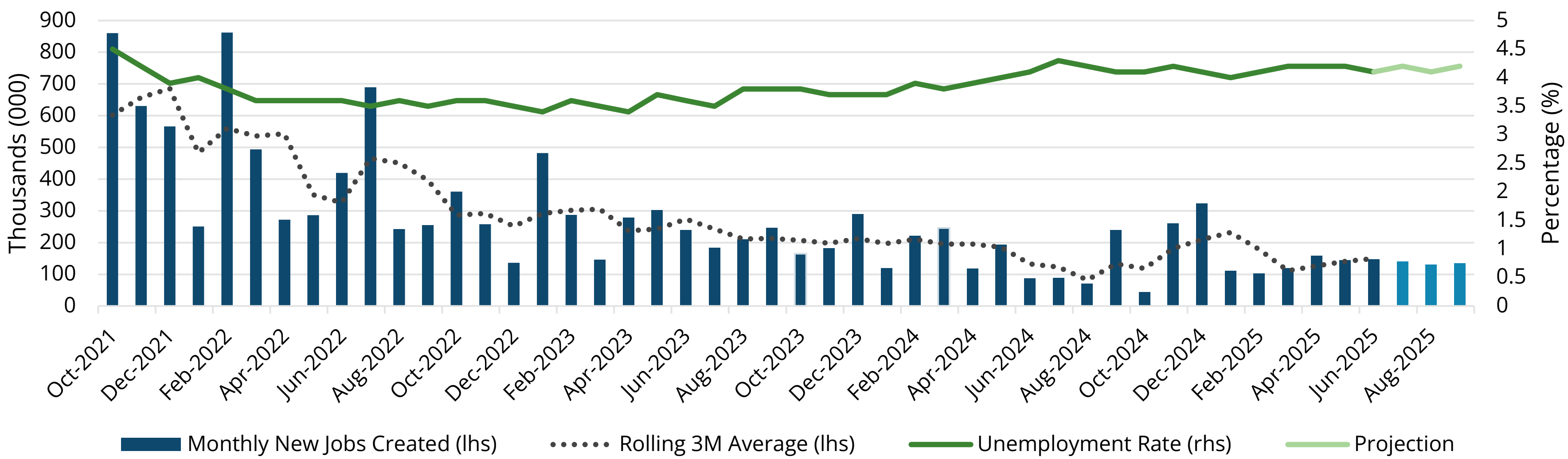
The Fed's Dilemma | Inflation | Labor Market | Growth

Growth & Inflation: Consensus Forecasts for 2025



US Labor Market Stable in H1-2025



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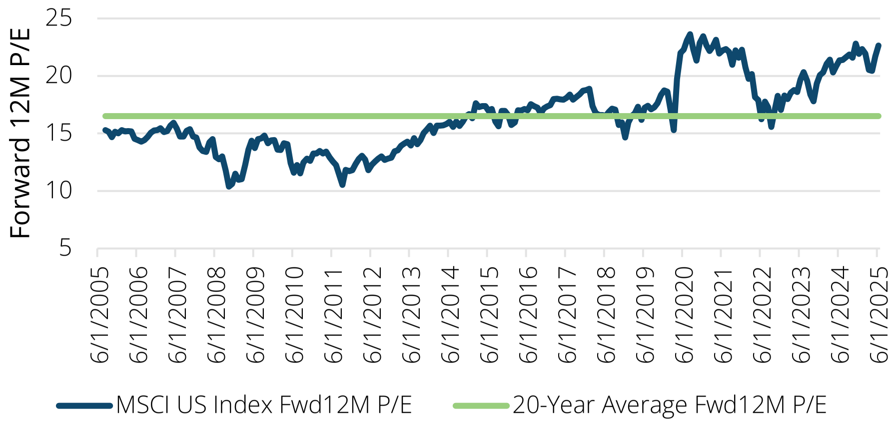
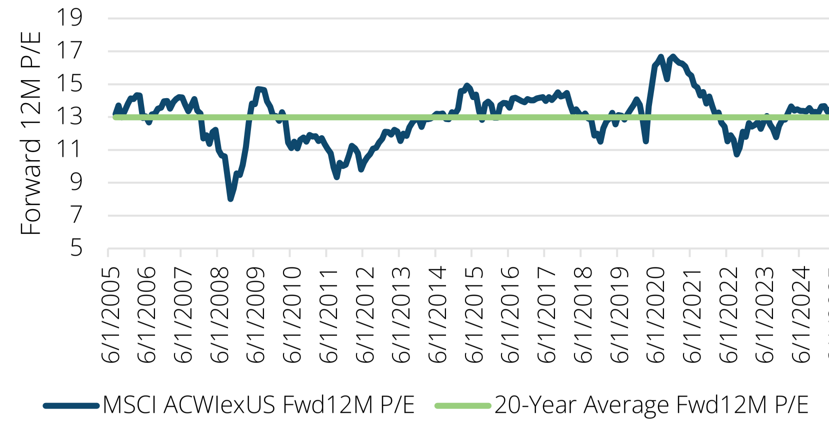
Source: *Clearstead, Apollo Chief Economist, Bloomberg LP, as of 6/30/2025* Bloomberg LP – 7/3/2025; Projection assumes an approximate job growth at 6-month moving average ≈ 135k level

Global Equity Valuations | 6/30/2025

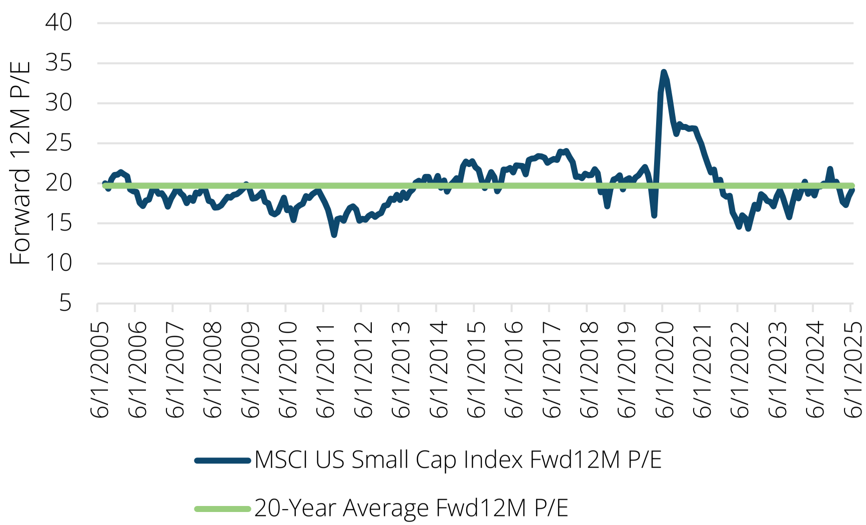
MSCI US Index Fwd12M P/E



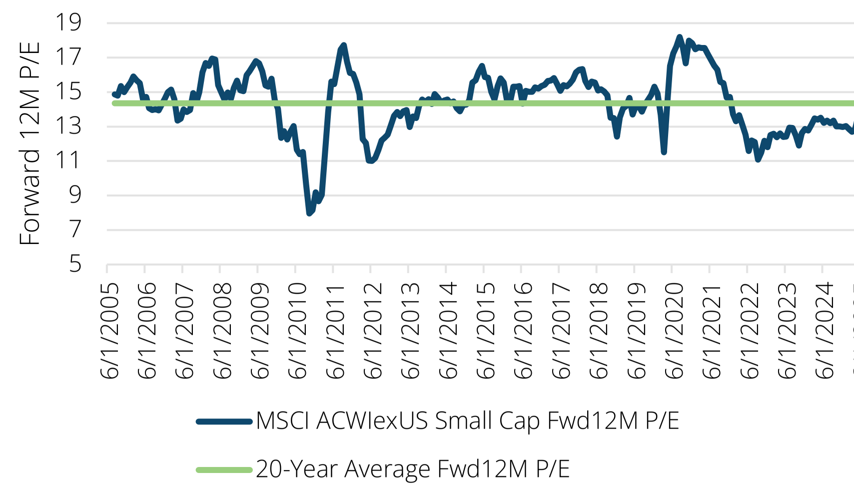
MSCI ACWIexUS Index Fwd12M P/E



MSCI US Small Cap Index Fwd12M P/E



MSCI ACWIexUS Small Cap Index Fwd12M P/E



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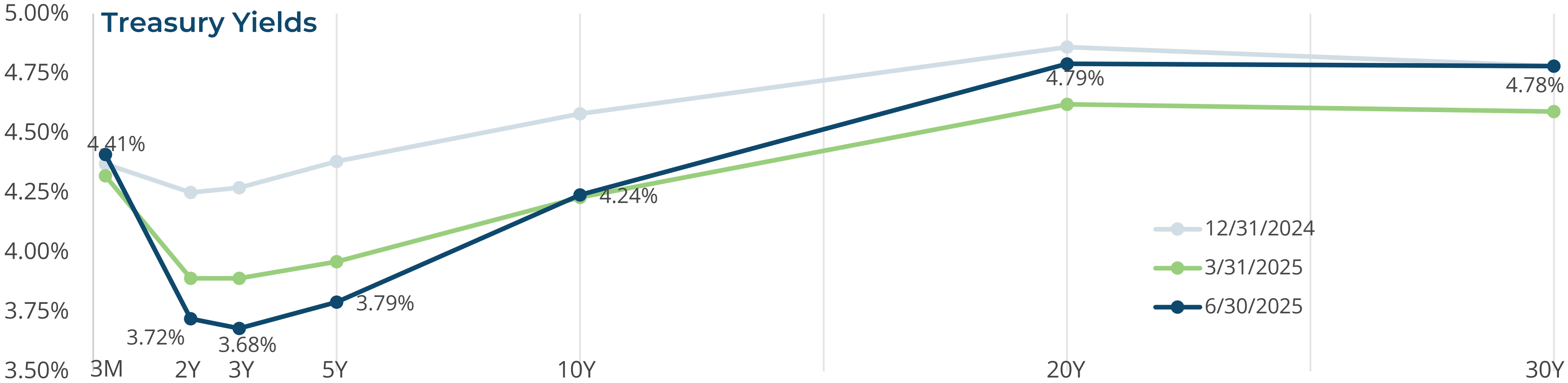
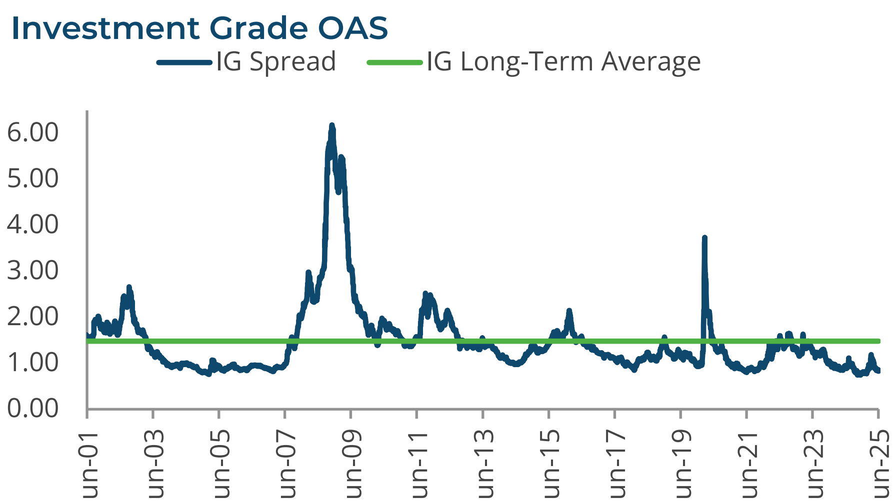
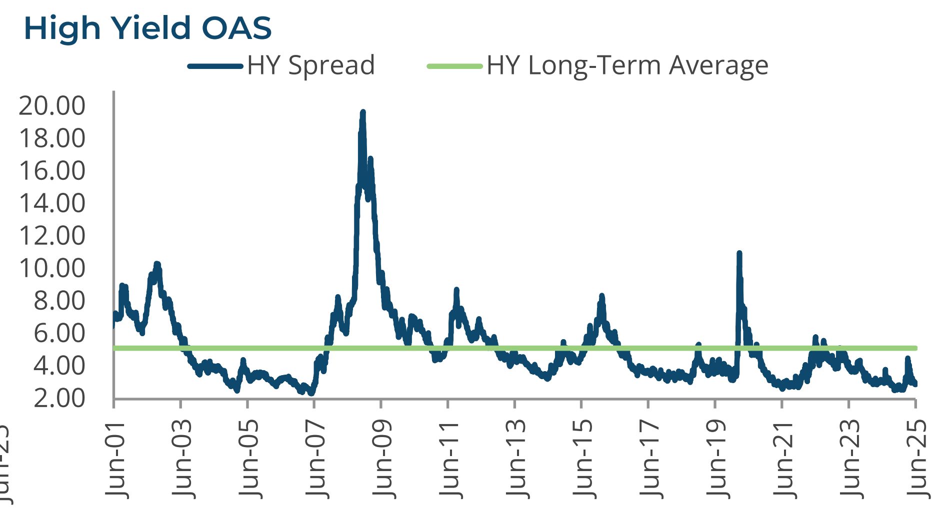
Source: Bloomberg. Data as of 6/30/2025. Past performance is not an indicator of future results

Fixed Income | Yields & Spreads | 6/30/2025



Yield Change (bps)	3M	2Y	3Y	5Y	10Y	20Y	30Y
QTD	9	-17	-21	-17	1	17	19
YTD	4	-53	-59	-59	-34	-7	0





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Source: U.S. Dept. of the Treasury, Daily Treasury Par Yield Curve Rates, as of 6/30/2025
Past performance is not an indicator of future results

Performance Review: 6/30/2025

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	Minimum of 25% and $300 million of investment portfolio 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

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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 06/30/2025

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

Quantitative	Performance vs. Benchmark							Peer Performance						
	YTD 25'	2024	2023	2022	2021	2020	2019	YTD 25'	2024	2023	2022	2021	2020	2019
Vanguard Institutional Index	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	34.0%	29.0%	25.0%	50.0%	21.0%	35.0%	22.0%
Vanguard FTSE Social Index	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	50.0%	5.0%	4.0%	98.0%	38.0%	10.0%	6.0%
Harbor Capital Apprec. Instl	1.4%	-2.9%	11.0%	-8.6%	-12.0%	15.9%	-3.1%	40.0%	33.0%	4.0%	83.0%	81.0%	13.0%	45.0%
DFA U.S. Lg Cap Value Instl	-1.4%	-1.7%	0.0%	1.7%	2.9%	-3.4%	-1.0%	72.0%	68.0%	47.0%	54.0%	28.0%	81.0%	52.0%
Vanguard Mid Cap Index Adm	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%	6.0%	32.0%	49.0%	79.0%	41.0%	22.0%	20.0%
Harbor Small Cap Growth Instl	0.9%	-5.9%	3.5%	0.9%	7.0%	3.8%	13.8%	33.0%	94.0%	11.0%	32.0%	49.0%	49.0%	2.0%
Boston Partners Sm Cap Value II	4.2%	5.9%	2.1%	3.0%	-2.5%	-3.0%	5.6%	7.0%	12.0%	43.0%	49.0%	81.0%	65.0%	12.0%
Vanguard Int'l Growth	-1.8%	4.0%	-0.8%	-14.8%	-8.5%	49.0%	10.0%	46.0%	21.0%	69.0%	84.0%	87.0%	2.0%	23.0%
TransAmerican International Equity	1.6%	-2.0%	0.4%	1.9%	5.4%	-3.9%	-0.4%	70.0%	52.0%	69.0%	87.0%	32.0%	13.0%	22.0%
Vanguard Ultra-Short-Term Bond	0.4%	1.7%	1.2%	3.4%	0.8%	-1.1%	-0.2%	98.0%	3.0%	50.0%	1.0%	30.0%	94.0%	91.0%
Lord Abbett Short Duration Income	1.1%	1.6%	1.2%	-0.7%	1.8%	0.0%	2.1%	44.0%	18.0%	51.0%	36.0%	13.0%	74.0%	22.0%

Green = Negative Excess Return

Blue = Bottom Quartile

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Total System Snapshot | 06/30/2025

	System	Select Assurance	Total
Clearstead Investment Reports	$ 442,339,618	$ 115,285,452	$ 557,625,070
Cash on Hand (Operating Accounts)	68,064,797	12,940,396	81,005,193
Other Investments (Premier shares, Recovery Resources, MHS Purchasing, MHS Care Innovation)	9,502,313	-	9,502,313
Total Cash & Unrestricted Investments	$ 519,906,728	$ 128,225,848	$ 648,132,576

	Reserve Pool	Non Reserve Pool	Total
Clearstead System Report	$ 256,629,286	$ 185,710,332	$ 442,339,618
Clearstead Select Assurance Report	-	115,285,452	115,285,452
System Cash Balance	68,064,797	-	68,064,797
Select Assurance Cash Balance	12,940,396	-	12,940,396
Other Investments	-	9,502,313	9,502,313
Total Cash & Unrestricted Investments	$ 337,634,479	$ 310,498,097	$ 648,132,576

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MetroHealth System | Attribution of Market Value Change

		Starting Balance	Net Cash Flow	Net Investment Change	Ending Balance
	Reserve	$549,045,797	($90,653,379)	($1,307,079)	$457,085,339
2021	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**
	Reserve	$457,085,339	($122,436,356)	($7,645,744)	$327,003,239
2022	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**
	Reserve	$327,003,239	($73,829,293)	$12,834,850	$266,008,796
2023	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**
	Reserve	$266,008,796	($64,369,811)	$9,150,459	$210,789,443
2024	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**
	Reserve	$210,789,443	($304,485)	$3,209,502	$213,694,460
1Q 2025	Non-Reserve	$257,728,041	$0	($3,738,646)	$253,989,395
	Total	**$468,517,484**	**($304,485)**	**($529,147)**	**$467,683,855**
	Reserve	$213,694,460	$39,999,073	$2,935,752	$256,629,285 *
2Q 2025	Non-Reserve	$253,989,395	($85,000,000)	$16,720,937	$185,710,332 **
	Total	**$467,683,855**	**($45,000,927)**	**$19,656,686**	**$442,339,617**

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*The Reserve Pool balance excludes approximately $43.8 million in System operating cash.
** The overall balance does not include $115.3 million of Captive investments and $12.9 million of Captive operating cash.

MetroHealth System | Performance Summary 6/30/2025

	QTD (%)	YTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Total Plan	4.6	4.7	9.0	8.9	7.5	4.6	8.5	8.7	-5.0	4.4	Aug-18
Non-Reserve Long-Term Pool	11.0	7.4	15.4	17.5	17.6	14.2	19.6	23.1	-19.2	11.2	Aug-18
Non-Reserve LT Pool Benchmark[1]	*11.2*	*7.5*	*15.8*	*18.3*	*18.2*	*14.9*	*20.7*	*23.9*	*-18.5*	*11.9*	
Total Equity	11.1	7.5	15.4	17.6	17.7	14.2	19.6	23.2	-19.2	11.2	Aug-18
Total Domestic Equity	10.9	5.8	14.5	18.2	18.2	15.2	22.3	24.4	-19.0	12.5	Aug-18
Russell 3000 Index	*11.0*	*5.8*	*15.3*	*19.1*	*19.1*	*16.0*	*23.8*	*26.0*	*-19.2*	*13.2*	
Russell 2000 Index	*8.5*	*-1.8*	*7.7*	*8.9*	*10.0*	*10.0*	*11.5*	*16.9*	*-20.4*	*5.3*	
S&P 500 Index	*10.9*	*6.2*	*15.2*	*19.8*	*19.7*	*16.6*	*25.0*	*26.3*	*-18.1*	*14.0*	
Total International Equity	12.2	18.7	21.2	14.4	14.9	9.3	5.2	16.9	-20.5	5.7	Aug-18
MSCI AC World ex USA (Net)	*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*5.5*	*15.6*	*-16.0*	*6.3*	
Total Fixed Income & Cash	1.0	2.0	4.4	4.7	4.2	2.5	4.9	4.7	1.1	2.2	Aug-18
Non-Reserve Short-Term Pool	1.4	2.8	6.1	6.1	4.7	-	5.6	5.5	-2.6	2.7	May-21
Blmbg. U.S. Treasury: 1-3 Year	*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*4.0*	*4.3*	*-3.8*	*1.6*	
Reserve Pool	1.4	3.1	5.6	5.1	3.9	2.0	4.1	4.6	-1.6	2.4	Aug-18
Blmbg. U.S. Treasury: 1-3 Year	*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*4.0*	*4.3*	*-3.8*	*2.1*	
Total Fixed Income	1.4	3.1	5.6	5.1	3.9	2.0	4.1	4.6	-1.6	2.4	Aug-18

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

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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
2Q 2025	$108,455,882	$0	($6,114)	$6,835,684	$115,285,452*

- 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, $12.9 million.

Rebalancing Recommendations

MetroHealth System Recommendation: Snapshot as of 8/18/2025

	Market Value as of 8/18/25			New Allocation		Combined System	Non-Reserve	
	$1,000s	%	Change	$1,000s	%	Policy Range	Current	Range
Non-Reserve	**$189,961**	**36.0%**	**$0**	**$189,961**	**36.0%**		**100.0%**	
Domestic Equity	**$140,330**	**26.6%**	**-$28,000**	**$112,330**	**21.3%**	**0-30%**	**59.1%**	**0-100%**
Large Cap	**$116,710**	**22.1%**	**-$25,000**	**$91,710**	**17.4%**			
Vanguard Inst 500 Index	$76,941	14.6%	-$15,000	$61,941	11.7%			
Vanguard FTSE Social Index	$18,481	3.5%	-$3,000	$15,481	2.9%			
Harbor Capital Appreciation	$11,175	2.1%	-$4,000	$7,175	1.4%			
DFA US Large Cap Value	$10,113	1.9%	-$3,000	$7,113	1.3%			
Mid Cap	**$12,334**	**2.3%**	**-$1,000**	**$11,334**	**2.1%**			
Vanguard Mid Cap Index	$12,334	2.3%	-$1,000	$11,334	2.1%			
Small Cap	**$11,286**	**2.1%**	**-$2,000**	**$9,286**	**1.8%**			
Harbor Small Growth	$5,514	1.0%	-$1,000	$4,514	0.9%			
Boston Partners Small Value	$5,772	1.1%	-$1,000	$4,772	0.9%			
International Equity	**$23,259**	**4.4%**	**-$2,000**	**$21,259**	**4.0%**	**0-10%**	**11.2%**	**0-20%**
Vanguard International Growth	$10,755	2.0%		$10,755	2.0%			
Transamerica (TS&W) International	$12,504	2.4%	-$2,000	$10,504	2.0%			
Fixed Income & Cash (Non-Res ST Pool)	**$26,372**	**5.0%**	**$30,000**	**$56,372**	**10.7%**		**29.7%**	**0-100%**
Lord Abbett Short Duration	$13,266	2.5%	$15,000	$28,266	5.4%			
Vanguard Ultra Short-Term Bond	$13,106	2.5%	$15,000	$28,106	5.3%			
Reserve Pool*	**$337,634**	**64.0%**		**$337,634**	**64.0%**			
Total System Fixed income & Cash	**$364,006**	**69.0%**	**$0**	$394,006	**74.7%**	**60-100%**		
Total System Investments	**$527,595**	**100.0%**		**$527,595**	**100.0%**			
Premier, Recovery Res, MHS Purch, MHS Innov*	$9,502			$9,502				
Captive Investments*	$115,285			$115,285				
Total	**$652,382**			**$652,382**				

*As of 06/30/2025

Recommendation

- At the onset in 2018, the System invested $75 million out of $400 million into equity markets (19% equity exposure)
- With market appreciation, the equity position has grown to $163 million out of $652 million in total investments today
  - This is a 25% equity exposure, 31% when excluding the Captive and other investments
- Recommendation: Take $30 million in gains as shown above. This reduces the equity exposure to 20% ($133/$652 million)
  - Invest these proceeds in the short-term bond strategies within the Non-Reserve Short-Term Pool

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Select Assurance Captive Recommendation | Snapshot as of 8/18/2025

	Market Value as of 8/18/25			New Allocation			
	$1,000s	%	Change	$1,000s	%	Policy Target	Policy Range
Total Assets	**$117,797**	**100.0%**	**$0**	**$117,797**	**100.0%**	**100.0%**	
Total Equity	**$62,276**	**52.9%**	**-$4,500**	**$58,776**	**49.9%**	**50.0%**	
Domestic Equity	**$46,100**	**39.1%**	**-$3,500**	**$42,600**	**36.2%**	**35.0%**	**0-50%**
Large Cap	**$37,360**	**31.7%**	**-$2,750**	**$34,610**	**26.5%**		
Vanguard 500 Index	$30,121	25.6%	-$2,250	$27,871	23.7%		
Harbor Large Cap Growth	$3,828	3.2%	-$500	$3,328	2.8%		
DFA US Large Cap Value	$3,411	2.9%		$3,411	2.9%		
Mid Cap	**$4,285**	**3.6%**	**-$500**	**$3,785**	**3.2%**		
Vanguard Mid Cap Index	$4,285	3.6%	-$500	$3,785	3.2%		
Small Cap	**$4,455**	**3.8%**	**-$250**	**$4,205**	**3.6%**		
Harbor Small Cap Growth	$2,097	1.8%		$2,097	1.8%		
Boston Partners Small Cap Value	$2,358	2.0%	-$250	$2,108	1.8%		
International Equity	**$16,176**	**13.7%**	**$0**	**$16,176**	**13.7%**	**15.0%**	**0-20%**
Vanguard International Growth	$7,636	6.5%		$7,636	6.5%		
Transamerica International Equity I2	$8,540	7.2%		$8,540	7.2%		
Alternative Investments	**$10,703**	**9.1%**	**$0**	**$10,703**	**9.1%**	**10.0%**	**0-20%**
Merger Fund	$5,182	4.4%		$5,182	4.4%		
GMO Benchmark-Free Allocation	$5,521	4.7%		$5,521	4.7%		
Fixed Income & Cash	**$44,818**	**38.0%**	**$3,500**	**$48,318**	**41.0%**	**40.0%**	**0-70%**
Federated Total Return	$21,062	17.9%	$1,750	$22,812	19.4%		
Lord Abbett Short-Duration	$15,887	13.5%	$1,750	$17,637	15.0%		
Fidelity Interm. Treasury Index	$6,899	5.9%	$950	$7,849	6.7%		
Cash	$970	0.8%	-$950	$20	0.0%		

Recommendation

- Trim gains and bring the equity allocation down to the 50% policy target

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Fee Review

MetroHealth System | Fee Review

Fee Analysis as of 6/30/2025					
Account	Market Value as of June 30, 2025	% of Portfolio	Estimated Annual Fee ($)	Expense Ratio	Morningstar Inst'l Average Fee (%)
Total Non-Reserve Long-Term Pool	**$159,602,872**	**36.1%**	**$375,390**		
Total Domestic Equity	**$135,277,969**	**30.6%**	**$243,095**		
Harbor Capital Apprec. Instl	$10,890,351	2.5%	$72,965	0.67%	0.70%
Vanguard FTSE Social Index I	$17,721,748	4.0%	$12,405	0.07%	0.06%
Vanguard Institutional Index	$73,922,953	16.7%	$25,873	0.04%	0.06%
DFA U.S. Lg Cap Value Instl	$9,788,002	2.2%	$22,512	0.23%	0.70%
Vanguard Mid Cap Index Adm	$12,031,404	2.7%	$6,016	0.05%	0.84%
Harbor Small Cap Growth Instl	$5,387,546	1.2%	$47,410	0.88%	0.94%
Boston Partners Sm Cap Value II I	$5,535,965	1.3%	$55,913	1.01%	0.94%
Total International Equity	**$22,923,064**	**5.2%**	**$132,295**		
Transamerica International Equity I	$12,292,937	2.8%	$105,719	0.86%	0.85%
Vanguard International Growth Adm	$10,630,127	2.4%	$26,575	0.25%	0.85%
Total Fixed Income & Cash	**$1,401,839**	**0.3%**	**$6,308**		
First American Govt Obligations Y	$1,401,839	0.3%	$6,308	0.45%	N/A
Total Non-Reserve Short-Term Pool	**$26,107,460**	**5.9%**	**$53,727**		
Vanguard Ultra-Short-Term Bond Adm	$12,963,899	2.9%	$11,668	0.09%	0.43%
Lord Abbett Short Duration Income F3	$13,143,561	3.0%	$42,059	0.32%	0.43%
Total Reserve Pool	**$256,629,286**	**58.0%**	**$177,836**		
Total Fixed Income	**$256,629,286**	**58.0%**	**$177,836**		
US Bank Investment Account (Boyd Watterson)	$172,538,638	39.0%	$101,762	0.06%	N/A
Fifth-Third Managed	$44,010,199	9.9%	$44,010	0.10%	N/A
PNC Money Market	$40,080,449	9.1%	$32,064	0.08%	N/A
Investment Management Fee	**$442,339,618**	**100.0%**	**$613,261**	**0.14%**	
Consulting Fees			$134,000	0.03%	
Total Fees			**$747,261**	**0.17%**	

Select Assurance Captive | Fee Review

Fee Analysis as of 6/30/2025					
Account	Market Value as of June 30, 2025	% of Portfolio	Estimated Annual Fee ($)	Expense Ratio	Morningstar Institutional Average Fee (%)
Total Domestic Equity	**$44,373,786**	**38.5%**	**$87,092**		
Harbor Capital Apprec. Instl	$3,730,786	3.2%	$24,996	0.67%	0.70%
Vanguard 500 Index Adm	$28,851,614	25.0%	$11,541	0.04%	0.06%
DFA U.S. Lg Cap Value Instl	$3,301,039	2.9%	$7,592	0.23%	0.70%
Vanguard Mid Cap Index Adm	$4,179,741	3.6%	$2,090	0.05%	0.84%
Harbor Small Cap Growth Instl	$2,049,106	1.8%	$18,032	0.88%	0.94%
Boston Partners Sm Cap Value II I	$2,261,500	2.0%	$22,841	1.01%	0.94%
Total International Equity	**$15,943,733**	**13.8%**	**$91,077**		
Transamerica International Equity I	$8,396,343	7.3%	$72,209	0.86%	0.85%
Vanguard International Growth Adm	$7,547,390	6.5%	$18,868	0.25%	1.01%
Total Alternatives	**$10,429,885**	**9.0%**	**$136,176**		
Merger Fund Instl	$5,121,257	4.4%	$65,040	1.27%	1.31%
GMO Benchmark-Free Allocation I	$5,308,628	4.6%	$71,136	1.34%	0.85%
Total Fixed Income & Cash	**$43,579,520**	**37.8%**	**$143,587**		
Federated Hermes Total Return Bond Instl	$20,946,421	18.2%	$81,691	0.39%	0.46%
Fidelity Interm Treasury Bond Index	$6,888,493	6.0%	$2,067	0.03%	0.46%
Lord Abbett Short Duration Income I	$15,744,606	13.7%	$59,830	0.38%	0.41%
Total Cash and Equivalents	**$958,528**	**0.8%**	**$4,313**		
First American Govt Obligations Y	$958,528	0.8%	$4,313	0.45%	N/A
Investment Management Fee	**$115,285,452**	**100.0%**	**$462,246**	**0.40%**	
Consulting Fee			$30,000	0.03%	
Total Fees			**$492,246**	**0.43%**	

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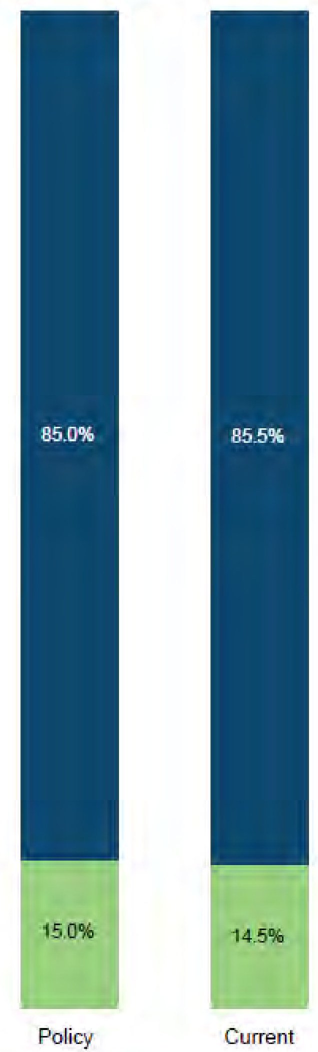
Appendix

MetroHealth System | Policy Compliance



	Current	Policy	Difference	Policy Range	Within Range
Total Domestic Equity	85.5	85.0	0.5	0.0 - 100.0	Yes
Total International Equity	14.5	15.0	-0.5	0.0 - 20.0	Yes
Total Equity	100.0	100.0	0.0		

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MetroHealth System | Performance Report Card

	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Total Plan	**100.0**	**4.6**	**4.7**	**9.0**	**8.9**	**7.5**	**4.6**	**4.4**	**-**	**8.5**	**8.7**	**-5.0**	**4.4**	**Aug-18**
Non-Reserve Long-Term Pool	**36.1**	**11.0**	**7.4**	**15.4**	**17.5**	**17.6**	**14.2**	**-**	**-**	**19.6**	**23.1**	**-19.2**	**11.2**	**Aug-18**
Non-Reserve LT Pool Benchmark		*11.2*	*7.5*	*15.8*	*18.3*	*18.2*	*14.9*	*-*	*-*	*20.7*	*23.9*	*-18.5*	*11.9*	
Total Equity	**35.8**	**11.1**	**7.5**	**15.4**	**17.6**	**17.7**	**14.2**	**-**	**-**	**19.6**	**23.2**	**-19.2**	**11.2**	**Aug-18**
Total Domestic Equity	**30.6**	**10.9**	**5.8**	**14.5**	**18.2**	**18.2**	**15.2**	**-**	**-**	**22.3**	**24.4**	**-19.0**	**12.5**	**Aug-18**
Russell 3000 Index		*11.0*	*5.8*	*15.3*	*19.1*	*19.1*	*16.0*	*13.6*	*13.0*	*23.8*	*26.0*	*-19.2*	*13.2*	
Vanguard Institutional Index	16.7	10.9	6.2	15.1	19.7	19.7	16.6	14.4	13.6	25.0	26.2	-18.1	13.9	Aug-18
S&P 500 Index		*10.9*	*6.2*	*15.2*	*19.8*	*19.7*	*16.6*	*14.4*	*13.6*	*25.0*	*26.3*	*-18.1*	*14.0*	
Vanguard FTSE Social Index I	4.0	12.8	5.8	15.4	20.7	20.5	16.1	14.7	13.9	26.0	31.8	-24.2	10.1	Aug-21
FTSE U.S. Choice Index		*12.8*	*5.8*	*15.5*	*20.8*	*20.7*	*16.3*	*14.8*	*14.0*	*26.1*	*31.9*	*-24.1*	*9.3*	
Harbor Capital Apprec. Instl	2.5	19.6	7.5	15.8	25.5	27.8	15.2	16.2	15.9	30.5	53.7	-37.7	16.2	Aug-18
Russell 1000 Growth Index		*17.8*	*6.1*	*17.2*	*25.1*	*25.8*	*18.1*	*17.9*	*17.0*	*33.4*	*42.7*	*-29.1*	*17.6*	
DFA U.S. Lg Cap Value Instl	2.2	2.2	4.6	9.3	12.6	12.3	14.6	8.6	8.9	12.7	11.5	-5.8	8.1	Aug-18
Russell 1000 Value Index		*3.8*	*6.0*	*13.7*	*13.4*	*12.8*	*13.9*	*9.6*	*9.2*	*14.4*	*11.5*	*-7.5*	*9.1*	
Vanguard Mid Cap Index Adm	2.7	8.7	7.0	17.5	14.6	14.3	13.0	10.3	10.0	15.2	16.0	-18.7	10.0	Aug-18
Vanguard Mid Cap Index Benchmark		*8.7*	*7.0*	*17.6*	*14.7*	*14.3*	*13.0*	*10.3*	*10.0*	*15.3*	*16.0*	*-18.7*	*10.0*	
Harbor Small Cap Growth Instl	1.2	12.2	0.4	6.7	7.9	11.5	8.6	8.6	8.7	9.3	22.2	-25.5	8.3	Aug-18
Russell 2000 Growth Index		*12.0*	*-0.5*	*9.7*	*9.4*	*12.4*	*7.4*	*5.7*	*7.1*	*15.2*	*18.7*	*-26.4*	*5.5*	
Boston Partners Sm Cap Value II I	1.3	7.3	1.0	11.8	13.1	11.5	15.4	6.9	7.5	14.0	16.7	-11.5	6.3	Dec-21
Russell 2000 Value Index		*5.0*	*-3.2*	*5.5*	*8.2*	*7.5*	*12.5*	*4.8*	*6.7*	*8.1*	*14.6*	*-14.5*	*1.8*	
Total International Equity	**5.2**	**12.2**	**18.7**	**21.2**	**14.4**	**14.9**	**9.3**	**-**	**-**	**5.2**	**16.9**	**-20.5**	**5.7**	**Aug-18**
MSCI AC World ex USA (Net)		*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*6.6*	*6.1*	*5.5*	*15.6*	*-16.0*	*6.3*	
Transamerica International Equity I	2.8	10.3	21.0	21.2	14.7	15.4	11.8	6.8	6.0	3.5	16.0	-14.1	6.5	Aug-18
MSCI AC World ex USA (Net)		*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*6.6*	*6.1*	*5.5*	*15.6*	*-16.0*	*6.3*	
Vanguard International Growth Adm	2.4	14.5	16.1	17.9	13.4	13.9	7.3	8.5	9.6	9.5	14.8	-30.8	9.8	Oct-24
MSCI AC World ex USA (Net)		*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*6.6*	*6.1*	*5.5*	*15.6*	*-16.0*	*8.9*	
Total Fixed Income & Cash	**0.3**	**1.0**	**2.0**	**4.4**	**4.7**	**4.2**	**2.5**	**-**	**-**	**4.9**	**4.7**	**1.1**	**2.2**	**Aug-18**
First American Govt Obligations Y	0.3	1.0	2.0	4.4	4.7	4.3	2.5	2.2	1.7	4.9	4.7	1.3	2.2	Aug-18
90 Day U.S. Treasury Bill		*1.0*	*2.1*	*4.7*	*5.0*	*4.6*	*2.8*	*2.5*	*2.0*	*5.3*	*5.0*	*1.5*	*2.5*	

MetroHealth System | Performance Report Card

	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Non-Reserve Short-Term Pool	**5.9**	**1.4**	**2.8**	**6.1**	**6.1**	**4.7**	**-**	**-**	**-**	**5.6**	**5.5**	**-2.6**	**2.7**	**May-21**
Blmbg. U.S. Treasury: 1-3 Year		*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*2.1*	*1.6*	*4.0*	*4.3*	*-3.8*	*1.6*	
Vanguard Ultra-Short-Term Bond Adm	2.9	1.2	2.5	5.7	5.8	4.8	2.8	2.9	2.4	5.7	5.5	-0.4	3.2	May-21
Blmbg. U.S. Treasury: 1-3 Year		*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*2.1*	*1.6*	*4.0*	*4.3*	*-3.8*	*1.6*	
Lord Abbett Short Duration Income F3	3.0	1.6	3.2	6.5	6.4	4.7	2.8	3.0	2.7	5.6	5.5	-4.5	2.4	May-21
Blmbg. U.S. Treasury: 1-3 Year		*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*2.1*	*1.6*	*4.0*	*4.3*	*-3.8*	*1.6*	
Reserve Pool	**58.0**	**1.4**	**3.1**	**5.6**	**5.1**	**3.9**	**2.0**	**-**	**-**	**4.1**	**4.6**	**-1.6**	**2.4**	**Aug-18**
Blmbg. U.S. Treasury: 1-3 Year		*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*2.1*	*1.6*	*4.0*	*4.3*	*-3.8*	*2.1*	
Total Fixed Income	**58.0**	**1.4**	**3.1**	**5.6**	**5.1**	**3.9**	**2.0**	**-**	**-**	**4.1**	**4.6**	**-1.6**	**2.4**	**Aug-18**
US Bank Investment Account	39.0	1.3	2.9	5.4	5.0	3.6	1.5	-	-	3.8	4.8	-3.5	2.2	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*2.1*	*1.6*	*4.0*	*4.3*	*-3.8*	*2.1*	
Fifth-Third Managed	9.9	1.6	3.7	6.2	5.2	3.5	1.2	-	-	3.5	4.5	-4.8	2.2	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		*1.2*	*2.8*	*5.7*	*5.1*	*3.4*	*1.3*	*2.1*	*1.6*	*4.0*	*4.3*	*-3.8*	*2.1*	
PNC Money Market	9.1	1.0	2.0	4.6	4.9	4.5	2.7	-	-	5.1	4.9	1.5	2.4	Aug-18

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	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Total Plan	**100.0**	**6.4**	**6.7**	**11.7**	**11.6**	**10.7**	**7.5**	**6.9**	**-**	**10.3**	**13.6**	**-11.7**	**6.8**	**May-18**
Total Equity	**52.3**	**11.0**	**8.9**	**16.1**	**16.9**	**17.3**	**13.8**	**11.0**	**-**	**17.2**	**21.5**	**-18.0**	**10.9**	**May-18**
Total Domestic Equity	**38.5**	**10.6**	**5.7**	**14.4**	**17.9**	**18.0**	**15.2**	**12.5**	**-**	**21.8**	**22.8**	**-17.7**	**12.7**	**May-18**
Russell 3000 Index		*11.0*	*5.8*	*15.3*	*19.1*	*19.1*	*16.0*	*13.6*	*13.0*	*23.8*	*26.0*	*-19.2*	*13.8*	
Vanguard 500 Index Adm	25.0	10.9	6.2	15.1	19.7	19.7	16.6	14.3	13.6	25.0	26.2	-18.1	14.5	May-18
S&P 500 Index		*10.9*	*6.2*	*15.2*	*19.8*	*19.7*	*16.6*	*14.4*	*13.6*	*25.0*	*26.3*	*-18.1*	*14.5*	
Harbor Capital Apprec. Instl	3.2	19.6	7.5	15.8	25.5	27.8	15.2	16.2	15.9	30.5	53.7	-37.7	16.5	May-18
Russell 1000 Growth Index		*17.8*	*6.1*	*17.2*	*25.1*	*25.8*	*18.1*	*17.9*	*17.0*	*33.4*	*42.7*	*-29.1*	*18.3*	
DFA U.S. Lg Cap Value Instl	2.9	2.2	4.6	9.3	12.6	12.3	14.6	8.6	8.9	12.7	11.5	-5.8	8.4	May-18
Russell 1000 Value Index		*3.8*	*6.0*	*13.7*	*13.4*	*12.8*	*13.9*	*9.6*	*9.2*	*14.4*	*11.5*	*-7.5*	*9.5*	
Vanguard Mid Cap Index Adm	3.6	8.7	7.0	17.5	14.6	14.3	13.0	10.3	10.0	15.2	16.0	-18.7	10.4	May-18
Vanguard Mid Cap Index Benchmark		*8.7*	*7.0*	*17.6*	*14.7*	*14.3*	*13.0*	*10.3*	*10.0*	*15.3*	*16.0*	*-18.7*	*10.5*	
Harbor Small Cap Growth Instl	1.8	12.2	0.4	6.7	7.9	11.5	8.6	8.6	8.7	9.3	22.2	-25.5	4.0	Dec-20
Russell 2000 Growth Index		*12.0*	*-0.5*	*9.7*	*9.4*	*12.4*	*7.4*	*5.7*	*7.1*	*15.2*	*18.7*	*-26.4*	*2.6*	
Boston Partners Sm Cap Value II I	2.0	7.3	1.0	11.8	13.1	11.5	15.4	6.9	7.5	14.0	16.7	-11.5	10.1	Jul-98
Russell 2000 Value Index		*5.0*	*-3.2*	*5.5*	*8.2*	*7.5*	*12.5*	*4.8*	*6.7*	*8.1*	*14.6*	*-14.5*	*7.7*	
Total International Equity	**13.8**	**12.2**	**18.6**	**21.3**	**14.4**	**15.2**	**9.5**	**6.2**	**-**	**5.1**	**17.7**	**-19.9**	**5.4**	**May-18**
MSCI AC World ex USA (Net)		*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*6.6*	*6.1*	*5.5*	*15.6*	*-16.0*	*5.8*	
Transamerica International Equity I	7.3	10.3	21.0	21.2	14.7	15.4	11.8	6.8	6.0	3.5	16.0	-14.1	6.0	May-18
MSCI AC World ex USA (Net)		*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*6.6*	*6.1*	*5.5*	*15.6*	*-16.0*	*5.8*	
Vanguard International Growth Adm	6.5	14.5	16.1	17.9	13.4	13.9	7.3	8.5	9.6	9.5	14.8	-30.8	9.8	Oct-24
MSCI AC World ex USA (Net)		*12.0*	*17.9*	*17.7*	*14.6*	*14.0*	*10.1*	*6.6*	*6.1*	*5.5*	*15.6*	*-16.0*	*8.9*	
Total Alternatives	**9.0**	**3.3**	**6.9**	**10.4**	**9.5**	**8.0**	**5.6**	**4.2**	**-**	**5.2**	**8.6**	**-0.5**	**4.0**	**May-18**
HFRI Fund of Funds Composite Index		*3.4*	*3.0*	*7.3*	*8.0*	*6.5*	*6.2*	*4.6*	*3.8*	*9.2*	*6.1*	*-5.3*	*4.6*	
Merger Fund Instl	4.4	2.5	4.8	7.9	7.0	5.2	3.8	3.9	3.7	3.5	4.5	1.0	3.9	Dec-18
HFRI ED: Merger Arbitrage Index		*5.0*	*5.4*	*11.0*	*9.7*	*7.0*	*8.3*	*6.0*	*5.3*	*5.6*	*5.1*	*2.8*	*6.2*	
GMO Benchmark-Free Allocation I	4.6	4.1	9.0	9.8	10.8	10.1	6.8	4.4	3.9	4.2	13.3	-2.3	9.7	Nov-24
HFRI Fund of Funds Composite Index		*3.4*	*3.0*	*7.3*	*8.0*	*6.5*	*6.2*	*4.6*	*3.8*	*9.2*	*6.1*	*-5.3*	*5.0*	
Total Fixed Income	**37.8**	**1.4**	**3.8**	**6.5**	**5.2**	**3.6**	**1.3**	**2.8**	**-**	**3.0**	**5.1**	**-9.0**	**2.7**	**May-18**
Blmbg. U.S. Aggregate Index		*1.2*	*4.0*	*6.1*	*4.3*	*2.5*	*-0.7*	*1.8*	*1.8*	*1.3*	*5.5*	*-13.0*	*1.8*	
Federated Hermes Total Return Bond Instl	18.2	1.3	3.9	6.4	4.7	2.7	0.3	2.4	2.4	2.0	5.2	-12.5	2.4	May-18
Blmbg. U.S. Aggregate Index		*1.2*	*4.0*	*6.1*	*4.3*	*2.5*	*-0.7*	*1.8*	*1.8*	*1.3*	*5.5*	*-13.0*	*1.8*	

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	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	2 Yr (%)	3 Yr (%)	5 Yr (%)	7 Yr (%)	10 Yr (%)	2024 (%)	2023 (%)	2022 (%)	Inception (%)	Inception Date
Fidelity Interm Treasury Bond Index	6.0	1.6	5.4	6.7	4.1	1.9	-1.5	1.7	1.4	0.4	4.1	-12.7	2.9	Apr-23
Blmbg. U.S. Treasury: 5-10 Year		*1.6*	*5.3*	*6.6*	*4.1*	*1.9*	*-1.5*	*1.7*	*1.5*	*0.2*	*4.1*	*-12.6*	*2.6*	
Lord Abbett Short Duration Income I	13.7	1.6	3.2	6.4	6.2	4.6	2.7	2.9	2.6	5.6	5.4	-4.6	2.9	May-18
ICE BofA 1-3 Yr. Gov/Corp		*1.3*	*2.9*	*5.9*	*5.4*	*3.8*	*1.6*	*2.3*	*1.9*	*4.4*	*4.6*	*-3.8*	*2.3*	
Total Cash and Equivalents	**0.8**	**1.0**	**2.0**	**4.3**	**4.7**	**4.2**	**2.5**	**2.2**	**-**	**4.8**	**4.7**	**1.2**	**2.2**	**Jun-18**
90 Day U.S. Treasury Bill		*1.0*	*2.1*	*4.7*	*5.0*	*4.6*	*2.8*	*2.5*	*2.0*	*5.3*	*5.0*	*1.5*	*2.5*	
First American Govt Obligations Y	0.8	1.0	2.0	4.4	4.7	4.3	2.5	2.2	1.7	4.9	4.7	1.3	2.2	Jun-18
90 Day U.S. Treasury Bill		*1.0*	*2.1*	*4.7*	*5.0*	*4.6*	*2.8*	*2.5*	*2.0*	*5.3*	*5.0*	*1.5*	*2.5*	

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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 in exchange for interest. Interest is typically returned semi-annually, and face value is paid at maturity, assuming no default.

Face Value: The bonds value and also the reference amount used when calculating interest payments.

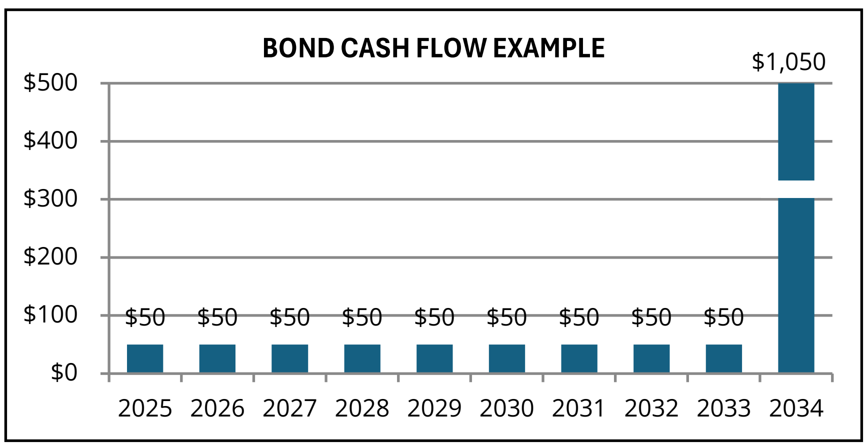
Coupon Rate: The rate of interest the bond issuer will pay on the face value of the bond, expressed as an annual percentage. For example, a 5% coupon rate means that bondholders will receive 5% x $1,000 face value = $50 annually.

Maturity Date: The date on which the bond will mature, and when 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: 12/31/2034

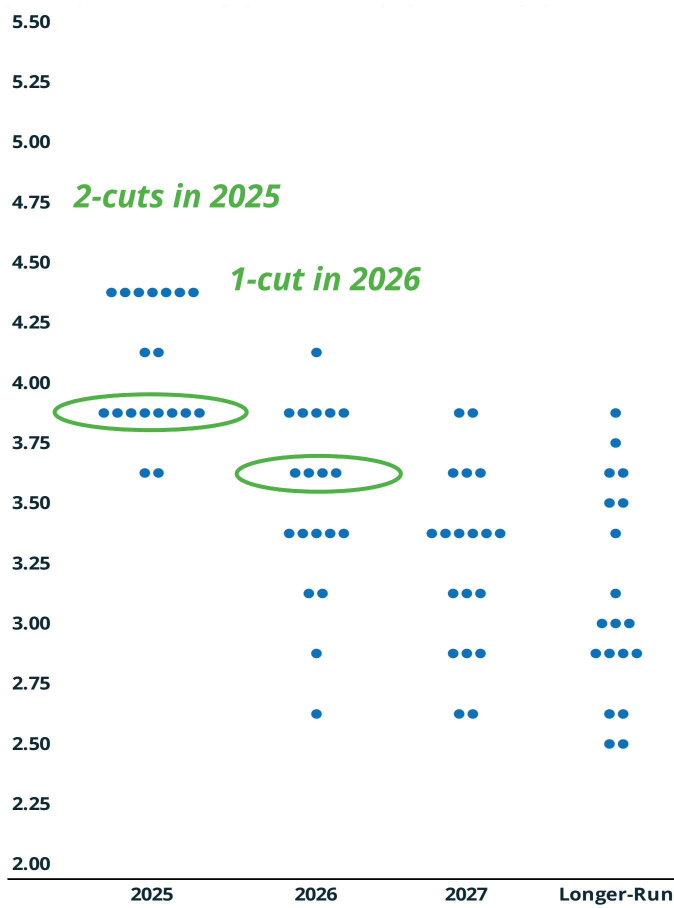
Trading at 105 (premium)
Price: $1,050
Yield-to-maturity: 4.4%
Duration: 7.5

Trading at 95 (discount)
Price: $950
Yield-to-maturity: 5.7%
Duration: 7.4

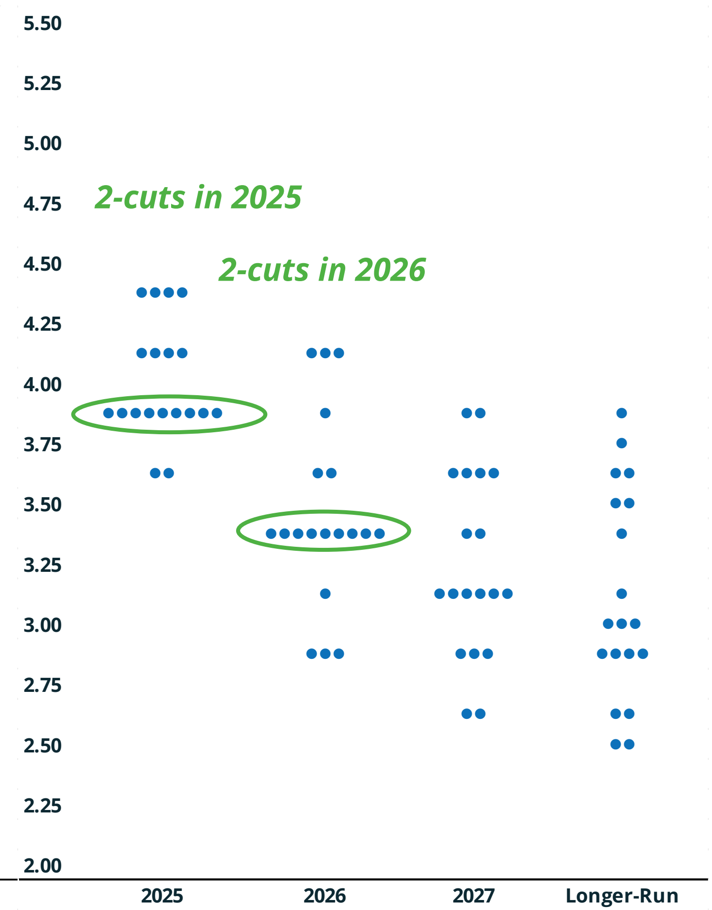
Fed's Outlook | Stresses Patience Given the Stable Economy

- Fed Chair Powell noted diminishing uncertainty but emphasized continued patience warranted in latest Fed meeting.
- Fed wants to see more data on the extent of the 10%-15% effective tariff rate impact on core-prices.
- Hard data still suggests a stable economy.
    - Fed attuned to heightened geopolitical risks.
- Pace of QT continues a slow pace—mostly MBS-oriented.

Jun-2025 Dot Plots



Mar-2025 Dot Plots



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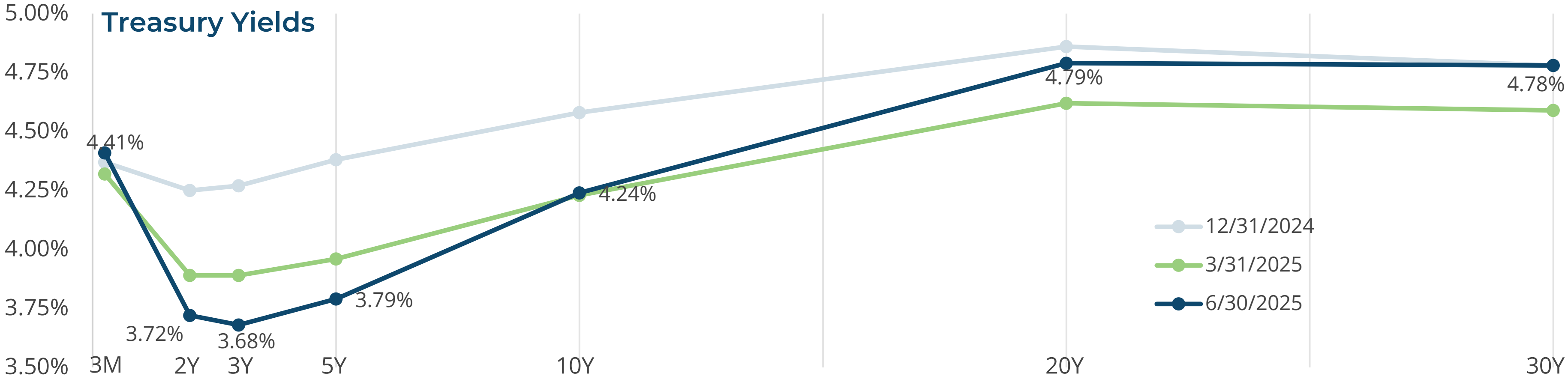
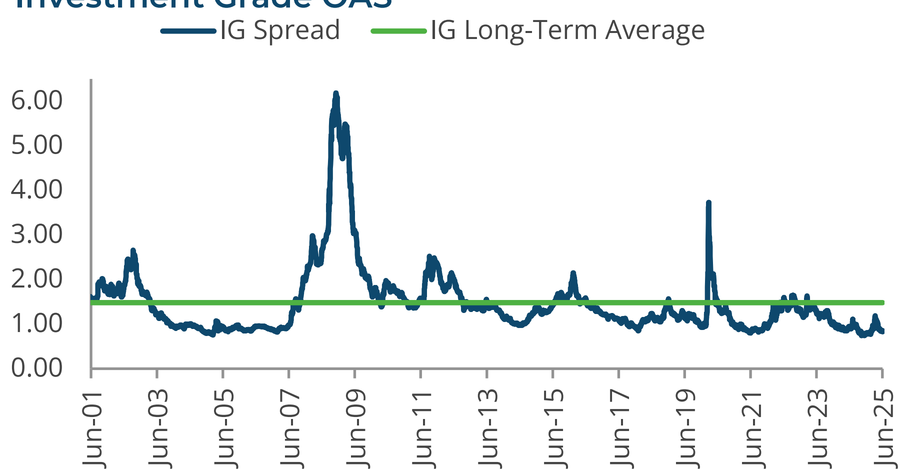
Source: Clearstead, US Federal Reserve 6/18/2025

Fixed Income | Yields & Spreads | 6/30/2025

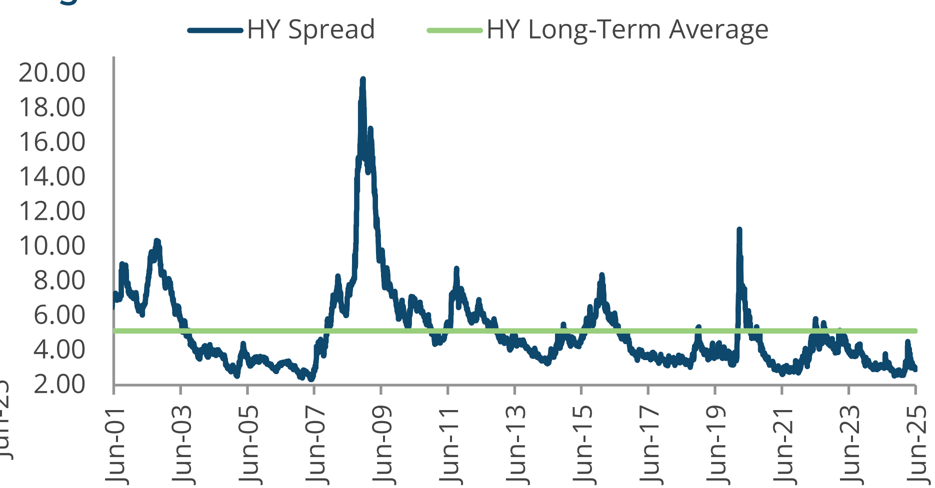


Yield Change (bps)	3M	2Y	3Y	5Y	10Y	20Y	30Y
QTD	9	-17	-21	-17	1	17	19
YTD	4	-53	-59	-59	-34	-7	0

Investment Grade OAS



High Yield OAS



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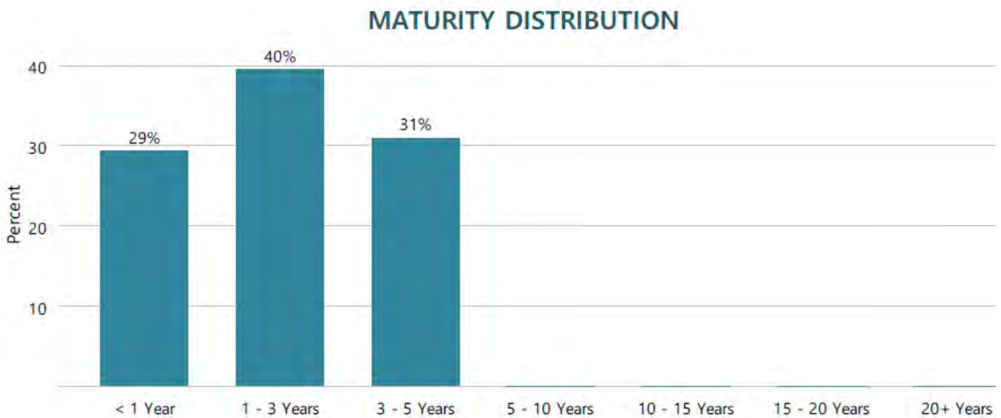
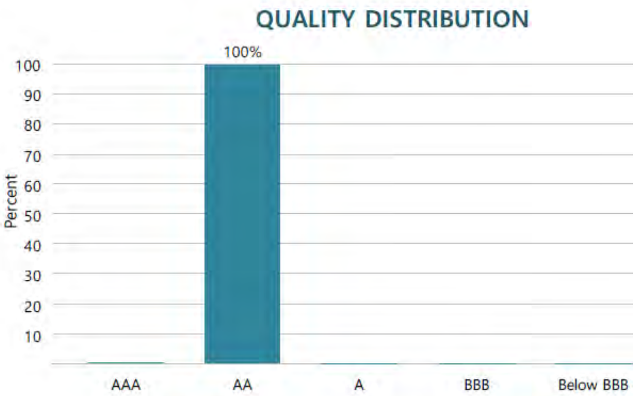
Source: U.S. Dept. of the Treasury, Daily Treasury Par Yield Curve Rates, as of 6/30/2025
Past performance is not an indicator of future results

System | Reserve Pool Fixed Income



Maturity		Market Value	Percent
< 1 Year	$	50,738,232	29.4%
1 - 3 Years		68,245,236	39.6
3 - 5 Years		53,535,249	31.0
5 - 10 Years			
10 - 15 Years			
15 - 20 Years			
20+ Years			
Total	**$**	**172,518,717**	**100.0%**
Effective Average Maturity of Portfolio:			2.13 yrs



Rating		Market Value	Percent
AAA	$	741,448	0.4%
AA		171,777,269	99.6
A			
BBB			
Below BBB			
NR			
Total	**$**	**172,518,717**	**100.0%**
Weighted Average Quality of Portfolio:			AA+

Characteristic	Portfolio
Average Duration	1.97 yrs.
Average Maturity	2.13 yrs.
Average Coupon	2.74 %
Average YTM/C	3.94 %
Average Quality	AA+

Source: Boyd Watterson

Captive | Fixed Income

Current Portfolio	48.0%	16.0%	36.0%	100.0%	
	Federated Total Return Bond	Fidelity Interm.Treasury Index	Lord Abbett Short Duration Income	Current Portfolio	Bloomberg Aggregate Bond Index
Expense Ratio	0.38%	0.03%	0.39%	0.33%	
Strategy AUM ($1,000,000)	$15,285	$6,753	$41,910		
Current Wgtd. Avg. Coupon	4.38%	3.16%	5.20%	4.48%	3.50%
Yield to Maturity	4.98%	4.10%	5.30%	4.95%	4.60%
Average Maturity	9.10	7.10	2.21	6.30	8.38
Effective Duration	6.10	6.13	1.96	4.61	6.14
Quality Issue					
AAA	1%	0%	22%	8%	3%
AA	66%	100%	8%	51%	73%
A	9%	0%	16%	10%	11%
BBB	14%	0%	36%	20%	12%
BB	2%	0%	11%	5%	0%
B	2%	0%	4%	2%	0%
CCC & Below	1%	0%	1%	1%	0%
Not Rated	6%	0%	2%	4%	0%
Sector					
U.S. Treasury	31%	99%	2%	32%	45%
U.S. Agency	0%	0%	0%	0%	1%
Invt. Grade Corporates	23%	0%	49%	29%	24%
High Yield Corporates	3%	0%	12%	6%	0%
Non-Agency ABS/CMOs	1%	0%	20%	7%	0%
Non-Agency MBS/CMBS	1%	0%	7%	3%	2%
Mort.-Passthrough	34%	0%	6%	19%	25%
Leveraged/Bank Loans	0%	0%	6%	2%	0%
Municipals	0%	0%	0%	0%	1%
Non-U.S. Developed	0%	0%	1%	0%	2%
Emerging Markets	3%	0%	0%	2%	0%
Non-Dollar	0%	0%	0%	0%	0%
Other	6%	0%	0%	3%	0%
Cash	-1%	1%	-4%	-1%	0%

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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, 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 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 qualify. Bloomberg 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. Bloomberg 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. 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 deal; 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 U.S. Securitized 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 CMBS 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 Macro 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 focused on consistent performance and lower volatility via absolute strategies. The FTSE All-World ex US Index comprises large and midcap 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 Dividend 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

Devoted to Hope, Health, and Humanity

Financial and Operational Results

For the Quarter Ended June 30, 2025

Finance Committee

August 27, 2025

Matters for Board Attention

- EBIDA for the six months ended June 30, 2025, was $42M, which falls $24M short of budget but was $8M greater than EBIDA for the same period ended June 30, 2024, which was $34M.

- Net Patient Revenue exceeds prior year by $47M but is unfavorable to budget by $45M, due to Primary Care Outpatient Services, Surgical Case and Behavioral Health Hospital discharges. Both services have lagged behind budget despite outpatient visits having increased 4% from the prior year.

- Charity Care was $184M for the six months ended June 30, 2025 compared to $127M for the same period in 2024, an increase of 46%.

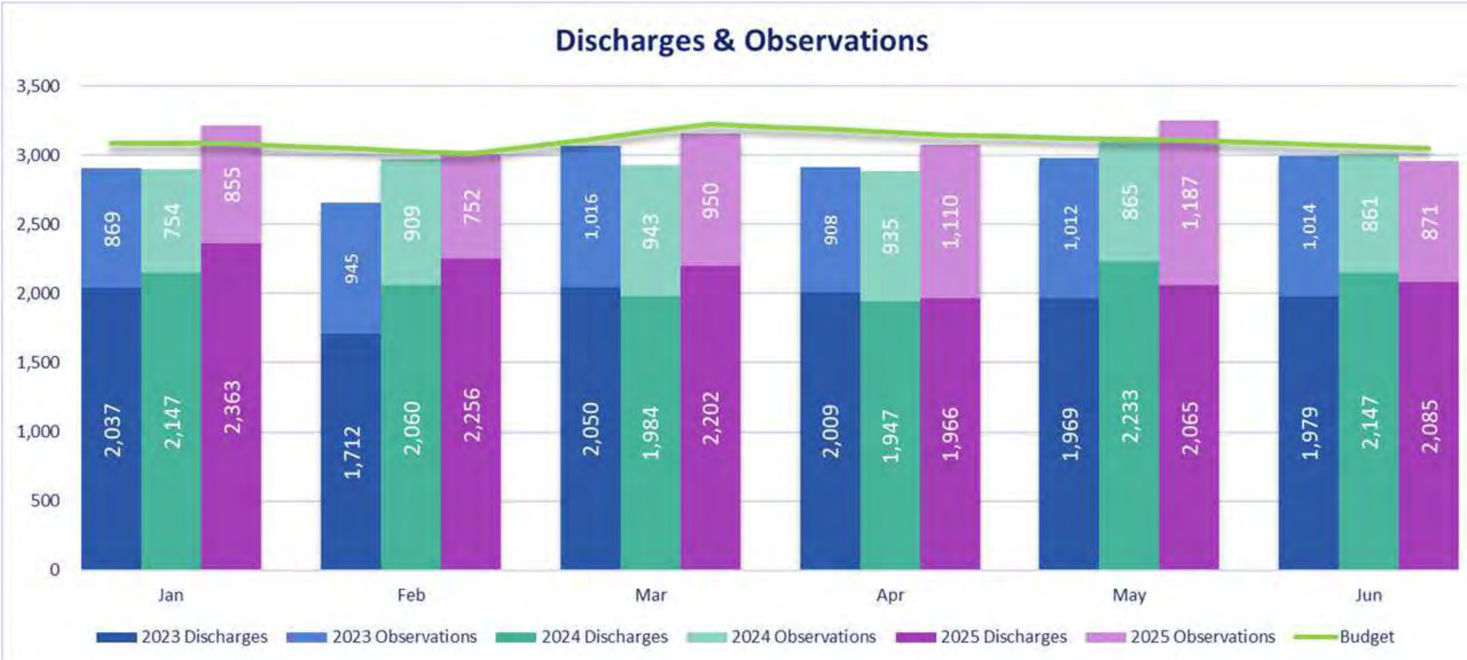
- Total System discharges increased from prior year by 5%, driven primarily by Main Campus observations.

- Emergency department visits exceed budget year-to-date by 5% and prior year by 6%. Emergency admissions as a % of total discharges is 83%, which is consistent with the budget and a 2% increase from the prior year.

- Overtime and contract labor was $18M for the six months ended June 30, 2025, a reduction of 17% from the same period of the prior year, which had overtime and labor costs of $21M. Full Time Equivalents for the six months ended June 30, 2025 were 8,332 compared to 8,096 for the same period in 2024, an increase of 3%, and the associated salaries, wages and benefit costs have grown 5% compared to the same period in the prior year.

- Retail pharmacy prescriptions filled continue to grow, increasing 15% over prior year, while drug costs exceed budget by 14%.

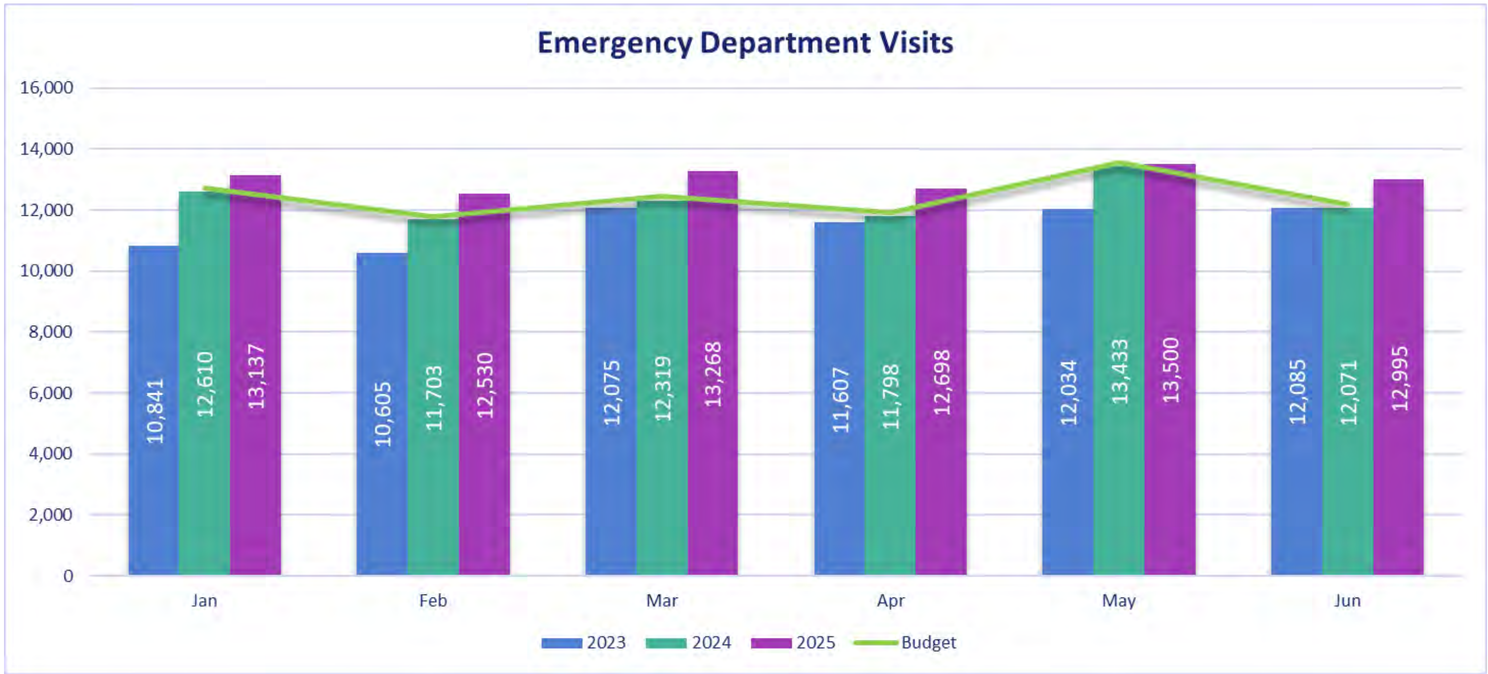
Total Discharges & Observations Exceed Prior Year by 4.9%



Discharges & Observations YTD Totals	Discharges	Observations	Total Discharges & Observations
2023	11,756	5,764	17,520
2024	12,518	5,267	17,785
2025	12,937	5,725	18,662
2025 Budget	13,192	5,431	18,623

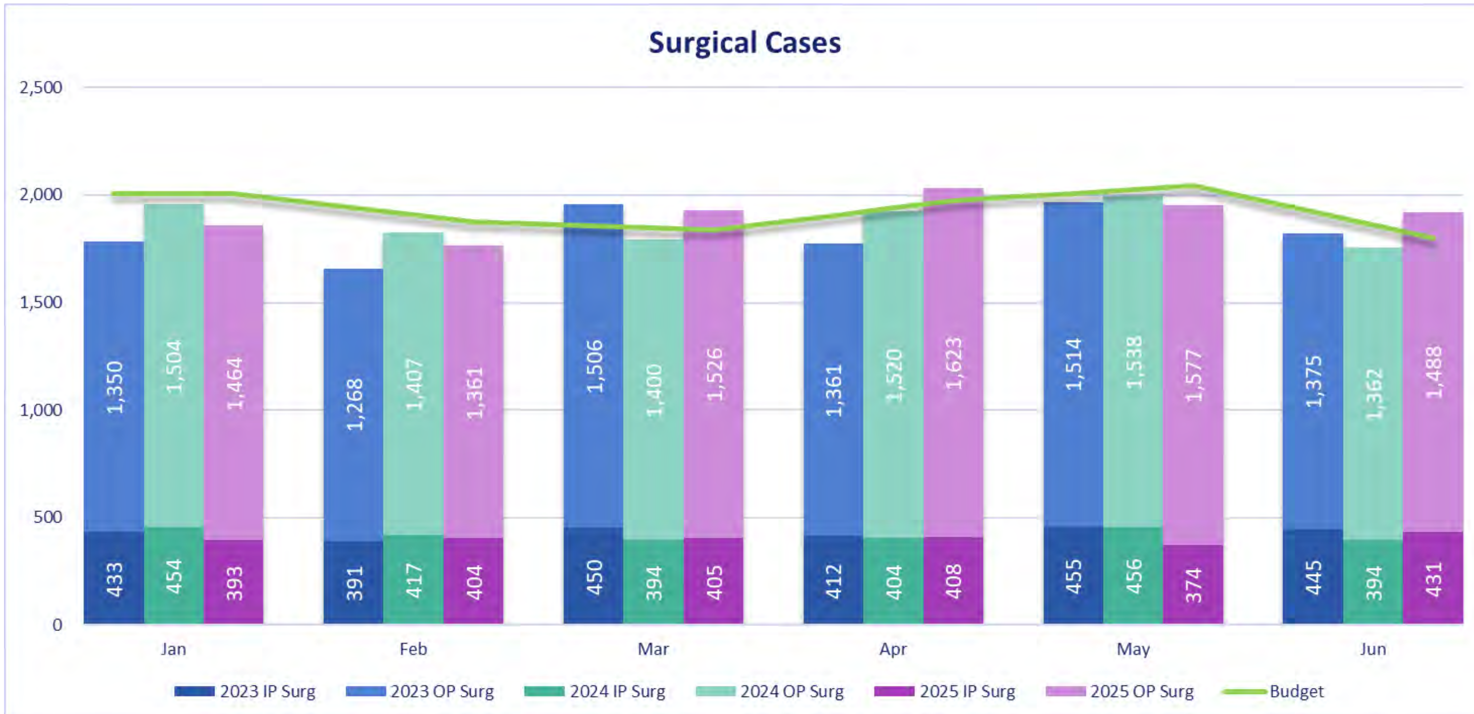
MetroHealth

Emergency Visit Volumes Exceed Prior Year by 5.7%



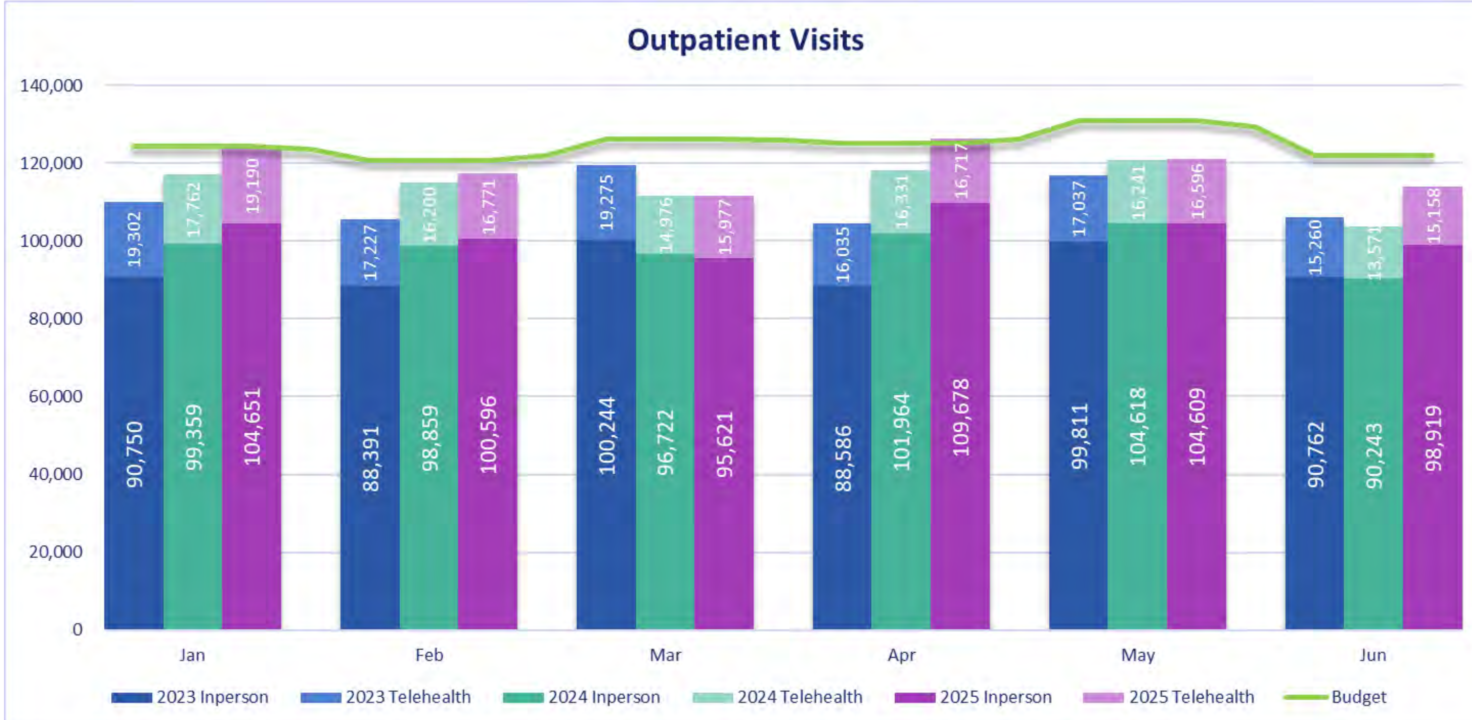
Emergency Departments YTD Totals	Emergency Department Visits	Emergency Department Admissions as a % of Discharges
2023	69,247	81.7%
2024	73,934	81.4%
2025	78,128	82.8%
2025 Budget	74,657	81.7%

Total Surgical Cases Are Consistent With Prior Year



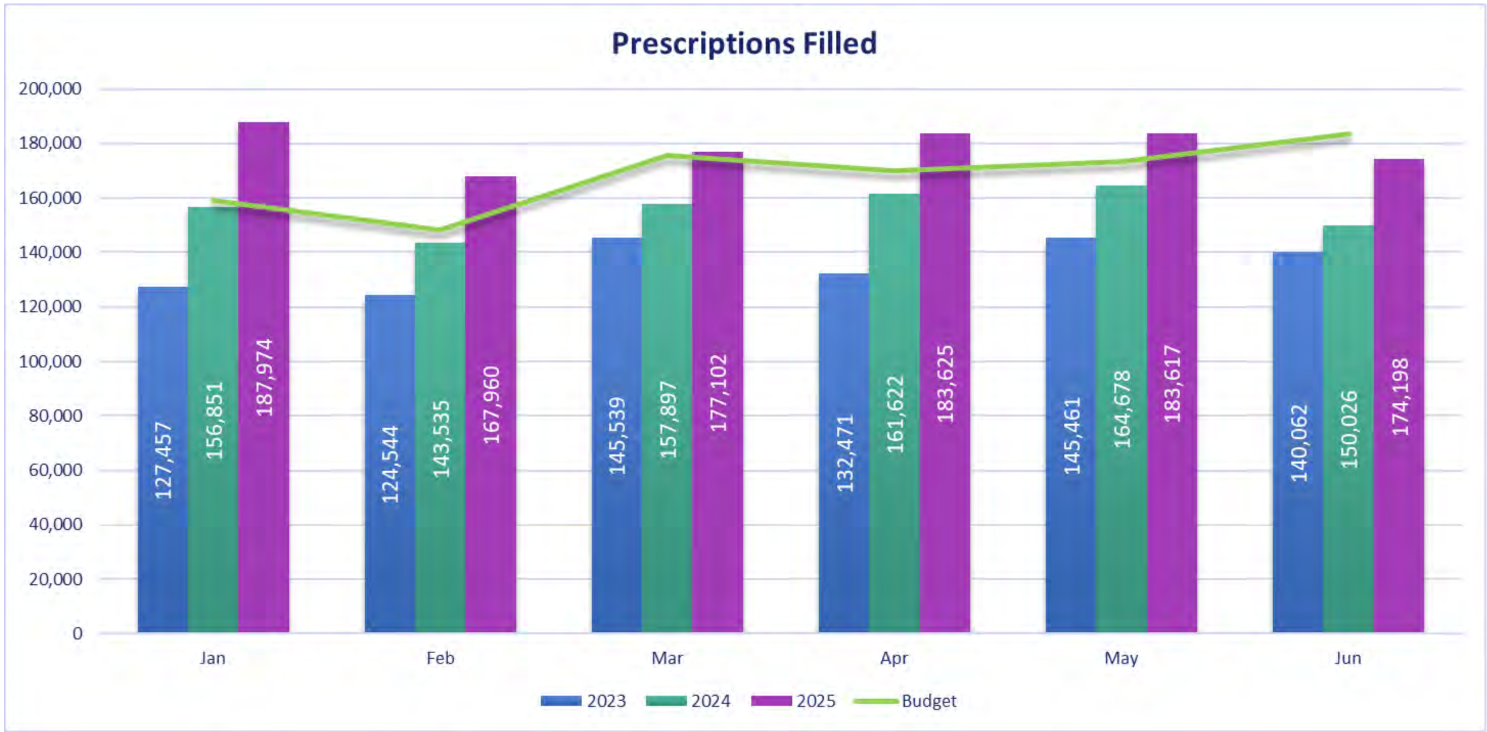
Surgical Cases YTD Total	Inpatient Surgical Cases	Outpatient Surgical Cases	Total Surgical Cases
2023	2,586	8,374	10,960
2024	2,519	8,731	11,250
2025	2,415	9,039	11,454
2025 Budget	2,815	8,724	11,539

Total Outpatient Visits Exceed Prior Year by 4.0%



YTD Totals	In-Person	Telehealth	Total Outpatient Visits
2023	558,544	104,136	662,680
2024	591,765	95,081	686,846
2025	614,074	100,409	714,483
2025 Budget	646,969	102,678	749,647

Retail Pharmacy Prescriptions Filled Exceed Prior Year by 15.0%

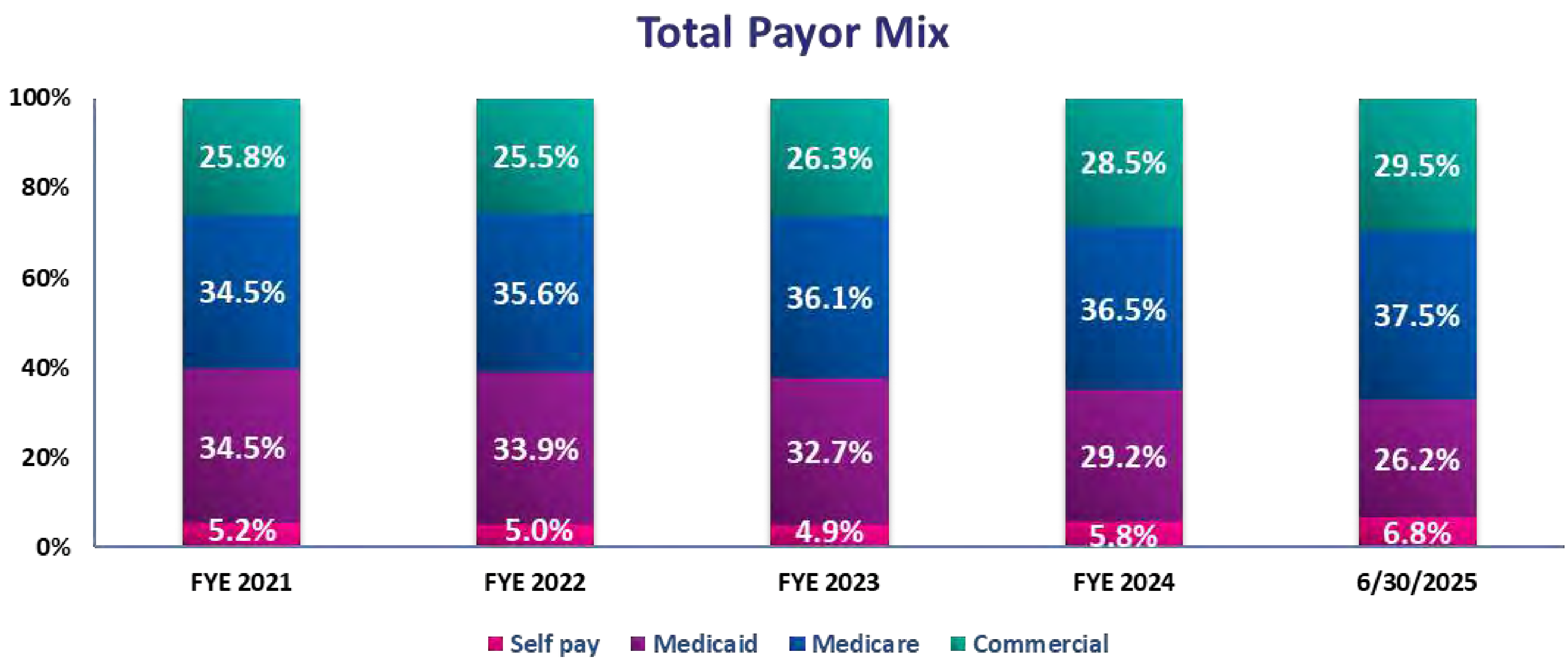


Prescriptions Filled Totals	Prescriptions Filled	Capture Rate YTD
2023	815,534	45.1%
2024	934,609	52.3%
2025	1,074,476	56.7%
2025 Budget	1,009,906	

MetroHealth

Payor Mix

(based on gross patient revenue)



Gross Charity Care

$176,366	$176,308	$200,698	$275,868	$184,351
FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**6/30/2025**

MetroHealth

Statement of Revenues, Expense and Changes in Net Position For the Six Months Ended June 30

MetroHealth

In Thousands

	2025 Actual	2025 Budget	Variance $	Variance %	2024 Actual	Variance $	Variance %
Operating Revenues							
Net Patient Revenue	$ 707,201	$ 752,167	$ (44,966)	(6.0%)	$ 660,169	47,032	7.1%
Pharmacy Revenue	245,873	208,549	37,324	17.9%	205,642	40,231	19.6%
Other Revenue[1]	74,520	79,959	(5,439)	(6.8%)	71,802	2,718	3.8%
Total Operating Revenue	$ 1,027,594	$ 1,040,675	$ (13,081)	(1.3%)	$ 937,613	$ 89,981	9.6%
Operating Expenses							
Salaries and wages	459,946	474,124	(14,178)	(3.0%)	444,825	15,121	3.4%
Employee Benefits	129,625	127,274	2,351	1.8%	116,364	13,261	11.4%
Purchased services	79,191	80,738	(1,547)	(1.9%)	62,618	16,573	26.5%
Medical supplies	74,918	67,995	6,923	10.2%	65,218	9,700	14.9%
Pharmaceuticals	168,272	147,761	20,511	13.9%	141,589	26,683	18.8%
Plant operations	23,508	22,280	1,228	5.5%	21,592	1,916	8.9%
Non-medical supplies	7,969	9,692	(1,723)	(17.8%)	8,709	(740)	(8.5%)
Other expenses	41,547	44,095	(2,548)	(5.8%)	42,438	(891)	(2.1%)
Operating Expense Before Interest, Depreciation and Amortization	$ 984,976	$ 973,959	$ 11,017	1.1%	$ 903,353	$ 81,623	9.0%
EBIDA	**$ 42,618**	**$ 66,716**	**$ (24,098)**	**(36.1%)**	**$ 34,260**	**$ 8,358**	**24.4%**
Depreciation and amortization	52,585	54,029	(1,444)	(2.7%)	51,159	1,426	2.8%
Interest expense	28,390	28,231	159	0.6%	28,306	84	0.3%
Total Operating Expenses	$ 1,065,951	$ 1,056,219	$ 9,732	0.9%	$ 982,818	$ 83,133	8.5%
Operating Loss	**$ (38,357)**	**$ (15,544)**	**$ (22,813)**	**(146.8%)**	**$ (45,205)**	**$ 6,848**	**15.1%**
Non-Operating Revenues (Expenses)							
Net investment income	29,391	8,878	20,513	231.1%	26,848	2,543	9.5%
Other non-operating expense	(2,066)	(928)	(1,138)	(122.6%)	(1,998)	(68)	(3.4%)
Total Non-Operating Revenues (Expenses)	$ 27,325	$ 7,950	$ 19,375	243.7%	$ 24,850	$ 2,475	10.0%
Change in Net Position	**$ (11,032)**	**$ (7,594)**	**$ (3,438)**	**(45.3%)**	**$ (20,355)**	**$ 9,323**	**45.8%**

1 - Interest Expense, Research Indirect Revenue, and Build America Bond Revenue are classified as operating activity internally, and non-operating in the audited financial statements.

Statement of Revenues, Expense and Changes in Net Position For the Three Months Ended June 30

In Thousands

	2025 Actual	2025 Budget	Variance $	Variance %	2024 Actual	Variance $	Variance %
Operating Revenues							
Net Patient Revenue	$ 359,040	$ 375,768	$ (16,728)	(4.5%)	$ 337,819	21,221	6.3%
Pharmacy Revenue	128,446	108,456	19,990	18.4%	105,262	23,184	22.0%
Other Revenue[1]	36,360	40,770	(4,410)	(10.8%)	34,363	1,997	5.8%
Total Operating Revenue	$ 523,846	$ 524,994	$ (1,148)	(0.2%)	$ 477,444	$ 46,402	9.7%
Operating Expenses							
Salaries and wages	227,883	236,031	(8,148)	(3.5%)	219,837	8,046	3.7%
Employee Benefits	63,569	63,184	385	0.6%	58,587	4,982	8.5%
Purchased services	40,766	40,190	576	1.4%	32,517	8,249	25.4%
Medical supplies	38,688	33,896	4,792	14.1%	33,261	5,427	16.3%
Pharmaceuticals	87,521	75,832	11,689	15.4%	73,228	14,293	19.5%
Plant operations	11,925	11,114	811	7.3%	11,274	651	5.8%
Non-medical supplies	3,794	4,850	(1,056)	(21.8%)	3,940	(146)	(3.7%)
Other expenses	21,077	22,081	(1,004)	(4.5%)	21,675	(598)	(2.8%)
Operating Expense Before Interest, Depreciation	$ 495,223	$ 487,178	$ 8,045	1.7%	$ 454,319	$ 40,904	9.0%
EBIDA	**$ 28,623**	**$ 37,816**	**$ (9,193)**	**(24.3%)**	**$ 23,125**	**$ 5,498**	**23.8%**
Depreciation and amortization	26,192	27,157	(965)	(3.6%)	26,170	22	0.1%
Interest expense	14,239	14,093	146	1.0%	14,210	29	0.2%
Total Operating Expenses	$ 535,654	$ 528,428	$ 7,226	1.4%	$ 494,699	$ 40,955	8.3%
Operating Loss	**$ (11,808)**	**$ (3,434)**	**$ (8,374)**	**(243.9%)**	**$ (17,255)**	**$ 5,447**	**31.6%**
Non-Operating Revenues (Expenses)							
Net investment income	28,118	4,329	23,789	549.5%	7,148	20,970	293.4%
Other non-operating expense	(1,035)	(557)	(478)	(85.8%)	(888)	(147)	(16.6%)
Total Non-Operating Revenues (Expenses)	$ 27,083	$ 3,772	$ 23,311	618.0%	$ 6,260	$ 20,823	332.6%
Change in Net Position	**$ 15,275**	**$ 338**	**$ 14,937**	**4,419.2%**	**$ (10,995)**	**$ 26,270**	**238.9%**

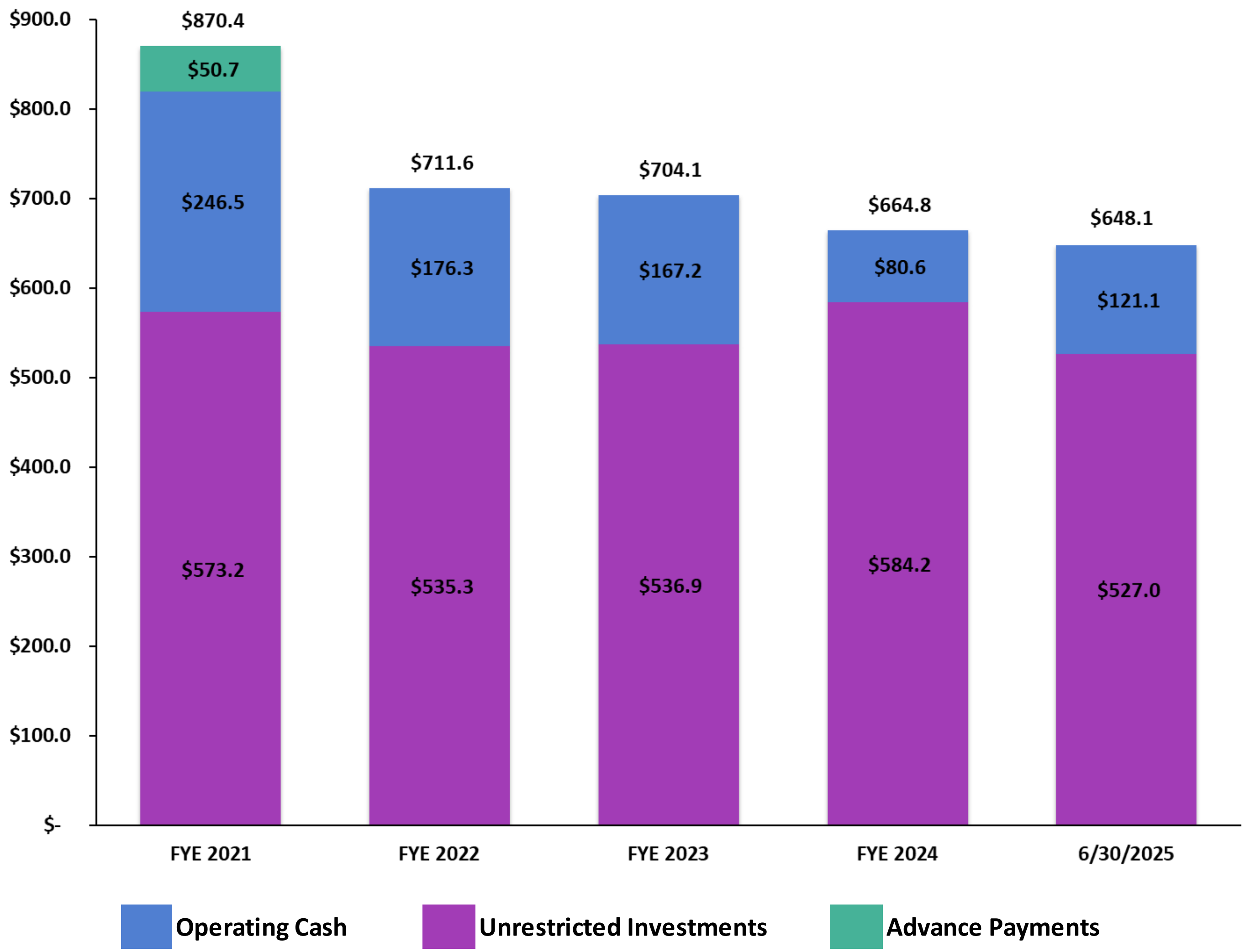
1 - Interest Expense, Research Indirect Revenue, and Build America Bond Revenue are classified as operating activity internally, and non-operating in the audited financial statements.

FOR THE PERIOD ENDED JUNE 30, 2025
(Dollars in Thousands)

Assets	Unaudited 6/30/25	Audited 12/31/24
Current Assets:		
Cash and cash equivalents	$ 121,086	$ 80,576
Net accounts receivable	180,229	168,724
Other current assets	163,109	131,254
Total current assets	464,424	380,554
Noncurrent Assets:		
Investments	527,047	584,195
Restricted assets	108,091	119,443
Capital assets, net:	1,229,923	1,202,545
Right-of-use assets, net:	118,078	117,316
Other noncurrent assets	16,624	17,748
Total noncurrent assets	1,999,763	2,041,247
Total assets	2,464,187	2,421,801
Deferred Outflows of Resources	372,210	372,330
Total Assets and Deferred Outflows of Resources	$ 2,836,397	$ 2,794,131

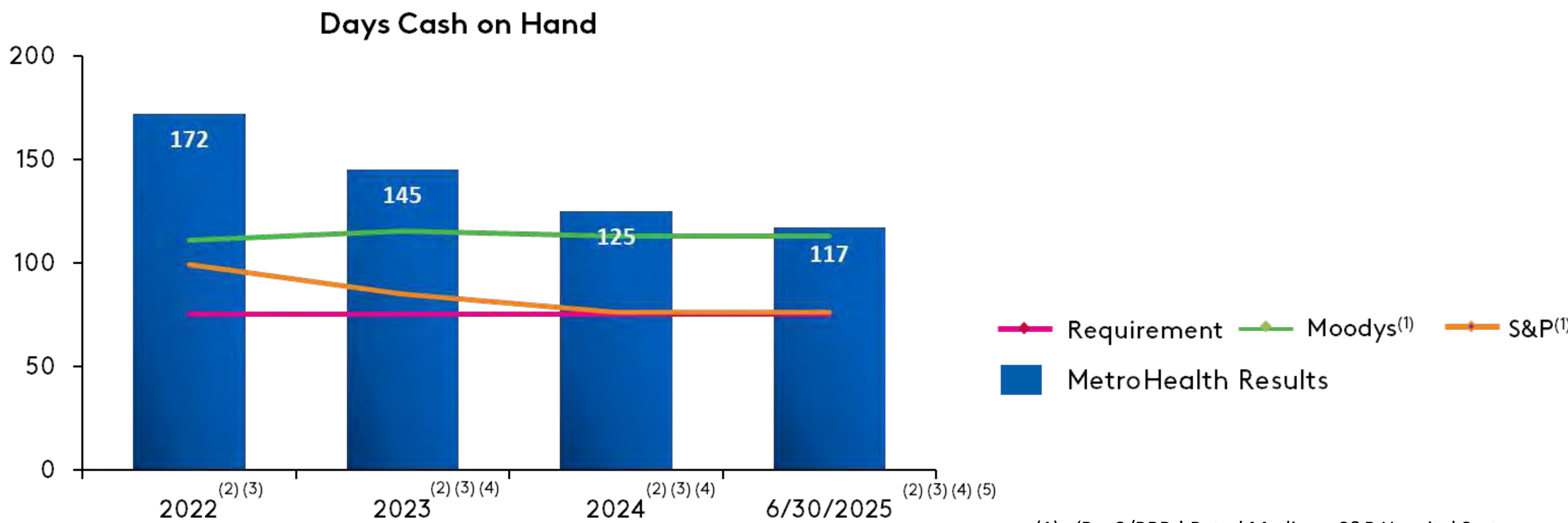
Liabilities	Unaudited 6/30/25	Audited 12/31/24
Current Liabilities:		
Accounts payable	$ 105,454	$ 84,127
Accrued payroll and related liabilities	97,756	78,198
Other current liabilities	102,448	82,817
Total current liabilities	305,658	245,142
Long-Term Liabilities, less current installments:		
Net pension liability	960,741	960,741
Long-term debt	998,216	1,011,478
Other long-term liabilities	165,512	161,969
Total long-term liabilities	2,124,469	2,134,188
Total liabilities	2,430,127	2,379,330
Deferred Inflows of Resources	36,158	36,258
Total Net Position	370,112	378,543
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 2,836,397	$ 2,794,131

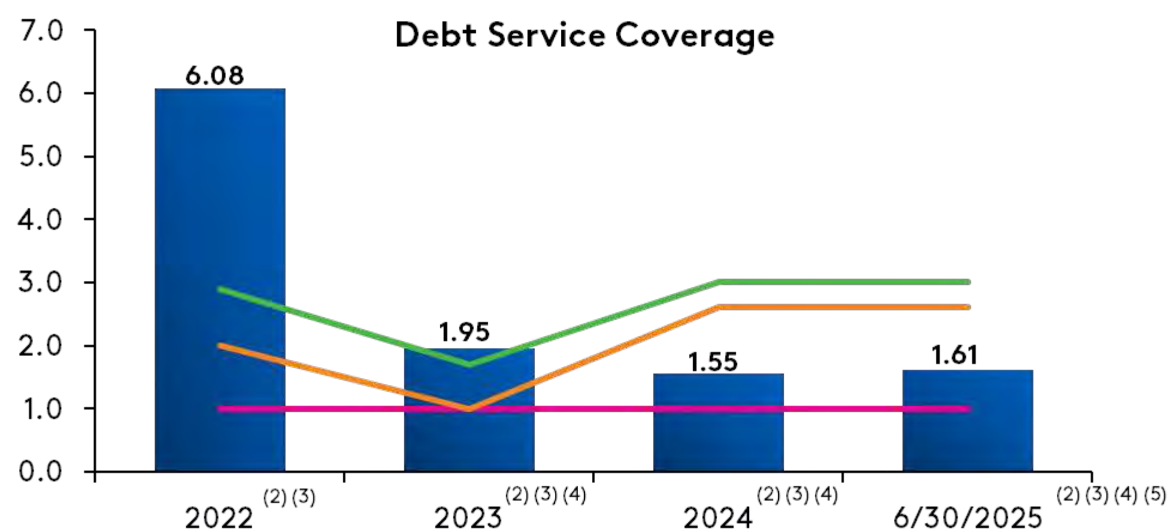
Unrestricted Cash & Investments



Notes:
- The 12/31/2021 balance includes $50.7M in advanced payments from CMS and commercial payors. These advanced payments were repaid as of 12/31/2022.

Covenant Compliance





(1) ‘Baa3/BBB-’ Rated Medians; S&P Hospital Systems only. Moody’s combines Systems and Stand-Alone Hospitals
(2) Calculations exclude the impact of GASB 89
(3) Calculations exclude the impact of GASB 87
(4) Calculations exclude the impact of GASB 96
(5) Trailing Twelve Months

MetroHealth

Capital Budget Summary

(Dollars in Thousands)

Through June 30, 2025						
	Approved	Spent	Committed	Allocated	Balance $	Balance %
2024	40,000	29,319	4,785	5,810	86	0.2%
2025	45,000	5,470	10,510	7,555	21,465	47.7%
Total	$ 85,000	$ 34,789	$ 15,295	$ 13,365	$ 21,551	25.3%
		40.9%	18.0%	15.7%	25.4%	

	Approved	Spent	Committed	Allocated	Balance $	Balance %
Routine/Strategic	17,370	1,846	4,700	1,380	9,444	54.3%
Contingency	6,030	1,952	1,416	832	1,830	30.4%
Prior Year	4,200	1,672	688	874	966	23.1%
Signage	8,300	-	2,003	2,997	3,300	39.8%
Radiology Equipment	6,500	-	1,703	1,472	3,325	51.2%
Radiology Equipment - Parma	2,600	-	-	-	2,600	100.0%
2025	$ 45,000	$ 5,470	$ 10,510	$ 7,555	$ 21,465	47.7%

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**

In Thousands

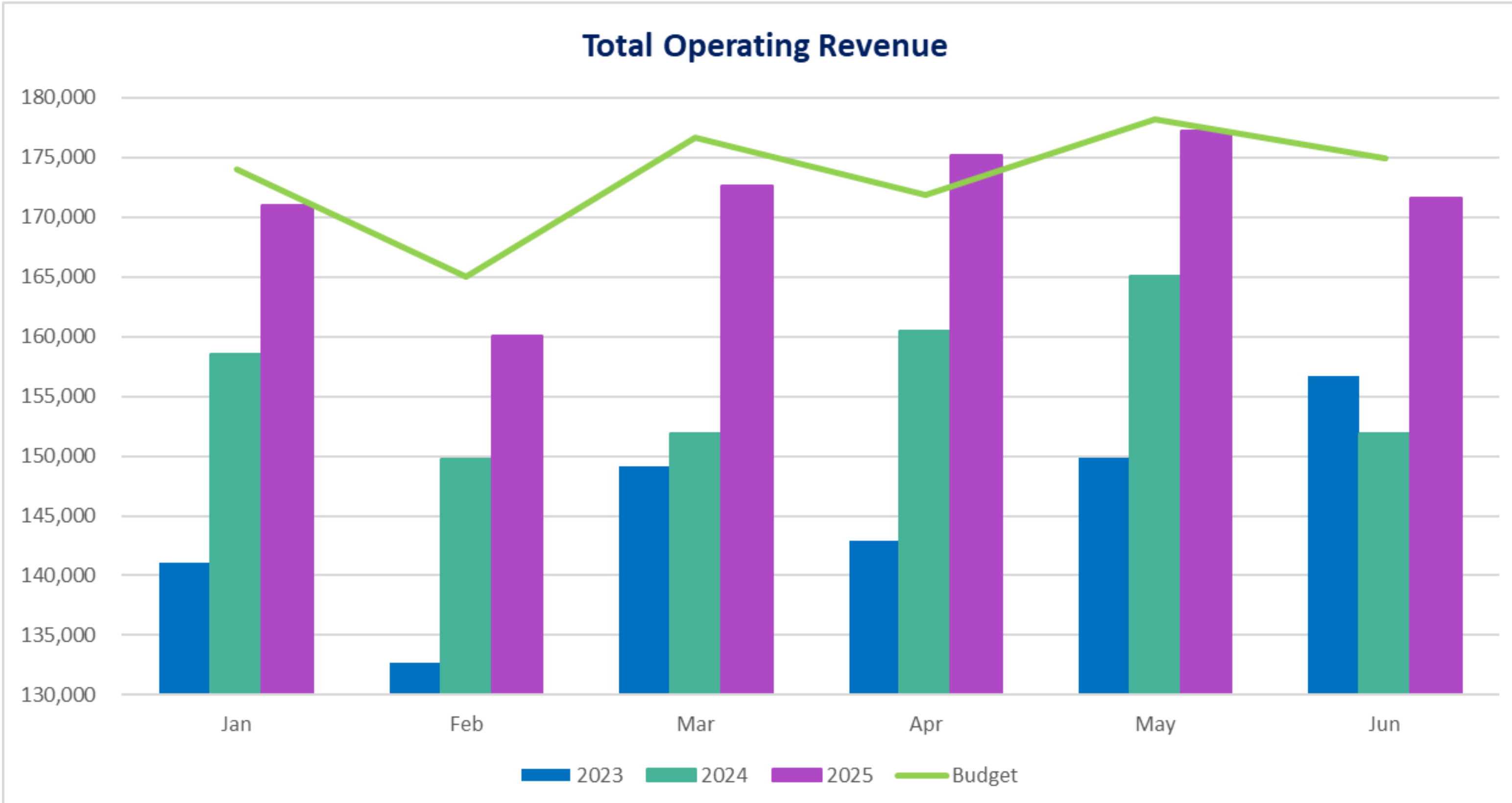
July 2025

Current Month						Year to Date				
Actual	Budget	Fav (Unfav)	PY	Fav (Unfav)		Actual	Budget	Fav (Unfav)	PY	Fav (Unfav)
					Operating Revenue					
158,802	155,154	3,648	139,571	19,231	Inpatient Revenue	1,003,973	1,039,653	(35,680)	935,023	68,950
327,209	314,161	13,048	298,963	28,246	Outpatient Revenue	2,180,661	2,177,506	3,155	2,012,372	168,289
486,011	469,315	16,696	438,534	47,477	**Gross Patient Revenue**	3,184,634	3,217,159	(32,525)	2,947,395	237,239
(378,641)	(357,382)	(21,259)	(342,895)	(35,746)	Contractuals, Bad Debt & Charity	(2,485,669)	(2,451,540)	(34,129)	(2,322,098)	(163,571)
18,592	16,415	2,177	23,057	(4,465)	Supplemental Revenue	134,196	114,896	19,300	153,565	(19,369)
125,962	128,348	(2,386)	118,696	7,266	**Net Patient Revenue**	833,161	880,515	(47,354)	778,862	54,299
13,569	13,521	48	12,209	1,360	Other Revenue	88,090	93,480	(5,390)	84,012	4,078
44,260	36,277	7,983	37,546	6,714	Retail & Contract Pharmacy Revenue	290,133	244,826	45,307	243,188	46,945
183,791	**178,146**	**5,645**	**168,451**	**15,340**	**Total Operating Revenue**	**1,211,384**	**1,218,821**	**(7,437)**	**1,106,062**	**105,322**
					Operating Expenses					
96,383	101,915	5,532	92,838	(3,545)	Salaries, Wages & Employee Benefits	685,955	703,313	17,358	654,027	(31,928)
11,956	13,625	1,669	10,102	(1,854)	Purchased Services	91,146	94,363	3,217	72,720	(18,426)
13,684	11,570	(2,114)	10,710	(2,974)	Medical Supplies	88,602	79,566	(9,036)	75,928	(12,674)
31,670	26,414	(5,256)	26,327	(5,343)	Pharmaceuticals	199,942	174,175	(25,767)	167,917	(32,025)
11,821	12,849	1,028	12,106	285	Other Departmental Expenses	84,844	88,917	4,073	84,845	1
13,628	13,738	110	13,533	(95)	Depreciation, Amortization & Interest	94,603	95,998	1,395	92,999	(1,604)
179,142	**180,111**	**969**	**165,616**	**(13,526)**	**Total Operating Expense**	**1,245,092**	**1,236,332**	**(8,760)**	**1,148,436**	**(96,656)**
4,649	**(1,965)**	**6,614**	**2,835**	**1,814**	**Operating Income (Loss)**	**(33,708)**	**(17,511)**	**(16,197)**	**(42,374)**	**8,666**
18,277	**11,773**	**6,504**	**16,368**	**1,909**	**EBIDA**	**60,895**	**78,487**	**(17,592)**	**50,625**	**10,270**

MetroHealth
Devoted to Hope, Health, and Humanity

Appendix

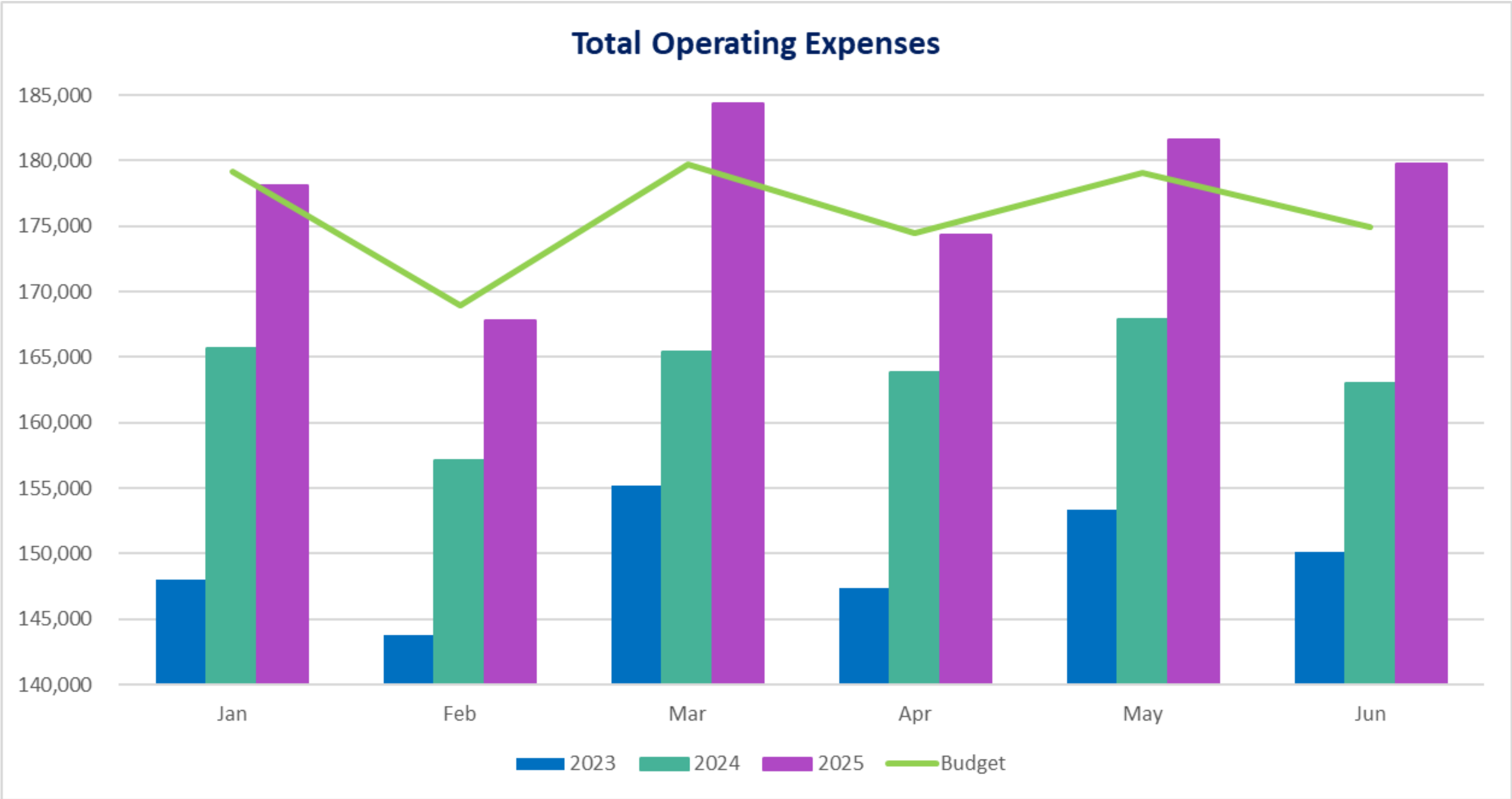
Total Operating Revenue Increased 9.6% from Prior Year



Total Operating Revenue	Jan	Feb	Mar	Apr	May	Jun	Total
2023	$141,044	$132,743	$149,091	$142,906	$149,866	$156,716	$872,366
2024	$158,561	$149,725	$151,880	$160,505	$165,040	$151,902	$937,613
2025	$170,996	$160,090	$172,660	$175,122	$177,174	$171,552	$1,027,594
2025 Budget	$174,025	$164,979	$176,674	$171,863	$178,200	$174,934	$1,040,675

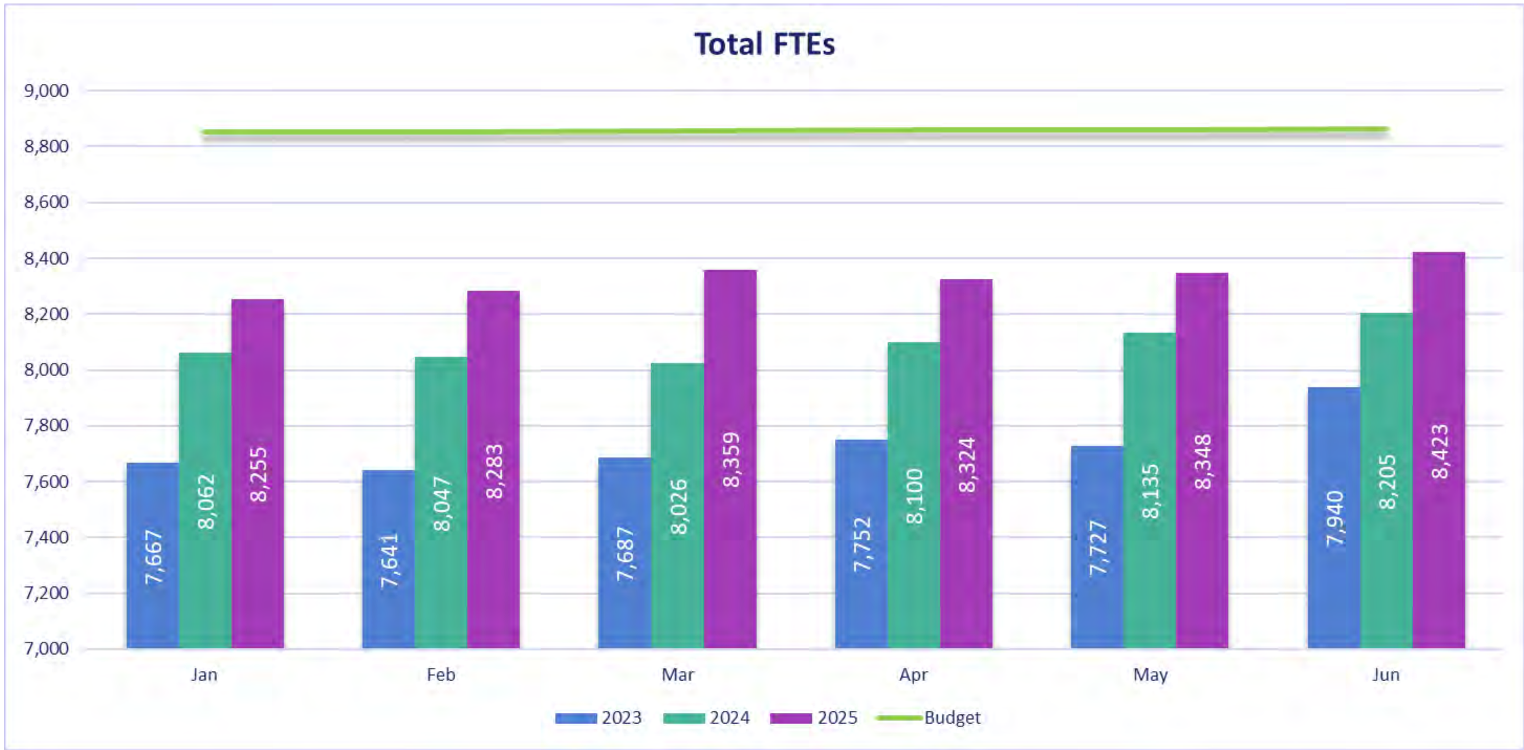
MetroHealth

Total Operating Expenses Exceed Prior Year by 8.5%



Total Operating Expenses	Jan	Feb	Mar	Apr	May	Jun	Total
2023	$148,014	$143,735	$155,206	$147,395	$153,316	$150,090	$897,756
2024	$165,673	$157,086	$165,362	$163,792	$167,906	$162,999	$982,818
2025	$178,140	$167,766	$184,392	$174,300	$181,592	$179,761	$1,065,951
2025 Budget	$179,128	$168,969	$179,696	$174,476	$179,065	$174,885	$1,056,219

FTEs Increased 2.9% From Prior Year



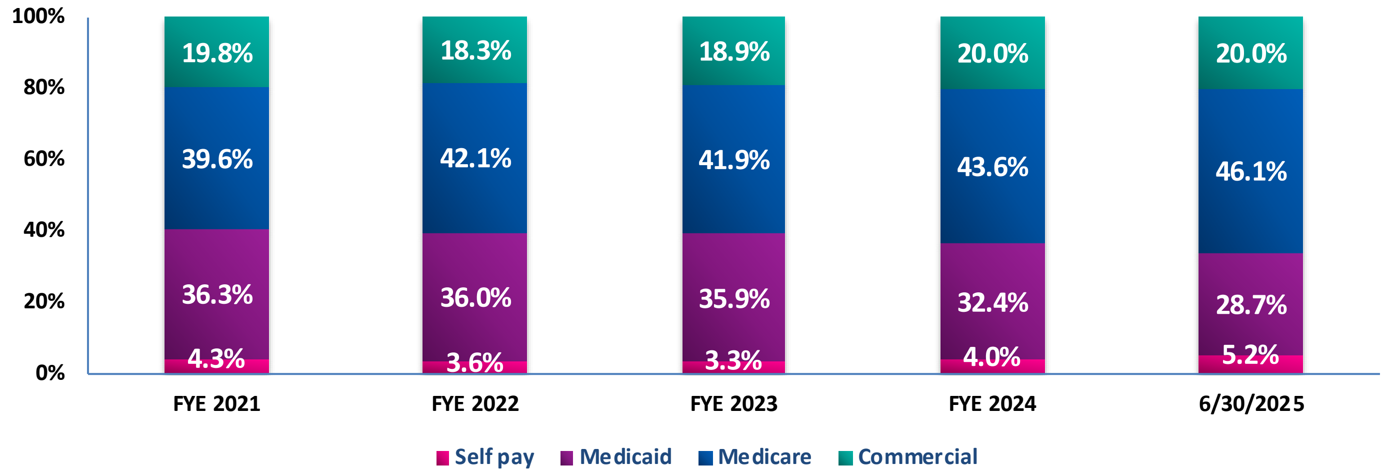
Total FTEs	FTEs
2023	7,736
2024	8,096
2025	8,332
2025 Budget	8,858

MetroHealth

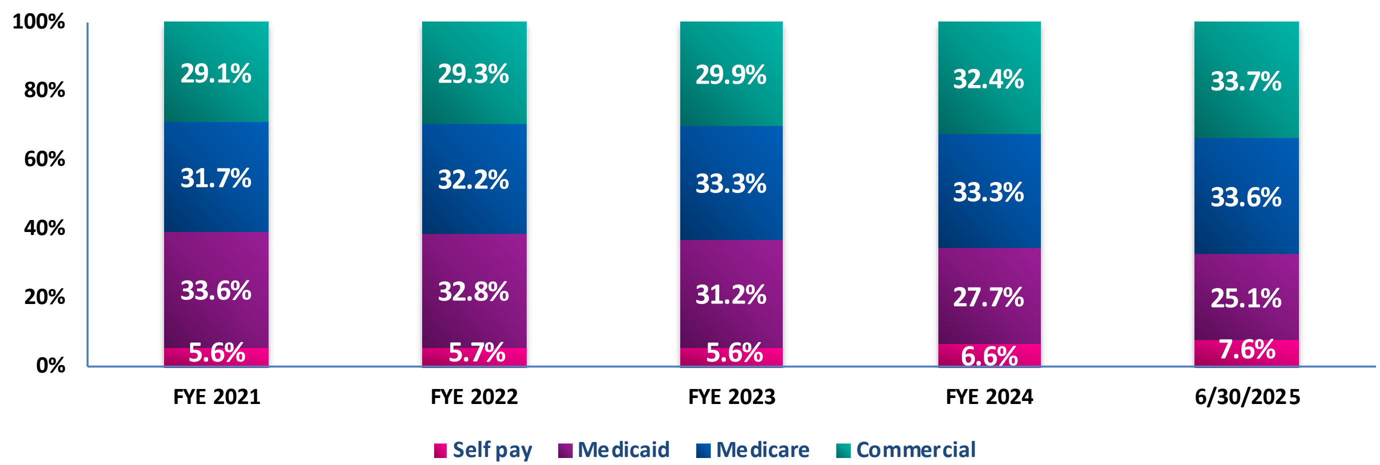
Payor Mix

(based on gross patient revenue)

Inpatient Payor Mix



Outpatient Payor Mix



Credit Rating Strength Diagnostic Tool

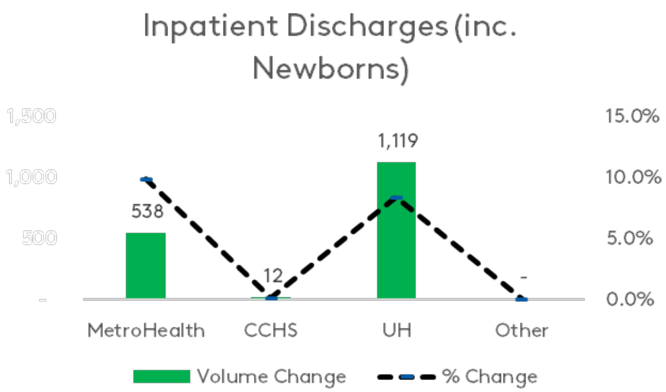
Six Months Ended June 30, 2025

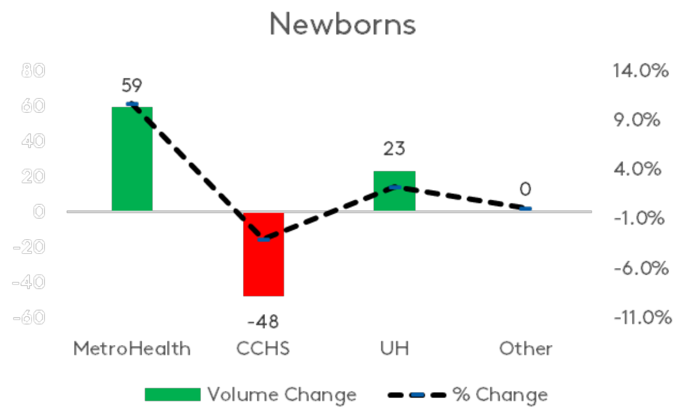
June 2025 MetroHealth Metrics vs. Rating Agency Medians (BBB- Rating)						
			Moodys		S&P	
		MetroHealth Value	Benchmark Medians	Variance	Benchmark Medians	Variance
(1)	Operating Margins	0.22%	0.00%	2200.00%	0.10%	-117.94%
(1)	Excess Margins	0.22%	1.20%	81.66%	1.60%	-86.24%
(1)	Operating EBITDA Margins	5.08%	4.70%	8.15%	4.10%	23.98%
(1)	Cash Flow as % of Total Liabilities	4.25%	N/A	N/A	6.50%	-34.63%
(1)	Return on Assets	0.19%	1.60%	88.25%	N/A	N/A
	Maximum Annual Debt Service Coverage	1.59	2.70	-40.94%	2.60	-38.67%
	Cash on Hand (Days)	117.10	112.90	3.72%	76.00	54.09%
	Cushion ratio	10.15	10.20	-0.46%	11.10	-8.53%
	Cash-to-Debt	62.93%	80.70%	-22.02%	57.60%	9.26%
	Account Receivable (days)	46.21	45.40	1.79%	47.10	-1.89%
(1)	EBITDA Debt Service Coverage	1.61	3.00	-46.27%	N/A	N/A
	Capital Spending Ratio (x)	1.77	1.20	47.37%	N/A	N/A
	Capital Expenditures as % of Depreciation Expense	176.85%	N/A	N/A	138.70%	27.51%
	Debt-to-capitalization	52.77%	44.30%	19.13%	54.20%	-2.63%
(1)	Debt-to-Cash Flow (x)	9.89	5.10	94.00%	N/A	N/A
	Average Age of Plant (Years)	9.08	14.50	-37.40%	14.30	-36.53%

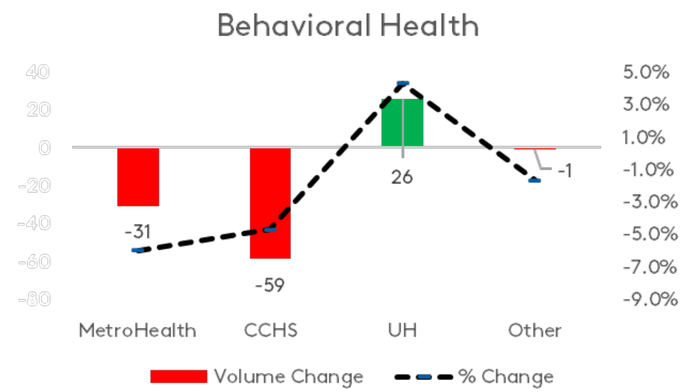
(1) The GASB Statement No. 68 & GASB Statement No. 75 adjustments, recorded on an annual basis using the results from the OPERS actuary reports, is excluded as there are no cash flows associated with the recognition of net pension and net OPEB liabilities, deferrals and expenses.

Market Volume Change by System

Q1 2024 compared to Q1 2025







Market grew +4.1% (+1,669 discharges)

- MH and UH outperformed the Market's growth
- CHHS remained flat

Market grew 1.1% (34 discharges)

- MH vastly outperformed market growth, UH grew slightly
- CHHS lost volume

Market declined -2.7% (-65 discharges)

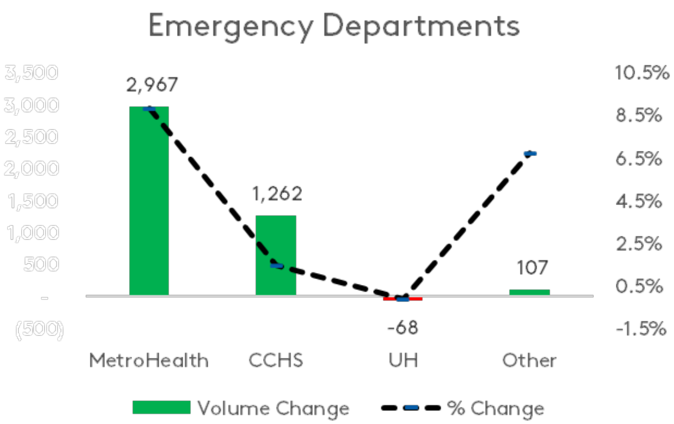
- CCHS and MetroHealth volume losses drove the market decline.
- UH is the only system to grow

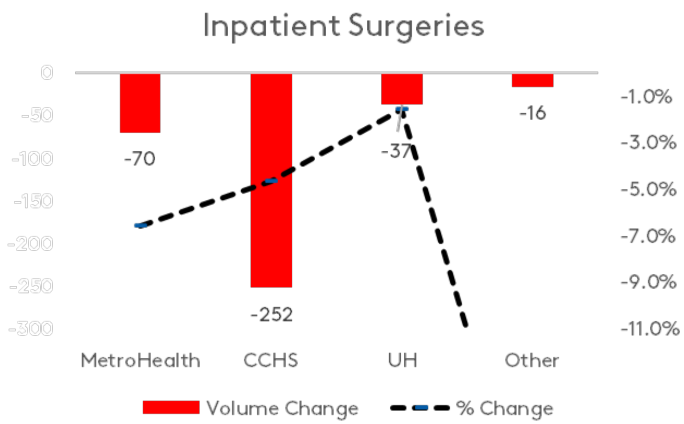
Note: "Other" is non-CC/UH/MH hospitals that had patient in Cuyahoga County (i.e. Summa, Mercy, etc.)
Data Source: Ohio Hospital Association, Cuyahoga County patient origin

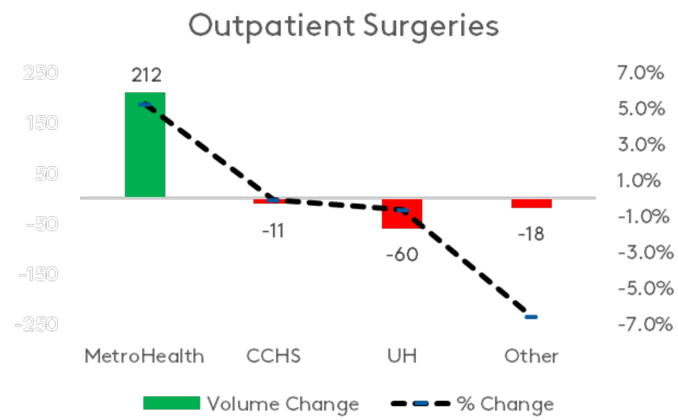
MetroHealth

Market Volume Change by System

Q1 2024 compared to Q1 2025







Market grew 2.4% (+4,200 visits/admits)

- MH outpaced the market's growth
- Despite volume growth, CCHS underperformed and lost share

Market declined -4.2% (-375 IP surgeries)

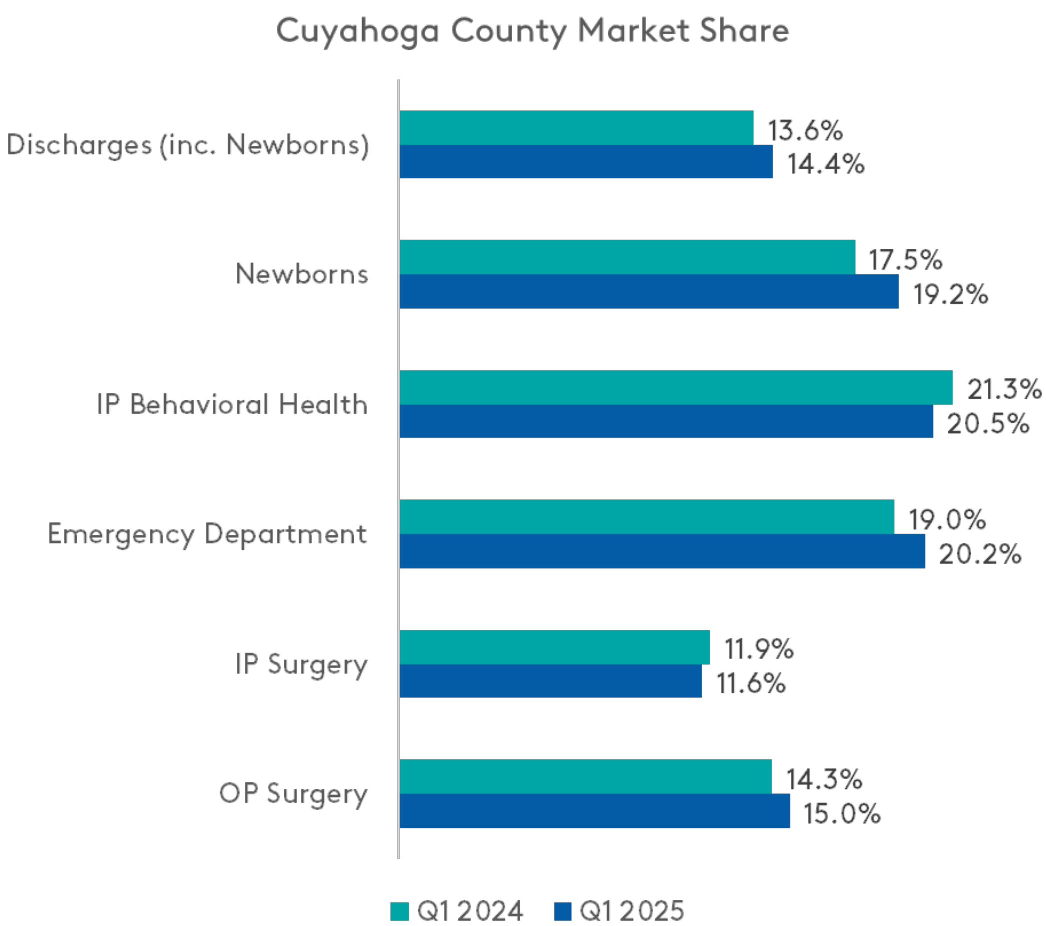
- UH outperformed the market despite volume losses to gain share

Market grew 0.4% (123 OP surgeries)

- MH drove market growth

Note: "Other" is non-CC/UH/MH hospitals that had patient in Cuyahoga County (i.e. Summa, Mercy, etc.)
Data Source: Ohio Hospital Association, Cuyahoga County

MetroHealth System Market Share



Market Insights

- MetroHealth and UH experienced volume and share growth
- MetroHealth outperformed a moderately growing Market
- MetroHealth underperformed a declining market
- MH outpaced a growing Market to gain share
- Market surgeries declined across all systems, driven by CCHS
- MH drove the slight Market volume gain

Data Source: Ohio Hospital Association, Cuyahoga County patient origin

About OHA Market Share Reporting Tool

Categories	Ohio Hospital Association (OHA)
Participating Hospitals	All Ohio acute care hospitals & FSED’s
Cadence & Lag time	**Quarterly, lag of 4-5 months**. Most recent data available is Q1 2025 YTD. Q2 will be available by end of October 2025.
Depth of data	**Expansive.** Reporting available for Inpatient & ED volumes at county, Zip Code, MSDRG, payer, age and more.
Hospital or Geography based reporting	**Both.** Can carve out details down to Zip Code level. Recommend using Cuyahoga County as default geography. Cuyahoga County is considered the primary service area for market share.
Please reach out to Market Intelligence for any questions or assistance.	

RECOMMENDATION TO USE REMAINING SERIES 2017 BOND PROCEEDS FOR PREVIOUSLY APPROVED CAPITAL EXPENDITURES FOR SYSTEM'S APEX PROJECT

Recommendation

The Finance Committee ("Committee") of the Board of Trustees ("Board") and the Interim Chief Financial Officer ("CFO") of The MetroHealth System ("System") recommend that the Board approve the use of the remaining Series 2017 Bond proceeds for capital expenditures for the System's Apex Project that were previously approved by the Board in Resolutions 19477, 19526,and 19655.

Background

The Series 2017 Bonds were issued pursuant to Resolution 19088, in part, to fund the Transformation Project, as defined in Resolution 19088.

In 2023 and 2024, the System re-evaluated its main campus master plan and determined to repurpose existing buildings on main campus that were to be demolished as part of the Transformation Project and to not reface existing buildings on main campus that were to be refaced as part of the Transformation Project; in order to meet the needs of the System and the demands of the patients it serves. The Transformation Project, as re-evaluated, has since been completed. Approximately $10.3 million of Series 2017 Bond proceeds will remain in the Series 2017 Project Fund after payment of final costs of the Transformation Project.

The Twelfth Supplemental Indenture for the Series 2017 Bonds permits the System to use Series 2017 Bond proceeds remaining after the completion of the Transformation Project for, among other things, capital expenditures comprising hospital facilities within the meaning of Chapter 140 of the Ohio Revised Code, provided that the System delivers to the Series 2017 Bond trustee an opinion of bond counsel that such use will not adversely affect the exclusion of interest on the Series 2017 Bonds from gross income for federal income tax purposes.

The Committee and the CFO recommend the use of the remaining Series 2017 Bond proceeds for capital expenditures for the System's Apex Project that were previously approved by the Board in Resolutions 19477, 19526, and 19655, provided the System is able to deliver the opinion of bond counsel required by the Twelfth Supplemental Indenture that such use will not adversely affect the exclusion of interest on the Series 2017 Bonds from gross income for federal income tax purposes.

August 27, 2025

Approval of Use of Remaining Series 2017 Bond Proceeds for Previously Approved Capital Expenditures for System's Apex Project

******

RESOLUTION XXXXX

WHEREAS, the Board of Trustees ("Board") of The MetroHealth System ("System") has been presented a recommendation for approval of the use of remaining Series 2017 Bond proceeds for capital expenditures for the System's Apex Project that were previously approved by the Board in Resolutions 19477, 19526, and 19655.

WHEREAS, the Finance Committee of the Board has reviewed this recommendation and now recommends its approval to the Board.

NOW, THEREFORE, BE IT RESOLVED, the Board hereby approves the use of remaining Series 2017 Bond proceeds for capital expenditures for the System's Apex Project that were previously approved by the Board in Resolutions 19477, 19526,and 19655, provided the System delivers the opinion of bond counsel required by the Twelfth Supplemental Indenture that such use will not adversely affect the exclusion of interest on the Series 2017 Bonds from gross income for federal income tax purposes.

BE IT FURTHER RESOLVED, the President and Chief Executive Officer, or her designees, are hereby authorized to take necessary actions consistent with this resolution, including to negotiate and execute agreements and other documents consistent with this resolution.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE: