Finance Committee Meeting

The MetroHealth System
MetroHealth Board Room K107 - 2500 MetroHealth Dr. Cleveland, OH 44109
2025-11-05 13:00 - 15:00 EST

Table of Contents

FINANCE COMMITTEE

DATE: Wednesday, November 5, 2025
TIME: 1:00pm – 3:00 pm
PLACE: The MetroHealth System Board Room K-107 / via YouTube Stream: https://www.youtube.com/@metrohealthCLE/streams

AGENDA

I. Approval of Minutes
Committee Meeting Minutes of August 27, 2025

II. Information Items
A. Review of Proposed Amendments to Committee Charter – J. Moss, J. Rooney, V. Bowser (5 minutes)
B. Investment Committee Report – A. Blake, D. Strickland (Clearstead) (15 minutes)
C. September 2025 Financial Report – P. Woods, J. Rooney (15 minutes)
D. 2026 Annual Budget – J. Rooney, E. Smith (10 minutes)

III. Executive Session

IV. Return to Open Meeting

V. Recommendation/Resolution Approvals
A. Recommendation to Approve a Proposed Budget for The MetroHealth System for the 2026 Fiscal Year and to Authorize the Submission of the Same to the Government of Cuyahoga County, Ohio
B. Recommendation to Approve Certain Annual Purchasing Policies and Procedures of The MetroHealth System
C. Recommendation for the Approval of Support of a Nonprofit Affiliate

FINANCE COMMITTEE
August 27, 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-R, Nancy Mendez-I (late), Michael Summers-I
Staff Present:	Christine Alexander-Rager, M.D.-I, Rita Andolsen-I, Robin Barre-I, Peter Benkowski-I, Nicholas Bernard-I, James Bicak-I, Victoria Bowser-I, Kate Brown-I, Robert (Doug) Bruce, M.D.-R, Nabil Chehade, M.D.-I, Jennifer (Nikki) Davis-I, Robert Glick-I, Joseph Golob, M.D.-I, Geoff Himes-I, Ryan Johnson-I, Kinsey Jolliff-I, Brian Kovach-I, Thomas Lowenkamp-I, Dr. Candy Mori-I, Kate Nagel-I, Holly Perzy, M.D.-R, Allison Poulios-I, Amanda Roe-I, Tamiyka Rose-I, Brendan Sorg-I, Deborah Southerington-I, David Stepnick, M.D.-I, James Wellons-I, Darlene White-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 1:06pm, 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 May 28, 2025, Finance Committee and Investment subcommittee meeting were approved as submitted. Committee Chair, Mr. Moss, introduced Dr. Walker, Board Chair, who read the statement below, introducing Mr. Bob Glick to the Committee as an advisory member:

"I would like to take a moment to welcome Bob Glick, who is joining the Finance committee as an advisory member. Bob, we are grateful for your support and expertise and look forward to working with you. As you all know, Bob and his wife, JoAnn, joined our MetroHealth family in 2020 – when they made the largest gift in the hospital system's nearly 200-year history. Our state-of-the art hospital is named in recognition of their transformational $42 million gift. But over time we have seen that it's not their name on the building that matters to Bob and JoAnn, it's the opportunity to engage with MetroHealth staff—walking through the halls, shaking hands, attending Employee Appreciation Day and watching our talent show. JoAnn also serves on The MetroHealth Foundation Board of Directors. Bob has long desired to contribute his business expertise to the hospital in addition to his financial giving. After conferring with our Chief Legal Officer, we have determined that Mr. Glick can serve as a non-voting advisory member of the Finance Committee. We are grateful for his willingness to offer his expertise to this Committee in an advisory capacity. Thank you, Bob, for your support, for believing so strongly in our mission and for joining us in the vital work that lies ahead."

II. Information Items

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

Mr. Moss introduced Adam Blake and David Strickland, with Clearstead (the System's investment advisor), who provided updates on the investment report for the second quarter of 2025.

Economic and market update:
Mr. Blake began the capital markets review, highlighting the market volatility at the beginning of 2025, largely driven by policy uncertainty around tariffs. U.S. equities saw a 10% decline led by growth stocks. In contrast, international equities outperformed due to a weaker dollar and stronger performance from value stocks. Fixed income markets showed positive returns, demonstrating the benefits of a diversified portfolio. Mr. Blake presented data on the S&P 500's performance, noting a significant drawdown of nearly 19% earlier in the year, followed by a rebound after a temporary pause on reciprocal tariffs. Despite the volatility, U.S. equity markets were slightly positive year-to-date. Mr. Blake explained the Federal Reserve's "wait and see" approach, indicating a potential rate cut in the second half of the year if economic growth slows or labor market weakness emerges. Concerns were raised about Moody's recent downgrade of U.S. credit ratings, which Mr. Blake attributed to rising deficits and fiscal uncertainty. Next, Mr. Strickland provided a detailed update on the System's investment performance. The System is in full compliance with the investment policy and the Ohio Revised Code, with all active managers performing well and no concerns to report. Mr. Strickland addressed a temporary dip in the reserve pool below the $300 million requirement, explaining it was due to timing of cash flows and had been corrected through routine rebalancing. The Committee was assured that such occurrences were not

uncommon and were managed proactively. A watch list of investment managers was reviewed, showing strong performance across the board with no qualitative concerns. As of June 30, 2025, MetroHealth System's total assets were reported at $648 million. Mr. Strickland highlighted the reserve pool totaling $337 million which is now above the threshold. Quarterly performance was strong at 4.6%, and year-to-date at 4.7%, driven by a strong rebound, particularly in equity markets, with international equity showing a 20% year-to-date performance.
The Captive portfolio also saw strong performance, with a net investment change of $6.8 million in the quarter. The Select Assurance Captive has $115.3 million in investments and $12.9 million in operating cash. Its market value has steadily grown since 2020, driven by contributions and investment gains. Next, Mr. Blake presented a third quarter snapshot as of August 18, 2025, and presented an action item. In an effort to rebalance the portfolio at the onset of the investment program and after consulting with Mr. Moss and Mr. Himes, Clearstead recommends taking $30 million out of the non-reserve pool and replenish the Non Reserve Short-Term Pool, thereby reducing the equity allocation back to about 20%. A voice vote was conducted and the motion passed to approve the action item.

B. June 2025 Interim Financial Report – *G. Himes*
Geoff Himes, Interim Chief Financial Officer, presented the financial report for June 2025 to the Committee, noting strong performance across several metrics. The update began with discharges and observations, highlighting significant growth in inpatient discharges. Despite being slightly behind budget overall, inpatient volumes had increased by nearly 1,000 cases since 2023. Mr. Himes explained that inpatient operations accounted for roughly one-third of gross charges, with high revenue per unit. The Emergency Department continued to perform well, meeting expectations for visit volumes and contributing approximately 81% of inpatient admissions. Surgical cases showed overall growth but a shift from inpatient to outpatient procedures. Mr. Himes acknowledged that this shift was unexpected, and efforts were underway to understand and address it. Trustee Summers inquired about surgical capacity utilization. Clinical leaders responded that while 17 of 20 operating rooms were in use, staffing constraints limited full utilization. Efficiency initiatives were in progress to optimize scheduling and block utilization. Mr. Himes proceeded with a review of outpatient visits and downstream revenues, which now accounted for approximately 70% of gross charges, noting that this represented a significant shift from historical trends, where inpatient services dominated. Outpatient visits, including in-person and telehealth, showed substantial growth as compared to the prior year and budget, but slightly dropped in June. Retail pharmacy revenue sustained an increase in prescriptions filled and a continuously

climbing capture rate. Total payor mix on gross charges showed Medicaid decreasing, but a notable increase in the self-pay category, which jumped from a low of 4.9% to 6.8% for 2025. This increase directly correlates with a substantial rise in gross charity care write-offs, which are projected to reach approximately $375 million in 2025, an increase of $100 million from the previous year. Financially, for the six months ending June 30th, total net patient revenue was $45 million behind budget at $707 million, although ahead of the prior year. Total operating revenue reached $1.027 billion, $13 million behind budget but $90 million ahead of the prior year, helped significantly by $37 million in pharmacy revenue. Total expenses were $985 million, with salaries and wages under budget due to unfilled FTEs, while medical supplies and pharmaceuticals were over budget due to increased volumes. The EBIDA for the six months was $42.6 million, significantly short of the $67 million target. The operating loss was $38 million, but a net investment income of $29.3 million brought the total change in net position to an $11 million loss. Bond covenants are in compliance, with 117 days cash on hand, with a requirement of 75 and our debt service coverage ratio is 1.61, with a requirement of 1.1. The July financial results were much stronger, with $486 million in gross revenue, nearly $47.5 million better than the prior year, and net patient revenue of $126 million, which is nearly meeting the target budget of $128 million.

III. Recommendation / Resolution Approvals

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

Mr. Moss called for a motion for the approval of the Recommendation To Use Remaining Series 2017 Bond Proceeds For Previously Approved Capital Expenditures For System's Apex Project, which was given, seconded and the recommendation was passed to be presented to the Board of Trustees for approval.

IV. Executive Session

Mr. Moss asked for a motion to move into executive session to discuss hospital trade secrets as defined by ORC 1333.61. Dr. Walker made a motion and Mr. Summers 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 1:55 pm.

Return to Open Meeting

Following the executive session, the meeting reconvened in open session at approximately 2:59 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 3:00 pm.

Respectfully submitted,

Geoff Himes,
Interim Chief Financial Officer

The Charter of the Finance Committee of
The MetroHealth System Board of Trustees

Purpose

The Finance Committee will assist the B~~b~~oard of Trustees ("Board") of The MetroHealth System ("System") in oversight of all significant financial matters affecting the ~~hospital/system~~System (and its affiliates when appropriate), including recommendations for setting financial policy; evaluating financial performance and adequacy of financial reporting; reviewing financial matters, and undertaking financial planning and analysis, including recommending establishment of capital and operating targets. It will also ensure that appropriate policies and procedures are in place to safeguard and preserve the assets of the ~~health system~~System and to ensure financial health. The F~~f~~inance C~~c~~ommittee will also have an investment subcommittee.

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Responsibilities

In fulfilling its charge, the F~~f~~inance C~~c~~ommittee is responsible for the following activities and functions:

- Receive, review, and make recommendations to the B~~b~~oard regarding the annual operating and capital budgets and all other fiscal budgetary matters affecting the ~~hospital/system~~System and its ~~subsidiary corporations~~affiliates, when appropriate.
- Monitor financial performance against targets established by the B~~b~~oard related to liquidity ratios, profitability, activity, and debt, and recommend corrective action in response to under-performance.
- Advise the B~~b~~oard on the financing of any long-range plans (e.g., debt strategy).
- Review financial feasibility of and recommend approval of major capital expenditures outside the annual capital budget.
- Advise the B~~b~~oard on capital financing strategies.
- Advise the B~~b~~oard concerning acquisition, construction, utilization, and divestiture of real property/facilities/information technology.
- Oversee the financial plans and results of joint ventures, acquisitions, and other strategic arrangements of the ~~hospital/system~~System and its affiliates~~subsidiaries~~.
- Oversee managed care and other payment contracting, pricing, and revenue management.
- Through an investment subcommittee, oversee the ~~organization's~~ System's investment portfolio and policies and annually review and approve the investment policy.
- Periodically perform a committee self-assessment; review the committee charter and advance recommendations for any changes to the B~~b~~oard for approval.

Composition

The Finance Committee and its investment subcommittee will consist of at least three ~~board members~~Trustees of the Board, one of whom will be the ~~board~~ treasurer of the Board. The ~~CFO~~ Chief Financial Officer of System shall staff the Finance ~~c~~Committee and the investment subcommittee. All Trustees of the Board are invited to attend the meetings of the Finance Committee and its investment subcommittee, but only members of the Finance Committee and its investment subcommittee may vote on matters before the Finance Committee and the investment subcommittee.

Meeting Schedule

The Finance Committee and its investment subcommittee shall meet quarterly, or as needed.

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November 5, 2025

MetroHealth System

Investment Committee Meeting

Adam Blake
ablake@clearstead.com

David Strickland, CFA
dstrickland@clearstead.com

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Agenda

1. 2025 & Draft 2026 Oversight Dashboards
2. Capital Markets Review
3. Investment Monitoring Tools
    - ORC and Investment Policy Compliance
    - Management Watchlist
4. 9/30/2025 Performance Review

Appendix

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2025 Oversight Dashboard

		4Q 24	1Q 25	2Q 25	3Q 25	Comments
Strategic	Investment Policy Review		✓			
	Fiduciary Education		✓			
	Strategic Asset Allocation Analysis		✓			
	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

Management Meeting Schedule

Q4 2024 (Q1)	01/20/25
Q1 2025 (Q2)	05/01/25
Q2 2025 (Q3)	08/05/25
Q3 2025 (Q4)	10/13/25

System IC Schedule

Q4 2024 (Q1)	02/26/25
Q1 2025 (Q2)	05/28/25
Q2 2025 (Q3)	08/27/25
Q3 2025 (Q4)	11/05/25

Follow-Up Items

Draft 2026 Oversight Dashboard

		4Q 25	1Q 26	2Q 26	3Q 26	Comments
Strategic	Investment Policy Review		☐			
	Fiduciary Education		☐			
	Strategic Asset Allocation Analysis		☐			
	2027 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	☐				
	Fee Review			☐		

Last Reviewed

Investment Policy:	05/28/25
Strategic Asset Allocation:	05/28/25
Fee Review:	08/05/25

Management Meeting Schedule

Q4 2025 (Q1)	XX/XX/XX
Q1 2026 (Q2)	XX/XX/XX
Q2 2026 (Q3)	XX/XX/XX
Q3 2026 (Q4)	XX/XX/XX

System IC Schedule

Q4 2025 (Q1)	XX/XX/XX
Q1 2026 (Q2)	XX/XX/XX
Q2 2026 (Q3)	XX/XX/XX
Q3 2026 (Q4)	XX/XX/XX

Follow-Up Items

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Capital Markets Review

Quarterly Themes

- **Looking Backward**
  - Economy looks to have accelerated after Q1 and expanded at closer to trend growth (2.0%-3.0%) in Q2 and Q3
  - Corporate fundamentals have been resilient despite numerous US policy changes; EPS revisions starting to improve
  - Fiscal and tariff policy uncertainty has lessened, monetary policy uncertainty remains
  - Risk on, credit spreads tightened, S&P 500 from all-time highs to all-time highs, there seems to be a buy-the-dip mentality at present, flows coming out of money market funds and into stock market
  - **3Q25 Returns:** S&P 500 +8.0%; Russell 2000 +12.4%; MSCI EAFE +4.8%; Bloomberg US Agg +2.0%
  - **YTD Returns:** S&P 500 +14.5%; Russell 2000 +10.4%; MSCI EAFE +25.1%; Bloomberg US Agg +6.1%
- **Looking Forward**
  - Economic Outlook
    - US economy real GDP growth expectations ≈2.0% in Q4; recession odds have diminished <20%.
    - Labor looks more fragile than previous assessed, but still stable employment
    - US consumer still hanging in there—lower income segments pulling back, but affluent cohort still spending
    - Inflation risks could increase in the coming quarters
    - Fed Funds Rate at 4.00%-4.25%; Fed is caught between its twin mandates. Market expects two more cuts by year-end
  - Market Outlook
    - Equities are priced to perfection and margins and sales volumes may be pressured in Q4-2025
    - Markets largely shifting attention to CY2026 forecasts (economic growth, earnings growth, Fed cuts)
    - Downside: US and/or global soft-patch/recession, negative tariff surprise, unwinding “peace dividend”
    - Upside: Global trade war climb-down, pro-growth tax/fiscal package stimulus, anxiety around uncertainty dissipates
    - History suggests positive equity markets in Q4 (seasonality)
  - Fixed Income spreads remain historically tight, but yields remain attractive
  - Geopolitical tail risk remain

Source: Clearstead, Bloomberg
Past performance is not an indicator of future results

Fed Economic Projections | September 2025

Federal Reserve Board Members & Bank Presidents

		2025	2026	2027	2028	LONGER RUN*
GDP	September 2025	1.6%	1.8%	1.9%	1.8%	1.8%
	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%
Unemployment Rate	September 2025	4.5%	4.4%	4.3%	4.2%	4.2%
	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%
Core PCE Inflation	September 2025	3.1%	2.6%	2.1%	2.0%	
	June 2025	3.1%	2.4%	2.1%		
	March 2025	2.8%	2.2%	2.0%		
	December 2024	2.5%	2.2%	2.0%		
Federal Funds Rate	September 2025	3.6%	3.4%	3.1%	3.1%	3.0%
	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%		
# of implied 25 bps Rate changes/year	September 2025	-2	-1	-1	0	
	June 2025	-2	-1	-1		
	March 2025	-2	-2	-1		
	December 2024	-2	-2	-1		

- *In September, FOMC lowered the Fed Funds rate by 25 bps.*
- *"Job gains have slowed, and the unemployment rate has edged up but remains low."*
- *"Inflation has moved up and remains somewhat elevated."*
- *Chair Powell "Risk management cut" – weakening job market*

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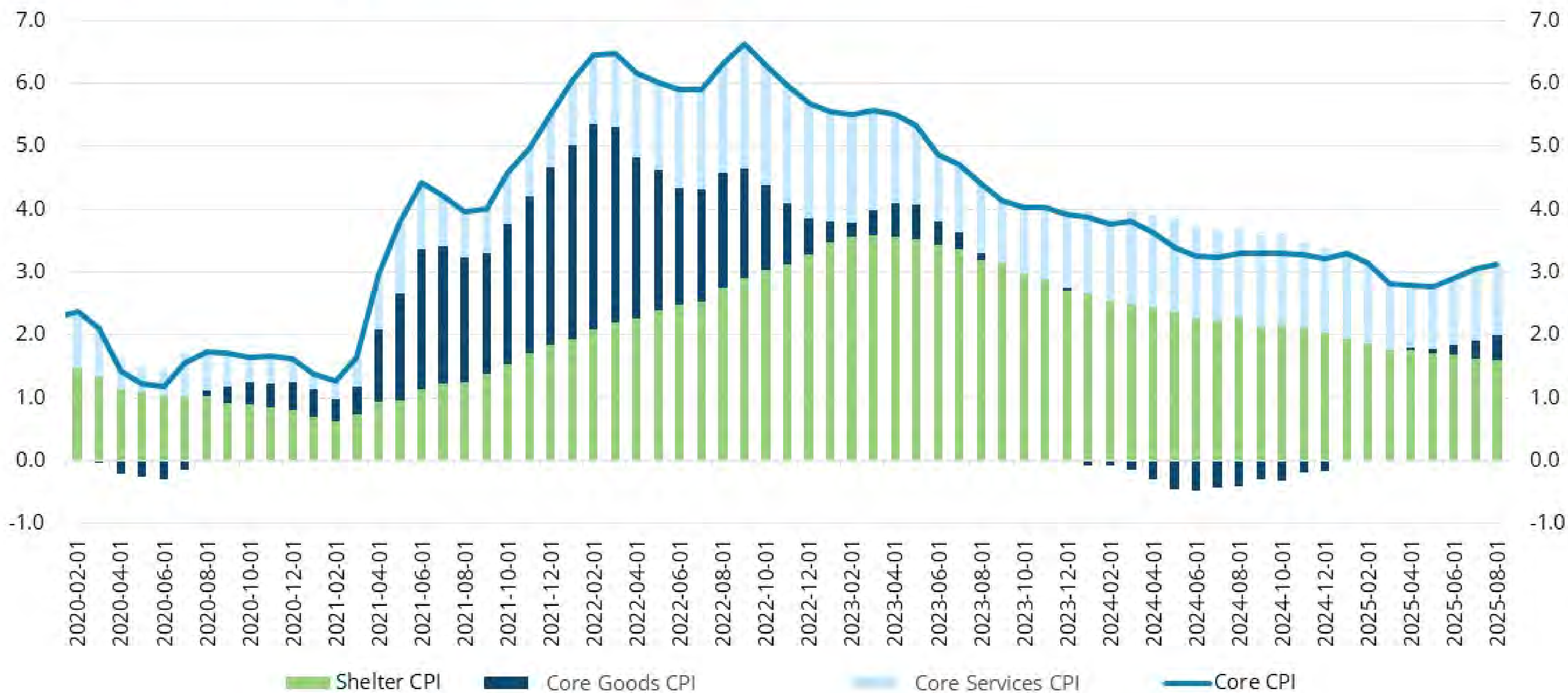
*Longer-run projections: The rates to which a policymaker expects the economy to converge over time – maybe in five or six years – in the absence of furthe and under appropriate monetary policy.
Source: Clearstead, U.S. Federal Reserve 9/17/2025

Inflation | Shelter CPI Down | Core Goods CPI Up

Shelter Inflation Showing Sustained Declines



Core CPI (Excludes food and energy)

- Shelter CPI: Renters and owners
- Core Goods CPI: Apparel, furniture, cars, TVs, sporting goods, computer software
- Core Services CPI (ex Shelter): Healthcare, financial services, food services, personal care, airfare

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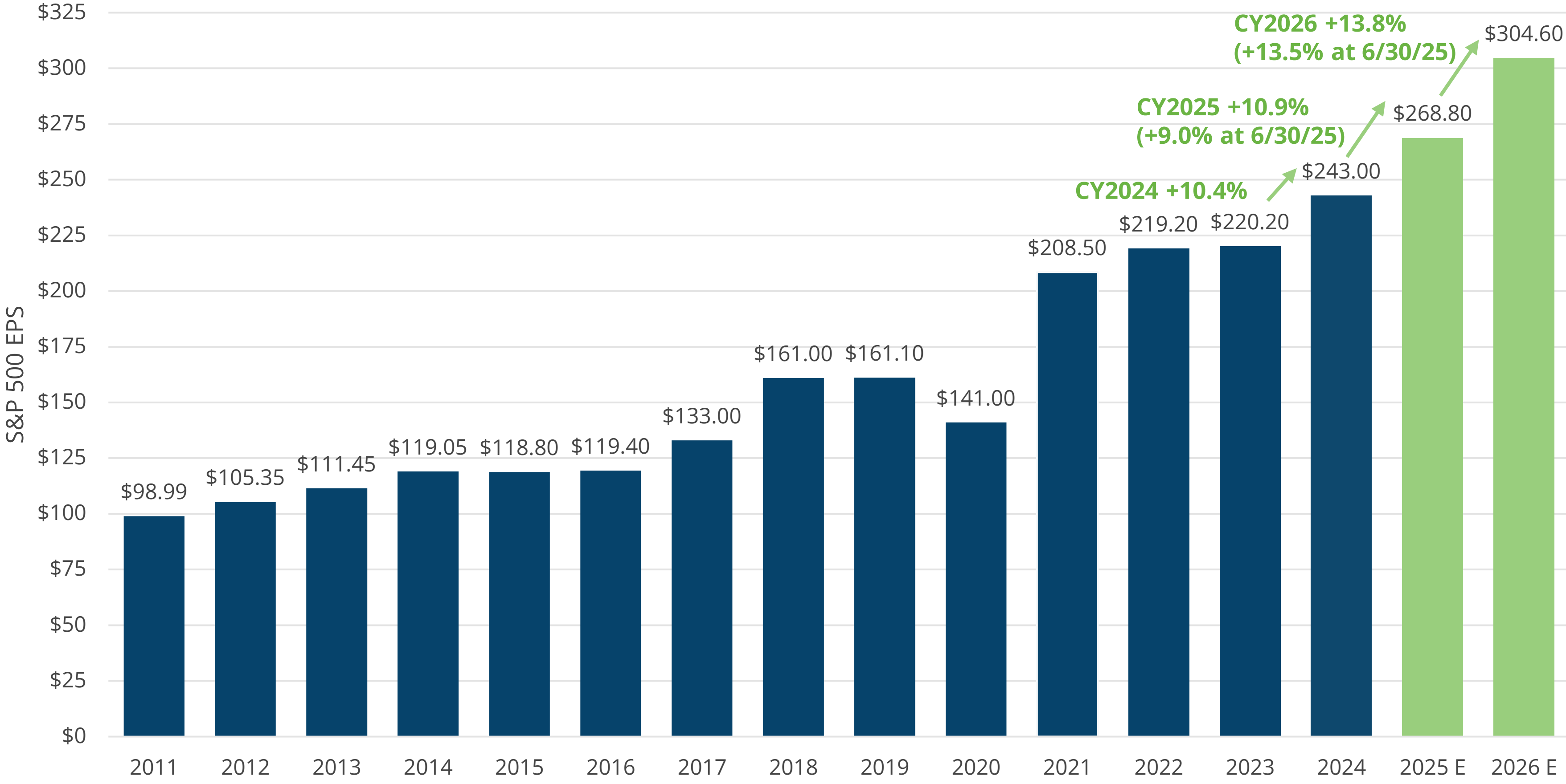
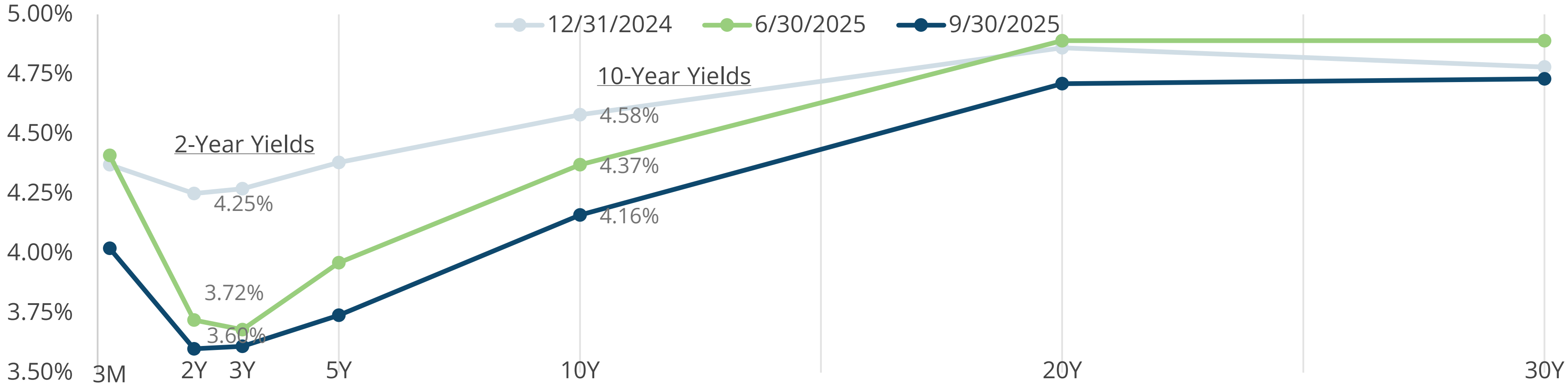
Source: Clearstead, BLS, Bloomberg, 10/3/2025

S&P 500 Earnings | Analysts Have Improved Outlook

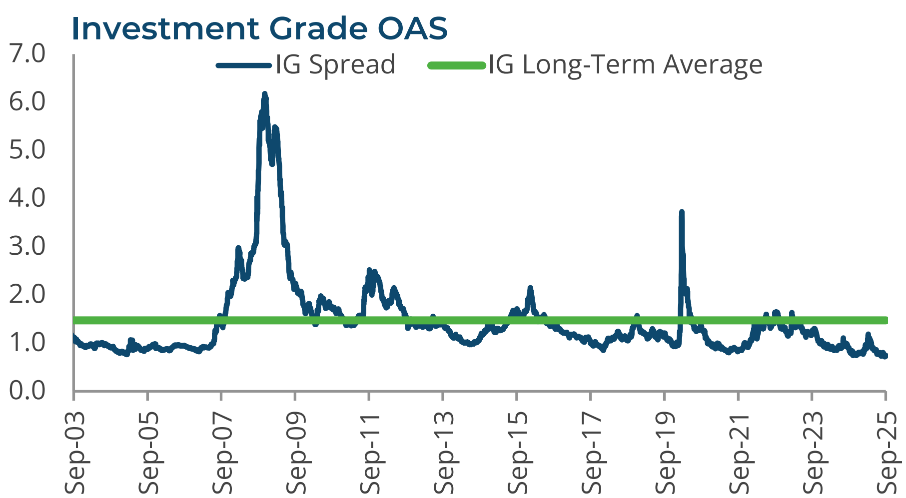
S&P 500 Earnings Per Share Outlook

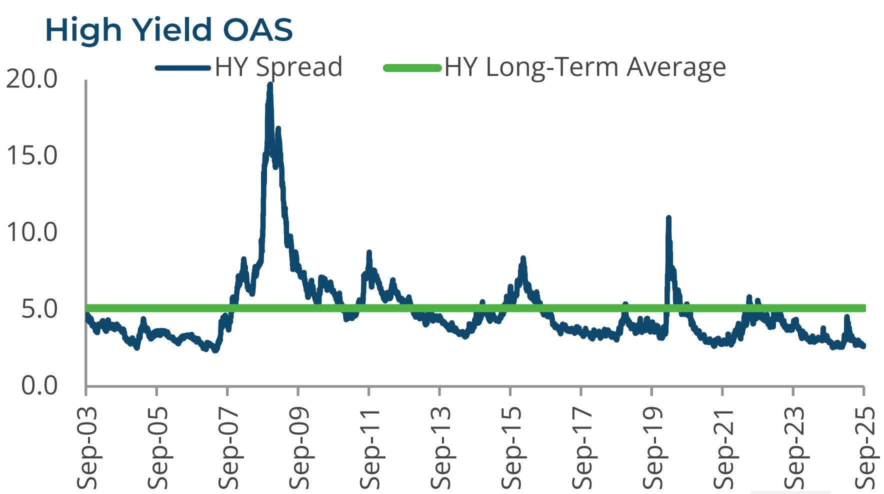


Fixed Income | Yields & Spreads | 9/30/2025



Change in Yields	3M	2Y	3Y	5Y	10Y	20Y	30Y
QTD Change	-0.39%	-0.12%	-0.07%	-0.22%	-0.21%	-0.18%	-0.16%
YTD Change	-0.35%	-0.65%	-0.66%	-0.64%	-0.42%	-0.15%	-0.05%





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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

Investment Monitoring Tools

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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Investment Policy Exhibit for Discussion

Portfolio Diversification, Allocation and Structure

Asset Allocation Guideline: Investment management of the assets of the System shall be in accordance with the following asset allocation guidelines:

Asset Class	Minimum	Maximum
Domestic Equity	0%	30%
International Equity	0%	10%
Fixed Income/Cash and Equivalents	60%	100%

These allocation guidelines are inclusive of the amount of funds determined by MHS to be necessary to meet current demands on MHS operations (which will be included as Cash and Equivalents) as well the amount of funds in the Reserve Portfolio (which will be included as Cash and Equivalents). The overall Investment Portfolio will be kept within the above specified ranges through portfolio rebalancing and considering cash flow activities. Any necessary portfolio rebalancing will be implemented no less than quarterly to maintain compliance with the asset allocation ranges.

A. Initial Investment Plan: At all times MHS will maintain the amount of $300 million as Designated Funds (Reserve Portfolio). MHS may invest the amount of unrestricted cash and investments in excess of the Designated Funds in accordance with the following:

Asset Class	Minimum	Maximum
Domestic Equity	0%	100%
International Equity	0%	20%
Fixed Income/Cash and Equivalents	0%	100%

Future excess cash flows generated by MHS will be invested along with the initial $100 million to achieve the guidelines provided for in Section A above.

At all times the entire Investment Portfolio (all Qualifying Funds) will be in compliance with the asset allocation guidelines provided in the Asset Allocation Guideline above, and the limitations on the Reserve Portfolio.

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 <u>active</u> investment strategy performs in the bottom quartile for its peer group for more than 2 consecutive years
- An <u>active</u> 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 9/30/2025

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						
	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%
Vanguard FTSE Social Index	0.0%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%	-0.1%
Harbor Capital Apprec. Instl	-4.2%	-2.9%	11.0%	-8.6%	-12.0%	15.9%	-3.1%
DFA U.S. Lg Cap Value Instl	-0.4%	-1.7%	0.0%	1.7%	2.9%	-3.4%	-1.0%
Vanguard Mid Cap Index Adm	0.0%	-0.1%	0.0%	0.0%	0.0%	0.0%	-0.1%
Harbor Small Cap Growth Instl	-3.6%	-5.9%	3.5%	0.9%	7.0%	3.8%	13.8%
Boston Partners Sm Cap Value II	-0.8%	5.9%	2.1%	3.0%	-2.5%	-3.0%	5.6%
Vanguard Int'l Growth	-4.7%	4.0%	-0.8%	-14.8%	-8.5%	49.0%	10.0%
TransAmerican International Equity	-1.2%	-2.0%	0.4%	1.9%	5.4%	-3.9%	-0.4%
Vanguard Ultra-Short-Term Bond	-0.1%	1.7%	1.2%	3.4%	0.8%	-1.1%	-0.2%
Lord Abbett Short Duration Income	0.9%	1.6%	1.2%	-0.7%	1.8%	0.0%	2.1%

Green = Negative Excess Return

Quantitative	Peer Performance						
	YTD 25'	2024	2023	2022	2021	2020	2019
Vanguard Institutional Index	25.0%	29.0%	25.0%	50.0%	21.0%	35.0%	22.0%
Vanguard FTSE Social Index	32.0%	5.0%	4.0%	98.0%	38.0%	10.0%	6.0%
Harbor Capital Apprec. Instl	73.0%	33.0%	4.0%	83.0%	81.0%	13.0%	45.0%
DFA U.S. Lg Cap Value Instl	55.0%	68.0%	47.0%	54.0%	28.0%	81.0%	52.0%
Vanguard Mid Cap Index Adm	9.0%	32.0%	49.0%	79.0%	41.0%	22.0%	20.0%
Harbor Small Cap Growth Instl	39.0%	94.0%	11.0%	32.0%	49.0%	49.0%	2.0%
Boston Partners Sm Cap Value II	17.0%	12.0%	43.0%	49.0%	81.0%	65.0%	12.0%
Vanguard Int'l Growth	34.0%	21.0%	69.0%	84.0%	87.0%	2.0%	23.0%
TransAmerican International Equity	87.0%	52.0%	69.0%	87.0%	32.0%	13.0%	22.0%
Vanguard Ultra-Short-Term Bond	92.0%	3.0%	50.0%	1.0%	30.0%	94.0%	91.0%
Lord Abbett Short Duration Income	32.0%	18.0%	51.0%	36.0%	13.0%	74.0%	22.0%

Blue = Bottom Quartile

9/30/2025 Performance Update

Total System Snapshot | 09/30/2025

	System	Select Assurance	Total
Clearstead Investment Reports	$ 436,421,256	$ 120,354,757	$ 556,776,013
Cash on Hand (Operating Accounts)	104,994,845	14,210,388	119,205,233
Other Investments (Premier shares, Recovery Resources, MHS Purchasing, MHS Care Innovation)	10,927,741	-	10,927,741
Total Cash & Unrestricted Investments	$ 552,343,842	$ 134,565,145	$ 686,908,987

	Reserve Pool	Non Reserve Pool	Total
Clearstead System Report	$ 240,047,989	$ 196,373,267	$ 436,421,256
Clearstead Select Assurance Report	-	120,354,757	120,354,757
System Cash Balance	104,994,845	-	104,994,845
Select Assurance Cash Balance	14,210,388	-	14,210,388
Other Investments	-	10,927,741	10,927,741
Total Cash & Unrestricted Investments	$ 359,253,222	$ 327,655,765	$ 686,908,987

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MetroHealth System | Executive Summary

	Market Value 07/01/2025	Market Value 09/30/2025	% of Portfolio	3rd Quarter 2025 (%)	YTD (%)
Total Plan	**$442,339,618**	**$436,421,256**	**100.0**	**3.2**	**8.0**
Non-Reserve Long-Term Pool	**$159,602,872**	**$139,847,630**	**32.0**	**7.0**	**14.9**
Non-Reserve LT Pool Benchmark[1]				*8.0*	*16.1*
Total Equity	**$158,201,033**	**$138,431,928**	**31.7**	**7.0**	**15.0**
Total Domestic Equity	**$135,277,969**	**$116,751,374**	**26.8**	**7.6**	**13.9**
Russell 3000 Index				*8.2*	*14.4*
Total International Equity	**$22,923,064**	**$21,680,553**	**5.0**	**3.6**	**22.9**
MSCI AC World ex USA (Net)				*6.9*	*26.0*
Total Fixed Income & Cash	**$1,401,839**	**$1,415,703**	**0.3**	**1.0**	**3.0**
Non-Reserve Short-Term Pool	**$26,107,460**	**$56,525,637**	**13.0**	**1.5**	**4.3**
Blmbg. U.S. Treasury: 1-3 Year				*1.1*	*4.0*
Reserve Pool	**$256,629,286**	**$240,047,989**	**55.0**	**1.1**	**4.2**
Blmbg. U.S. Treasury: 1-3 Year				*1.1*	*4.0*

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

MetroHealth System | Schedule of Assets

	Ticker	Asset Class	Market Value 09/30/2025	% of Portfolio
Total Plan			**$436,421,256**	**100.0**
Non-Reserve Long-Term Pool			**$139,847,630**	**32.0**
Total Equity			**$138,431,928**	**31.7**
Total Domestic Equity			**$116,751,374**	**26.8**
Vanguard Institutional Index	VINIX	US Stock Large Cap Core	$64,473,534	14.8
Vanguard FTSE Social Index I	VFTNX	US Stock Large Cap Core	$16,095,736	3.7
Harbor Capital Apprec. Instl	HACAX	US Stock Large Cap Growth	$7,373,934	1.7
DFA U.S. Lg Cap Value Instl	DFLVX	US Stock Large Cap Value	$7,394,314	1.7
Vanguard Mid Cap Index Adm	VIMAX	US Stock Mid Cap Core	$11,698,638	2.7
Harbor Small Cap Growth Instl	HASGX	US Stock Small Cap Growth	$4,777,468	1.1
Boston Partners Sm Cap Value II I	BPSIX	US Stock Small Cap Value	$4,937,749	1.1
Total International Equity			**$21,680,553**	**5.0**
Transamerica International Equity I	TSWIX	Non-US Stock Developed	$10,574,450	2.4
Vanguard International Growth Adm	VWILX	Non-US Stock Developed	$11,106,103	2.5
Total Fixed Income & Cash			**$1,415,703**	**0.3**
First American Govt Obligations Y	FGVXX	Cash	$1,415,703	0.3
Non-Reserve Short-Term Pool			**$56,525,637**	**13.0**
Vanguard Ultra-Short-Term Bond Adm	VUSFX	US Fixed Income Short Term	$28,158,167	6.5
Lord Abbett Short Duration Income F3	LOLDX	US Fixed Income Short Term	$28,367,470	6.5
Reserve Pool			**$240,047,989**	**55.0**
Total Fixed Income			**$240,047,989**	**55.0**
US Bank Investment Account		US Fixed Income	$174,470,792	40.0
Fifth-Third Managed		US Fixed Income	$44,410,755	10.2
PNC Money Market		US Fixed Income	$21,166,442	4.9

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**
	Reserve	$256,629,285	($19,000,635)	$2,419,338	$240,047,988 *
3Q 2025	Non-Reserve	$185,710,332	$0	$10,662,935	$196,373,267
	Total	**$442,339,617**	**($19,000,635)**	**$13,082,270**	**$436,421,255** **

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*The Reserve Pool balance excludes approximately $79.3 million in System operating cash.
** The overall balance does not include $120.3 million of Captive investments and $14.2 million of Captive operating cash.

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**	**3.2**	**8.0**	**8.4**	**10.7**	**9.1**	**5.0**	**4.8**	**-**	**8.5**	**8.7**	**-5.0**	**4.7**	**Aug-18**
Non-Reserve Long-Term Pool	**32.0**	**7.0**	**14.9**	**15.9**	**24.0**	**22.6**	**13.8**	**11.8**	**-**	**19.6**	**23.1**	**-19.2**	**11.8**	**Aug-18**
Non-Reserve LT Pool Benchmark		*8.0*	*16.1*	*17.4*	*25.1*	*23.6*	*14.7*	*12.5*	*-*	*20.7*	*23.9*	*-18.5*	*12.6*	
Total Equity	**31.7**	**7.0**	**15.0**	**16.0**	**24.0**	**22.6**	**13.8**	**11.8**	**-**	**19.6**	**23.2**	**-19.2**	**11.9**	**Aug-18**
Total Domestic Equity	**26.8**	**7.6**	**13.9**	**16.2**	**24.7**	**23.1**	**14.9**	**12.9**	**-**	**22.3**	**24.4**	**-19.0**	**13.2**	**Aug-18**
Russell 3000 Index		*8.2*	*14.4*	*17.4*	*26.0*	*24.1*	*15.7*	*13.7*	*14.7*	*23.8*	*26.0*	*-19.2*	*13.9*	
Vanguard Institutional Index	14.8	8.1	14.8	17.6	26.6	24.9	16.4	14.4	15.3	25.0	26.2	-18.1	14.7	Aug-18
S&P 500 Index		*8.1*	*14.8*	*17.6*	*26.6*	*24.9*	*16.5*	*14.5*	*15.3*	*25.0*	*26.3*	*-18.1*	*14.7*	
Vanguard FTSE Social Index I	3.7	8.3	14.6	18.7	27.8	26.0	15.7	14.8	15.6	26.0	31.8	-24.2	11.6	Aug-21
FTSE U.S. Choice Index		*8.3*	*14.6*	*18.8*	*27.9*	*26.1*	*15.8*	*14.9*	*15.7*	*26.1*	*31.9*	*-24.1*	*10.8*	
Harbor Capital Apprec. Instl	1.7	5.1	13.0	20.1	31.0	30.7	13.0	15.9	17.1	30.5	53.7	-37.7	16.4	Aug-18
Russell 1000 Growth Index		*10.5*	*17.2*	*25.5*	*33.6*	*31.6*	*17.6*	*18.1*	*18.8*	*33.4*	*42.7*	*-29.1*	*18.6*	
DFA U.S. Lg Cap Value Instl	1.7	6.4	11.3	8.7	17.0	16.8	14.9	8.7	10.7	12.7	11.5	-5.8	8.7	Aug-18
Russell 1000 Value Index		*5.3*	*11.7*	*9.4*	*18.2*	*17.0*	*13.9*	*9.5*	*10.7*	*14.4*	*11.5*	*-7.5*	*9.6*	
Vanguard Mid Cap Index Adm	2.7	5.3	12.6	13.1	20.7	17.9	12.4	10.4	11.4	15.2	16.0	-18.7	10.4	Aug-18
Vanguard Mid Cap Index Benchmark		*5.3*	*12.6*	*13.1*	*20.7*	*18.0*	*12.5*	*10.4*	*11.4*	*15.3*	*16.0*	*-18.7*	*10.4*	
Harbor Small Cap Growth Instl	1.1	7.6	8.1	5.0	15.5	14.6	7.9	8.7	11.2	9.3	22.2	-25.5	9.1	Aug-18
Russell 2000 Growth Index		*12.2*	*11.7*	*13.6*	*20.4*	*16.7*	*8.4*	*6.6*	*9.9*	*15.2*	*18.7*	*-26.4*	*7.0*	
Boston Partners Sm Cap Value II I	1.1	7.2	8.2	11.1	17.1	16.3	15.8	7.8	9.4	14.0	16.7	-11.5	7.8	Dec-21
Russell 2000 Value Index		*12.6*	*9.0*	*7.9*	*16.5*	*13.6*	*14.6*	*6.4*	*9.2*	*8.1*	*14.6*	*-14.5*	*4.9*	
Total International Equity	**5.0**	**3.6**	**22.9**	**15.0**	**20.3**	**20.4**	**8.3**	**6.6**	**-**	**5.2**	**16.9**	**-20.5**	**6.0**	**Aug-18**
MSCI AC World ex USA (Net)		*6.9*	*26.0*	*16.4*	*20.8*	*20.7*	*10.3*	*7.5*	*8.2*	*5.5*	*15.6*	*-16.0*	*7.1*	
Transamerica International Equity I	2.4	2.4	23.9	14.8	18.8	21.2	11.2	7.0	7.3	3.5	16.0	-14.1	6.6	Aug-18
MSCI AC World ex USA (Net)		*6.9*	*26.0*	*16.4*	*20.8*	*20.7*	*10.3*	*7.5*	*8.2*	*5.5*	*15.6*	*-16.0*	*7.1*	
Vanguard International Growth Adm	2.5	4.5	21.3	14.7	21.6	19.7	5.1	9.4	11.6	9.5	14.8	-30.8	14.7	Oct-24
MSCI AC World ex USA (Net)		*6.9*	*26.0*	*16.4*	*20.8*	*20.7*	*10.3*	*7.5*	*8.2*	*5.5*	*15.6*	*-16.0*	*16.4*	
Total Fixed Income & Cash	**0.3**	**1.0**	**3.0**	**4.1**	**4.6**	**4.5**	**2.7**	**2.3**	**-**	**4.9**	**4.7**	**1.1**	**2.3**	**Aug-18**
First American Govt Obligations Y	0.3	1.0	3.0	4.1	4.6	4.5	2.8	2.3	1.8	4.9	4.7	1.3	2.3	Aug-18
90 Day U.S. Treasury Bill		*1.1*	*3.2*	*4.4*	*4.9*	*4.8*	*3.0*	*2.6*	*2.1*	*5.3*	*5.0*	*1.5*	*2.6*	

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	**13.0**	**1.5**	**4.3**	**5.0**	**6.3**	**5.5**	**-**	**-**	**-**	**5.6**	**5.5**	**-2.6**	**2.9**	**May-21**
Blmbg. U.S. Treasury: 1-3 Year		*1.1*	*4.0*	*3.9*	*5.3*	*4.4*	*1.5*	*2.2*	*1.7*	*4.0*	*4.3*	*-3.8*	*1.7*	
Vanguard Ultra-Short-Term Bond Adm	6.5	1.4	3.9	4.9	5.9	5.4	3.0	3.0	2.5	5.7	5.5	-0.4	3.3	May-21
Blmbg. U.S. Treasury: 1-3 Year		*1.1*	*4.0*	*3.9*	*5.3*	*4.4*	*1.5*	*2.2*	*1.7*	*4.0*	*4.3*	*-3.8*	*1.7*	
Lord Abbett Short Duration Income F3	6.5	1.6	4.9	5.2	6.8	5.7	2.8	3.1	2.9	5.6	5.5	-4.5	2.6	May-21
Blmbg. U.S. Treasury: 1-3 Year		*1.1*	*4.0*	*3.9*	*5.3*	*4.4*	*1.5*	*2.2*	*1.7*	*4.0*	*4.3*	*-3.8*	*1.7*	
Reserve Pool	**55.0**	**1.1**	**4.2**	**4.0**	**5.3**	**4.5**	**2.2**	**2.5**	**-**	**4.1**	**4.6**	**-1.6**	**2.5**	**Aug-18**
Blmbg. U.S. Treasury: 1-3 Year		*1.1*	*4.0*	*3.9*	*5.3*	*4.4*	*1.5*	*2.2*	*1.7*	*4.0*	*4.3*	*-3.8*	*2.2*	
Total Fixed Income	**55.0**	**1.1**	**4.2**	**4.0**	**5.3**	**4.5**	**2.2**	**2.5**	**-**	**4.1**	**4.6**	**-1.6**	**2.5**	**Aug-18**
US Bank Investment Account	40.0	1.1	4.0	4.0	5.2	4.4	1.7	2.3	-	3.8	4.8	-3.5	2.3	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		*1.1*	*4.0*	*3.9*	*5.3*	*4.4*	*1.5*	*2.2*	*1.7*	*4.0*	*4.3*	*-3.8*	*2.2*	
Fifth-Third Managed	10.2	0.9	4.6	3.8	5.7	4.5	1.3	2.3	-	3.5	4.5	-4.8	2.3	Aug-18
Blmbg. U.S. Treasury: 1-3 Year		*1.1*	*4.0*	*3.9*	*5.3*	*4.4*	*1.5*	*2.2*	*1.7*	*4.0*	*4.3*	*-3.8*	*2.2*	
PNC Money Market	4.9	1.0	3.0	4.2	4.7	4.6	2.9	2.5	-	5.1	4.9	1.5	2.5	Aug-18

MetroHealth System Snapshot | as of 10/22/2025

	Market Value as of 10/22/25			New Allocation		Combined System	Non-Reserve	
	$1,000s	%	Change	$1,000s	%	Policy Range	Current	Range
Non-Reserve	**$196,340**	**35.3%**	**$0**	**$196,340**	**35.3%**		**100.0%**	
Domestic Equity	**$117,489**	**21.1%**	**$0**	**$117,489**	**21.1%**	**0-30%**	**59.8%**	**0-100%**
Large Cap	**$96,096**	**17.3%**	**$0**	**$96,096**	**17.3%**			
Vanguard Inst 500 Index	$64,960	11.7%		$64,960	11.7%			
Vanguard FTSE Social Index	$16,232	2.9%		$16,232	2.9%			
Harbor Capital Appreciation	$7,447	1.3%		$7,447	1.3%			
DFA US Large Cap Value	$7,457	1.3%		$7,457	1.3%			
Mid Cap	**$11,688**	**2.1%**	**$0**	**$11,688**	**2.1%**			
Vanguard Mid Cap Index	$11,688	2.1%		$11,688	2.1%			
Small Cap	**$9,705**	**1.7%**	**$0**	**$9,705**	**1.7%**			
Harbor Small Growth	$4,853	0.9%		$4,853	0.9%			
Boston Partners Small Value	$4,852	0.9%		$4,852	0.9%			
International Equity	**$21,923**	**3.9%**	**$0**	**$21,923**	**3.9%**	**0-10%**	**11.2%**	**0-20%**
Vanguard International Growth	$11,189	2.0%		$11,189	2.0%			
Transamerica (TS&W) International	$10,734	1.9%		$10,734	1.9%			
Fixed Income & Cash (Non-Res ST Pool)	**$56,928**	**10.2%**	**$0**	**$56,928**	**10.2%**		**29.0%**	**0-100%**
Lord Abbett Short Duration	$28,563	5.1%		$28,563	5.1%			
Vanguard Ultra Short-Term Bond	$28,365	5.1%		$28,365	5.1%			
Reserve Pool*	**$359,253**	**64.7%**		**$359,253**	**64.7%**			
Total System Fixed income & Cash	**$416,181**	**74.9%**	**$0**	$416,181	**74.9%**	**60-100%**		
Total System Investments	**$555,593**	**100.0%**		**$555,593**	**100.0%**			
Premier, Recovery Res, MHS Purch, MHS Innov*	$10,928			$10,928				
Captive Investments*	$120,355			$120,355				
Total	**$686,876**			**$686,876**				

*As of 09/30/2025

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Select Assurance Captive | Executive Summary

	Market Value 07/01/2025	Market Value 09/30/2025	% of Portfolio	3rd Quarter 2025 (%)	YTD (%)
Total Plan	**$115,285,452**	**$120,354,757**	**100.0**	**4.3**	**11.3**
Total Equity	**$60,317,519**	**$60,672,818**	**50.4**	**6.4**	**15.8**
Total Domestic Equity	**$44,373,786**	**$44,185,684**	**36.7**	**7.5**	**13.6**
Russell 3000 Index				*8.2*	*14.4*
Total International Equity	**$15,943,734**	**$16,487,133**	**13.7**	**3.4**	**22.7**
MSCI AC World ex USA (Net)				*6.9*	*26.0*
Total Alternatives	**$10,429,885**	**$10,840,979**	**9.0**	**4.0**	**11.2**
HFRI Fund of Funds Composite Index				*4.0*	*6.9*
Total Fixed Income	**$43,579,520**	**$48,822,465**	**40.6**	**1.8**	**5.7**
Blmbg. U.S. Aggregate Index				*2.0*	*6.1*
Total Cash and Equivalents	**$958,528**	**$18,495**	**0.0**	**1.0**	**3.0**
90 Day U.S. Treasury Bill				*1.1*	*3.2*

Select Assurance Captive | Schedule of Assets

	Ticker	Asset Class	Market Value 09/30/2025	% of Portfolio
Total Plan			**$120,354,757**	**100.0**
Total Equity			**$60,672,818**	**50.4**
Total Domestic Equity			**$44,185,684**	**36.7**
Vanguard 500 Index Adm	VFIAX	US Stock Large Cap Core	$28,970,147	24.1
Harbor Capital Apprec. Instl	HACAX	US Stock Large Cap Growth	$3,412,384	2.8
DFA U.S. Lg Cap Value Instl	DFLVX	US Stock Large Cap Value	$3,513,445	2.9
Vanguard Mid Cap Index Adm	VIMAX	US Stock Mid Cap Core	$3,909,535	3.2
Harbor Small Cap Growth Instl	HASGX	US Stock Small Cap Growth	$2,205,381	1.8
Boston Partners Sm Cap Value II I	BPSIX	US Stock Small Cap Value	$2,174,792	1.8
Total International Equity			**$16,487,133**	**13.7**
Transamerica International Equity I	TSWIX	Non-US Stock Developed	$8,601,800	7.1
Vanguard International Growth Adm	VWILX	Non-US Stock Developed	$7,885,333	6.6
Total Alternatives			**$10,840,979**	**9.0**
Merger Fund Instl	MERIX	Merger Arbitrage	$5,219,410	4.3
GMO Benchmark-Free Allocation I	GBMIX	All Assets	$5,621,569	4.7
Total Fixed Income			**$48,822,465**	**40.6**
Federated Hermes Total Return Bond Instl	FTRBX	US Fixed Income Core	$23,124,923	19.2
Fidelity Interm Treasury Bond Index	FUAMX	US Fixed Income Core	$7,947,419	6.6
Lord Abbett Short Duration Income I	LLDYX	US Fixed Income Short Term	$17,750,123	14.7
Total Cash and Equivalents			**$18,495**	**0.0**
First American Govt Obligations Y	FGVXX	Cash	$18,495	0.0

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
3Q 2025	$115,285,452	$0	($4,309)	$5,073,613	$120,354,757*

- 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, $14.2 million.

Select Assurance Captive | 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**	**4.3**	**11.3**	**10.3**	**15.2**	**13.7**	**7.5**	**7.2**	**-**	**10.3**	**13.6**	**-11.7**	**7.2**	**May-18**
Total Equity	**50.4**	**6.4**	**15.8**	**15.4**	**23.0**	**21.9**	**13.3**	**11.2**	**-**	**17.2**	**21.5**	**-18.0**	**11.4**	**May-18**
Total Domestic Equity	**36.7**	**7.5**	**13.6**	**15.8**	**24.2**	**22.4**	**14.8**	**12.6**	**-**	**21.8**	**22.8**	**-17.7**	**13.3**	**May-18**
Russell 3000 Index		*8.2*	*14.4*	*17.4*	*26.0*	*24.1*	*15.7*	*13.7*	*14.7*	*23.8*	*26.0*	*-19.2*	*14.5*	
Vanguard 500 Index Adm	24.1	8.1	14.8	17.6	26.6	24.9	16.4	14.4	15.3	25.0	26.2	-18.1	15.2	May-18
S&P 500 Index		*8.1*	*14.8*	*17.6*	*26.6*	*24.9*	*16.5*	*14.5*	*15.3*	*25.0*	*26.3*	*-18.1*	*15.2*	
Harbor Capital Apprec. Instl	2.8	5.1	13.0	20.1	31.0	30.7	13.0	15.9	17.1	30.5	53.7	-37.7	16.7	May-18
Russell 1000 Growth Index		*10.5*	*17.2*	*25.5*	*33.6*	*31.6*	*17.6*	*18.1*	*18.8*	*33.4*	*42.7*	*-29.1*	*19.2*	
DFA U.S. Lg Cap Value Instl	2.9	6.4	11.3	8.7	17.0	16.8	14.9	8.7	10.7	12.7	11.5	-5.8	9.0	May-18
Russell 1000 Value Index		*5.3*	*11.7*	*9.4*	*18.2*	*17.0*	*13.9*	*9.5*	*10.7*	*14.4*	*11.5*	*-7.5*	*9.9*	
Vanguard Mid Cap Index Adm	3.2	5.3	12.6	13.1	20.7	17.9	12.4	10.4	11.4	15.2	16.0	-18.7	10.8	May-18
Vanguard Mid Cap Index Benchmark		*5.3*	*12.6*	*13.1*	*20.7*	*18.0*	*12.5*	*10.4*	*11.4*	*15.3*	*16.0*	*-18.7*	*10.9*	
Harbor Small Cap Growth Instl	1.8	7.6	8.1	5.0	15.5	14.6	7.9	8.7	11.2	9.3	22.2	-25.5	5.4	Dec-20
Russell 2000 Growth Index		*12.2*	*11.7*	*13.6*	*20.4*	*16.7*	*8.4*	*6.6*	*9.9*	*15.2*	*18.7*	*-26.4*	*5.0*	
Boston Partners Sm Cap Value II I	1.8	7.2	8.2	11.1	17.1	16.3	15.8	7.8	9.4	14.0	16.7	-11.5	10.3	Jul-98
Russell 2000 Value Index		*12.6*	*9.0*	*7.9*	*16.5*	*13.6*	*14.6*	*6.4*	*9.2*	*8.1*	*14.6*	*-14.5*	*8.1*	
Total International Equity	**13.7**	**3.4**	**22.7**	**14.8**	**20.0**	**20.5**	**8.5**	**6.8**	**-**	**5.1**	**17.7**	**-19.9**	**5.7**	**May-18**
MSCI AC World ex USA (Net)		*6.9*	*26.0*	*16.4*	*20.8*	*20.7*	*10.3*	*7.5*	*8.2*	*5.5*	*15.6*	*-16.0*	*6.5*	
Transamerica International Equity I	7.1	2.4	23.9	14.8	18.8	21.2	11.2	7.0	7.3	3.5	16.0	-14.1	6.2	May-18
MSCI AC World ex USA (Net)		*6.9*	*26.0*	*16.4*	*20.8*	*20.7*	*10.3*	*7.5*	*8.2*	*5.5*	*15.6*	*-16.0*	*6.5*	
Vanguard International Growth Adm	6.6	4.5	21.3	14.7	21.6	19.7	5.1	9.4	11.6	9.5	14.8	-30.8	14.7	Oct-24
MSCI AC World ex USA (Net)		*6.9*	*26.0*	*16.4*	*20.8*	*20.7*	*10.3*	*7.5*	*8.2*	*5.5*	*15.6*	*-16.0*	*16.4*	
Total Alternatives	**9.0**	**4.0**	**11.2**	**11.3**	**10.2**	**9.7**	**6.1**	**4.5**	**-**	**5.2**	**8.6**	**-0.5**	**4.4**	**May-18**
HFRI Fund of Funds Composite Index		*4.0*	*6.9*	*9.1*	*9.7*	*8.0*	*6.1*	*5.1*	*4.6*	*9.2*	*6.1*	*-5.3*	*4.9*	
Merger Fund Instl	4.3	1.9	6.9	8.0	6.2	5.3	3.8	4.2	4.2	3.5	4.5	1.0	4.1	Dec-18
HFRI ED: Merger Arbitrage Index		*3.4*	*8.2*	*10.1*	*8.8*	*7.2*	*8.3*	*6.3*	*5.8*	*5.6*	*5.1*	*2.8*	*6.4*	
GMO Benchmark-Free Allocation I	4.7	6.0	15.6	12.3	13.1	13.7	7.6	5.2	5.3	4.2	13.3	-2.3	16.3	Nov-24
HFRI Fund of Funds Composite Index		*4.0*	*6.9*	*9.1*	*9.7*	*8.0*	*6.1*	*5.1*	*4.6*	*9.2*	*6.1*	*-5.3*	*8.9*	
Total Fixed Income	**40.6**	**1.8**	**5.7**	**3.6**	**6.9**	**5.2**	**1.4**	**2.9**	**-**	**3.0**	**5.1**	**-9.0**	**2.8**	**May-18**
Blmbg. U.S. Aggregate Index		*2.0*	*6.1*	*2.9*	*7.1*	*4.9*	*-0.4*	*2.1*	*1.8*	*1.3*	*5.5*	*-13.0*	*2.0*	
Federated Hermes Total Return Bond Instl	19.2	2.0	6.0	2.9	7.3	4.9	0.4	2.7	2.6	2.0	5.2	-12.5	2.6	May-18
Blmbg. U.S. Aggregate Index		*2.0*	*6.1*	*2.9*	*7.1*	*4.9*	*-0.4*	*2.1*	*1.8*	*1.3*	*5.5*	*-13.0*	*2.0*	

Select Assurance Captive | 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
Fidelity Interm Treasury Bond Index	6.6	1.6	7.0	2.9	6.6	4.1	-1.3	2.0	1.3	0.4	4.1	-12.7	3.3	Apr-23
Blmbg. U.S. Treasury: 5-10 Year		*1.6*	*7.0*	*2.8*	*6.6*	*4.1*	*-1.3*	*2.0*	*1.4*	*0.2*	*4.1*	*-12.6*	*2.9*	
Lord Abbett Short Duration Income I	14.7	1.6	4.8	5.1	6.5	5.6	2.7	3.0	2.8	5.6	5.4	-4.6	3.0	May-18
ICE BofA 1-3 Yr. Gov/Corp		*1.2*	*4.1*	*4.1*	*5.7*	*4.7*	*1.8*	*2.5*	*2.0*	*4.4*	*4.6*	*-3.8*	*2.4*	
Total Cash and Equivalents	**0.0**	**1.0**	**3.0**	**4.1**	**4.6**	**4.5**	**2.7**	**2.3**	**-**	**4.9**	**4.7**	**1.2**	**2.3**	**Jun-18**
90 Day U.S. Treasury Bill		*1.1*	*3.2*	*4.4*	*4.9*	*4.8*	*3.0*	*2.6*	*2.1*	*5.3*	*5.0*	*1.5*	*2.6*	
First American Govt Obligations Y	0.0	1.0	3.0	4.1	4.6	4.5	2.8	2.3	1.8	4.9	4.7	1.3	2.3	Jun-18
90 Day U.S. Treasury Bill		*1.1*	*3.2*	*4.4*	*4.9*	*4.8*	*3.0*	*2.6*	*2.1*	*5.3*	*5.0*	*1.5*	*2.6*	

Appendix

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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.
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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.
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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 September 30, 2025

Finance Committee

November 5, 2025

Matters for Board Attention

- Operating loss for the nine months ended September 30, 2025, was $31M, which falls $15M short of budget but was a $5M improvement from operations for the same period ended September 30, 2024, which was a loss of $37M.

- Net Patient Revenue exceeds prior year by $64M but is unfavorable to budget by $55M, due to Primary Care Outpatient Services, Surgical Case and Behavioral Health Hospital discharges. These services have lagged behind budget despite outpatient visits having increased 5% from the prior year.

- Charity Care was $275M for the nine months ended September 30, 2025 compared to $197M for the same period in 2024, an increase of 40%.

- Total System discharges increased from prior year by 4%, driven primarily by Main Campus observations discharges.

- Emergency department visits exceed budget year-to-date by 4% and prior year by 5%. Emergency admissions as a % of total discharges is 82%, which is a slight increase from the budget and a 3% increase from the prior year.

- Overtime and contract labor was $26M for the nine months ended September 30, 2025, a reduction of 22% from the same period of the prior year, which had overtime and labor costs of $33M. Full Time Equivalents for the nine months ended September 30, 2025 were 8,314 compared to 8,140 for the same period in 2024, an increase of 2%, and the associated salaries, wages and benefit costs have grown 4% compared to the same period in the prior year.

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

Summary Statistics For the Nine Months Ended September 30

Discharges & Observations YTD Totals	Discharges	Observations	Total Discharges & Observations
2023	18,313	8,265	26,578
2024	19,572	7,616	27,188
2025	19,823	8,526	28,349
2025 Budget	20,113	7,855	27,968

Emergency Departments YTD Totals	Emergency Department Visits	Emergency Department Admissions as a % of Discharges
2023	106,919	79.4%
2024	113,081	79.4%
2025	118,683	81.5%
2025 Budget	114,187	80.4%

Surgical Cases YTD Total	Inpatient Surgical Cases	Outpatient Surgical Cases	Total Surgical Cases
2023	3,857	12,594	16,451
2024	3,945	13,162	17,107
2025	3,805	13,608	17,413
2025 Budget	4,405	13,139	17,544

YTD Totals	In-Person	Telehealth	Total Outpatient Visits
2023	841,922	147,627	989,549
2024	890,177	142,685	1,032,862
2025	938,787	148,663	1,087,450
2025 Budget	976,250	154,925	1,131,175

Prescriptions Filled Totals	Prescriptions Filled	Capture Rate YTD
2023	1,252,891	46.1%
2024	1,433,020	53.1%
2025	1,635,255	57.2%
2025 Budget	1,546,261	

Statement of Revenues, Expense and Changes in Net Position
For the Nine Months Ended September 30

MetroHealth

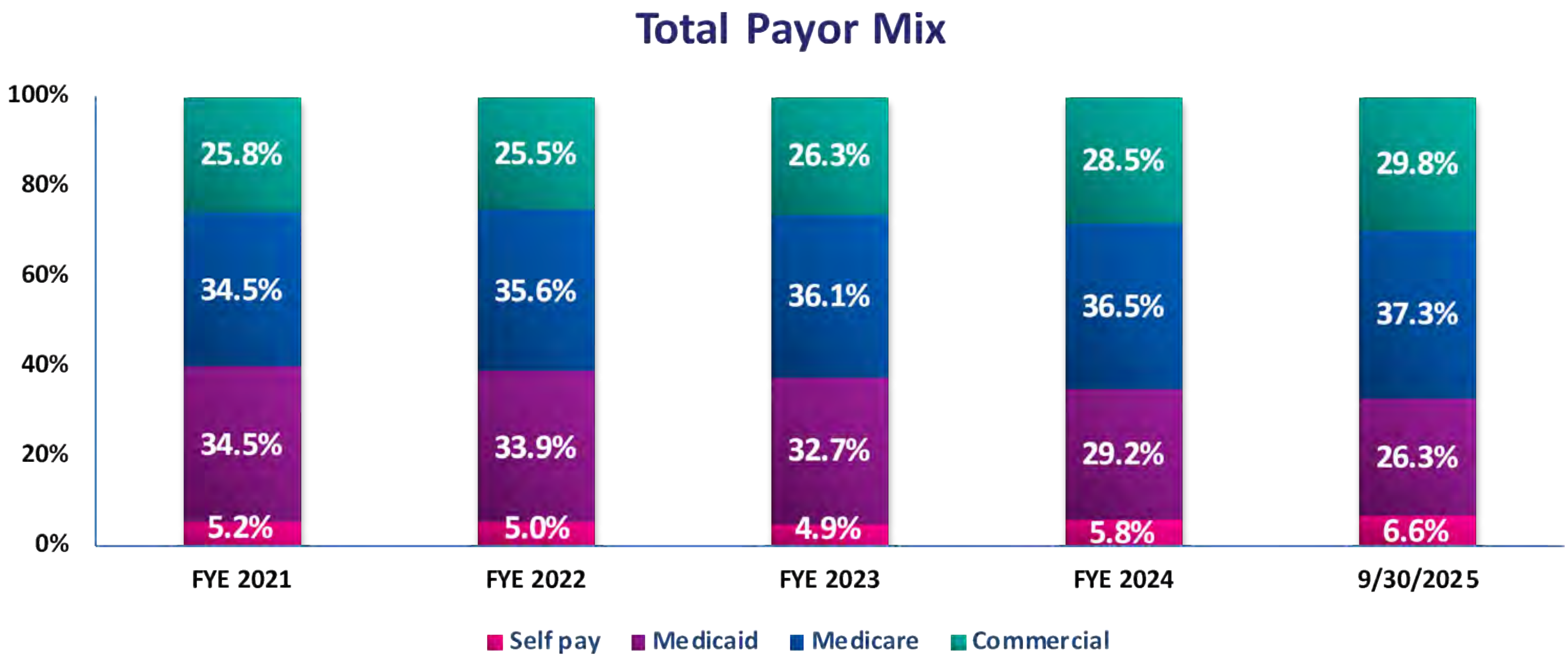
In Thousands

	2025 Actual	2025 Budget	Variance $	Variance %	2024 Actual	Variance $	Variance %
Operating Revenues							
Net Patient Revenue	$ 1,080,911	$ 1,136,281	$ (55,370)	(4.9%)	$ 1,016,490	64,421	6.3%
Pharmacy Revenue	378,078	319,631	58,447	18.3%	318,743	59,335	18.6%
Other Revenue[1]	110,556	124,566	(14,010)	(11.2%)	113,915	(3,359)	(2.9%)
Total Operating Revenue	$ 1,569,545	$ 1,580,478	$ (10,933)	(0.7%)	$ 1,449,148	$ 120,397	8.3%
Operating Expenses							
Salaries and wages	685,476	715,445	(29,969)	(4.2%)	669,228	16,248	2.4%
Employee Benefits	191,264	191,877	(613)	(0.3%)	175,221	16,043	9.2%
Purchased services	116,018	121,874	(5,856)	(4.8%)	95,662	20,356	21.3%
Medical supplies	116,172	102,662	13,510	13.2%	100,095	16,077	16.1%
Pharmaceuticals	261,628	227,231	34,397	15.1%	217,008	44,620	20.6%
Plant operations	36,276	34,227	2,049	6.0%	33,336	2,940	8.8%
Non-medical supplies	11,418	14,652	(3,234)	(22.1%)	13,440	(2,022)	(15.0%)
Other expenses	61,161	65,647	(4,486)	(6.8%)	61,665	(504)	(0.8%)
Operating Expense Before Interest, Depreciation and Amortization	$ 1,479,413	$ 1,473,615	$ 5,798	0.4%	$ 1,365,655	$ 113,758	8.3%
EBIDA	**$ 90,132**	**$ 106,863**	**$ (16,731)**	**(15.7%)**	**$ 83,493**	**$ 6,639**	**8.0%**
Depreciation and amortization	78,867	81,113	(2,246)	(2.8%)	77,623	1,244	1.6%
Interest expense	42,746	42,300	446	1.1%	42,547	199	0.5%
Total Operating Expenses	$ 1,601,026	$ 1,597,028	$ 3,998	0.3%	$ 1,485,825	$ 115,201	7.8%
Operating Loss	**$ (31,481)**	**$ (16,550)**	**$ (14,931)**	**(90.2%)**	**$ (36,677)**	**$ 5,196**	**14.2%**
Non-Operating Revenues (Expenses)							
Net investment income	50,610	13,403	37,207	277.6%	52,258	(1,648)	(3.2%)
Other non-operating expense	(2,137)	(907)	(1,230)	(135.6%)	(6,547)	4,410	67.4%
Total Non-Operating Revenues (Expenses)	$ 48,473	$ 12,496	$ 35,977	287.9%	$ 45,711	$ 2,762	6.0%
Change in Net Position	**$ 16,992**	**$ (4,054)**	**$ 21,046**	**519.1%**	**$ 9,034**	**$ 7,958**	**88.1%**

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.

Payor Mix

(based on gross patient revenue)



Gross Charity Care

$176,366	$176,308	$200,698	$275,868	$275,161
FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024**	**9/30/2025**

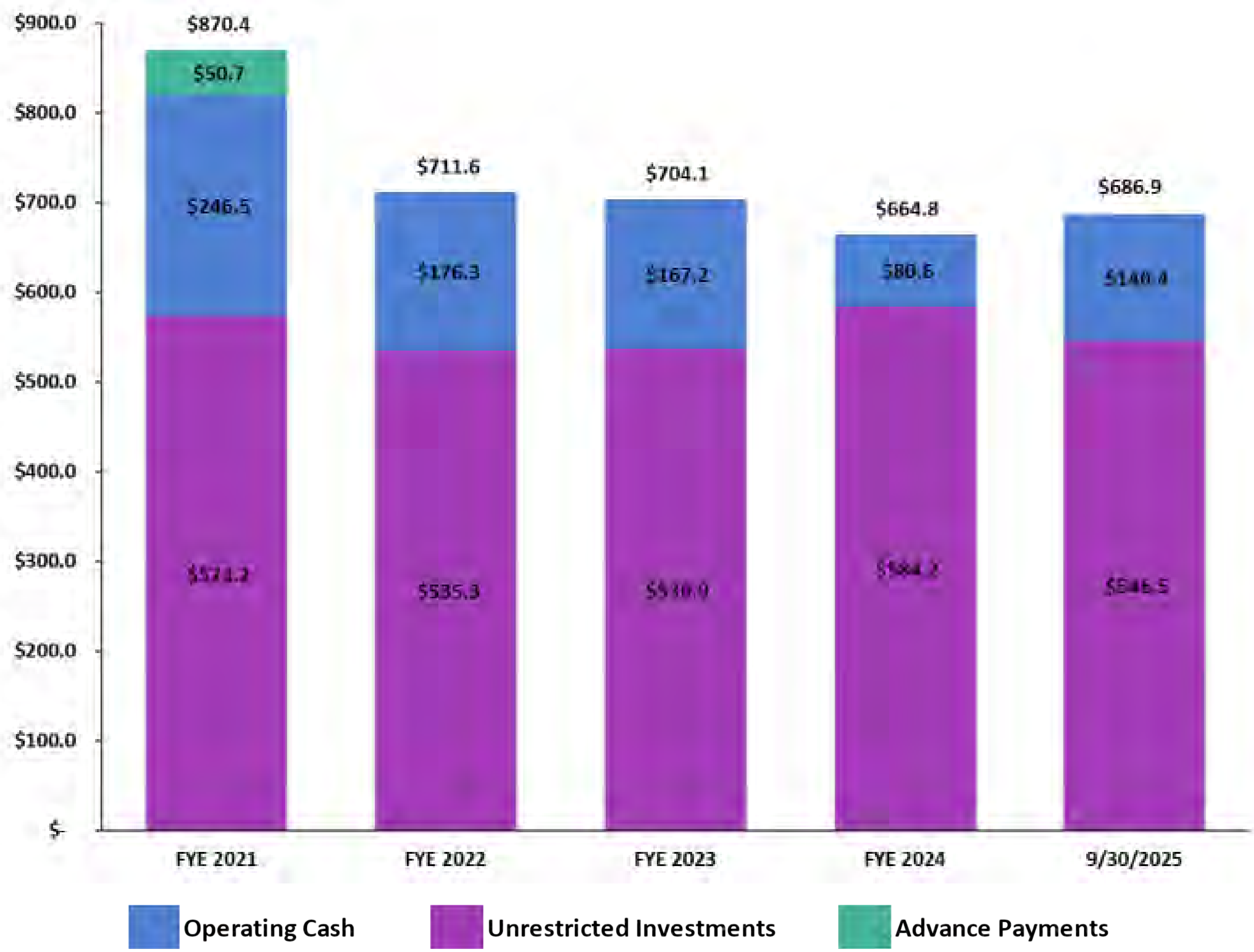
Statements of Net Position

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

Assets	Unaudited 9/30/25	Audited 12/31/24
Current Assets:		
Cash and cash equivalents	$ 140,372	$ 80,576
Net accounts receivable	194,827	168,724
Other current assets	147,701	131,254
Total current assets	482,900	380,554
Noncurrent Assets:		
Investments	546,537	584,195
Restricted assets	86,256	119,443
Capital assets, net:	1,222,120	1,202,545
Right-of-use assets, net:	119,486	117,316
Other noncurrent assets	15,269	17,748
Total noncurrent assets	1,989,668	2,041,247
Total assets	2,472,568	2,421,801
Deferred Outflows of Resources	372,151	372,330
Total Assets and Deferred Outflows of Resources	$ 2,844,719	$ 2,794,131

Liabilities	Unaudited 9/30/25	Audited 12/31/24
Current Liabilities:		
Accounts payable	$ 91,749	$ 84,127
Accrued payroll and related liabilities	85,640	78,198
Other current liabilities	108,079	82,817
Total current liabilities	285,468	245,142
Long-Term Liabilities, less current installments:		
Net pension liability	960,741	960,741
Long-term debt	997,894	1,011,478
Other long-term liabilities	166,363	161,969
Total long-term liabilities	2,124,998	2,134,188
Total liabilities	2,410,466	2,379,330
Deferred Inflows of Resources	36,117	36,258
Total Net Position	398,136	378,543
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 2,844,719	$ 2,794,131

Unrestricted Cash & Investments



Note:

- 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.

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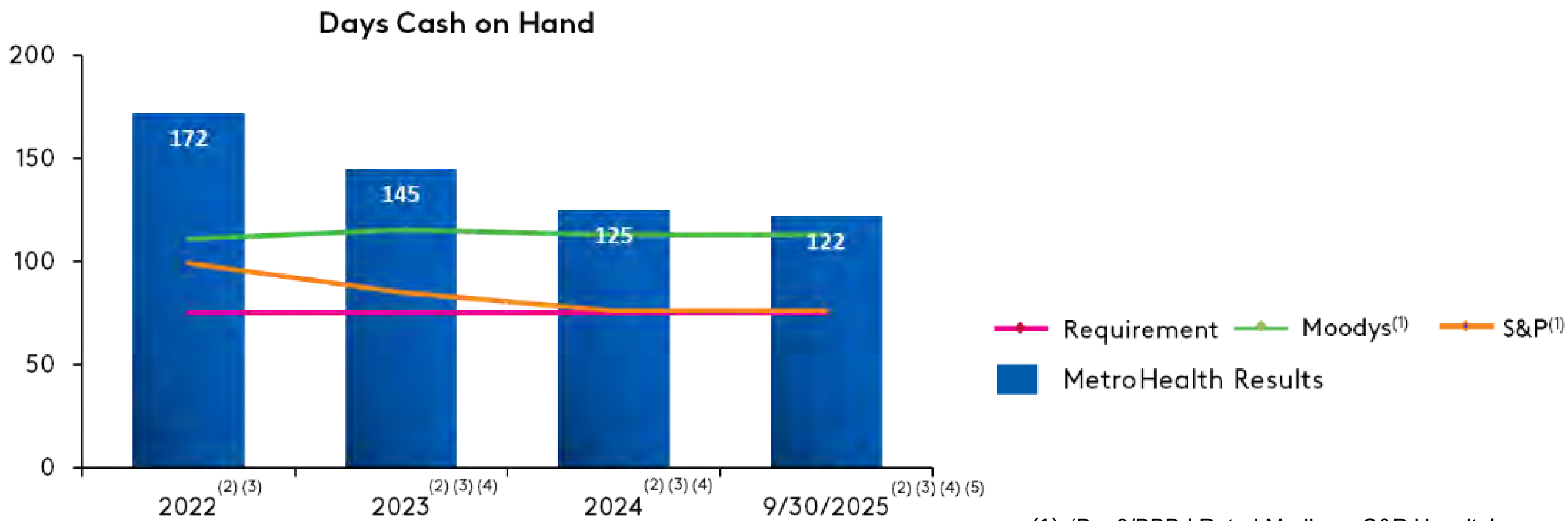
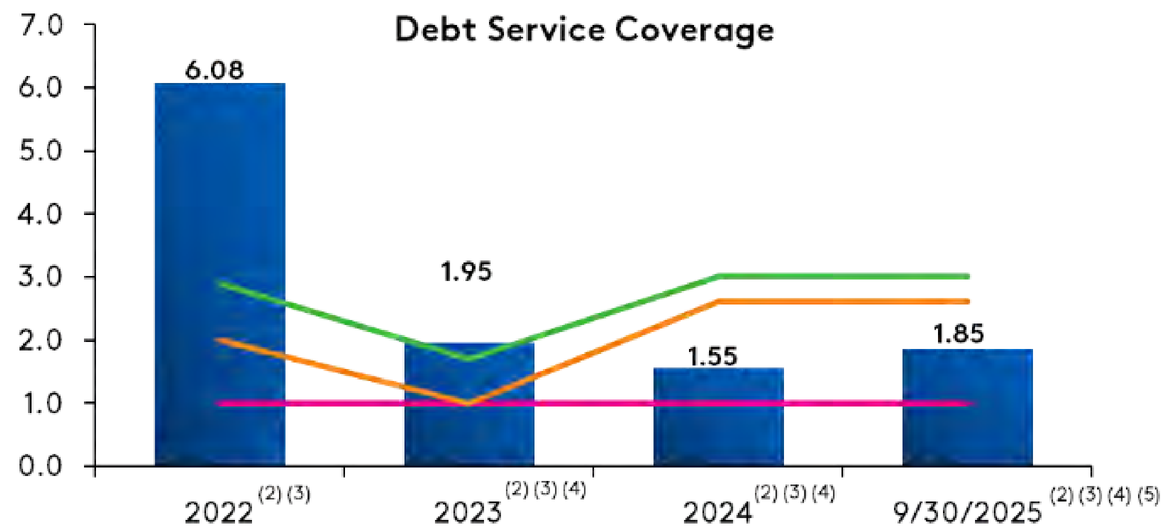
Covenant Compliance





(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

Capital Budget Summary

(Dollars in Thousands)

Through September 30, 2025						
	Approved	Spent	Committed	Allocated	Balance $	Balance %
2024	40,000	31,848	3,543	2,607	2,002	5.0%
2025	45,000	11,136	12,099	4,332	17,433	38.7%
Total	$ 85,000	$ 42,984	$ 15,642	$ 6,939	$ 19,435	22.8%
		50.6%	18.4%	8.2%	22.9%	

	Approved	Spent	Committed	Allocated	Balance $	Balance %
Routine/Strategic	17,433	5,357	5,362	834	5,880	33.7%
Contingency	5,967	3,060	1,977	493	437	7.4%
Prior Year	4,200	2,306	145	759	990	23.6%
Signage	8,300	413	1,803	1,784	4,300	51.9%
Radiology Equipment	6,500	-	2,812	462	3,226	49.7%
Radiology Equipment - Parma	2,600	-	-	-	2,600	100.0%
2025	$ 45,000	$ 11,136	$ 12,099	$ 4,332	$ 17,433	38.7%

Definitions:

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

MetroHealth
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Appendix

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

MetroHealth

In Thousands

	2025 Actual	2025 Budget	Variance $	Variance %	2024 Actual	Variance $	Variance %
Operating Revenues							
Net Patient Revenue	$ 373,711	$ 384,115	$ (10,404)	(2.7%)	$ 356,321	17,390	4.9%
Pharmacy Revenue	132,204	111,081	21,123	19.0%	113,101	19,103	16.9%
Other Revenue[1]	36,036	44,607	(8,571)	(19.2%)	42,113	(6,077)	(14.4%)
Total Operating Revenue	$ 541,951	$ 539,803	$ 2,148	0.4%	$ 511,535	$ 30,416	5.9%
Operating Expenses							
Salaries and wages	225,529	241,320	(15,791)	(6.5%)	224,402	1,127	0.5%
Employee Benefits	61,639	64,603	(2,964)	(4.6%)	58,858	2,781	4.7%
Purchased services	36,828	41,136	(4,308)	(10.5%)	33,045	3,783	11.4%
Medical supplies	41,253	34,667	6,586	19.0%	34,878	6,375	18.3%
Pharmaceuticals	93,356	79,470	13,886	17.5%	75,418	17,938	23.8%
Plant operations	12,768	11,947	821	6.9%	11,744	1,024	8.7%
Non-medical supplies	3,450	4,960	(1,510)	(30.4%)	4,731	(1,281)	(27.1%)
Other expenses	19,615	21,552	(1,937)	(9.0%)	19,226	389	2.0%
Operating Expense Before Interest, Depreciation	$ 494,438	$ 499,655	$ (5,217)	(1.0%)	$ 462,302	$ 32,136	7.0%
EBIDA	**$ 47,513**	**$ 40,148**	**$ 7,365**	**18.3%**	**$ 49,233**	**$ (1,720)**	**(3.5%)**
Depreciation and amortization	26,282	27,085	(803)	(3.0%)	26,464	(182)	(0.7%)
Interest expense	14,356	14,069	287	2.0%	14,241	115	0.8%
Total Operating Expenses	$ 535,076	$ 540,809	$ (5,733)	(1.1%)	$ 503,007	$ 32,069	6.4%
Operating Income (Loss)	**$ 6,875**	**$ (1,006)**	**$ 7,881**	**783.4%**	**$ 8,528**	**$ (1,653)**	**(19.4%)**
Non-Operating Revenues (Expenses)							
Net investment income	21,218	4,525	16,693	368.9%	25,410	(4,192)	(16.5%)
Other non-operating expense	(69)	21	(90)	(428.6%)	(4,549)	4,480	98.5%
Total Non-Operating Revenues (Expenses)	$ 21,149	$ 4,546	$ 16,603	365.2%	$ 20,861	$ 288	1.4%
Change in Net Position	**$ 28,024**	**$ 3,540**	**$ 24,484**	**691.6%**	**$ 29,389**	**$ (1,365)**	**(4.6%)**

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.

Income Statement - Internal
For the Nine Months Ended September 30

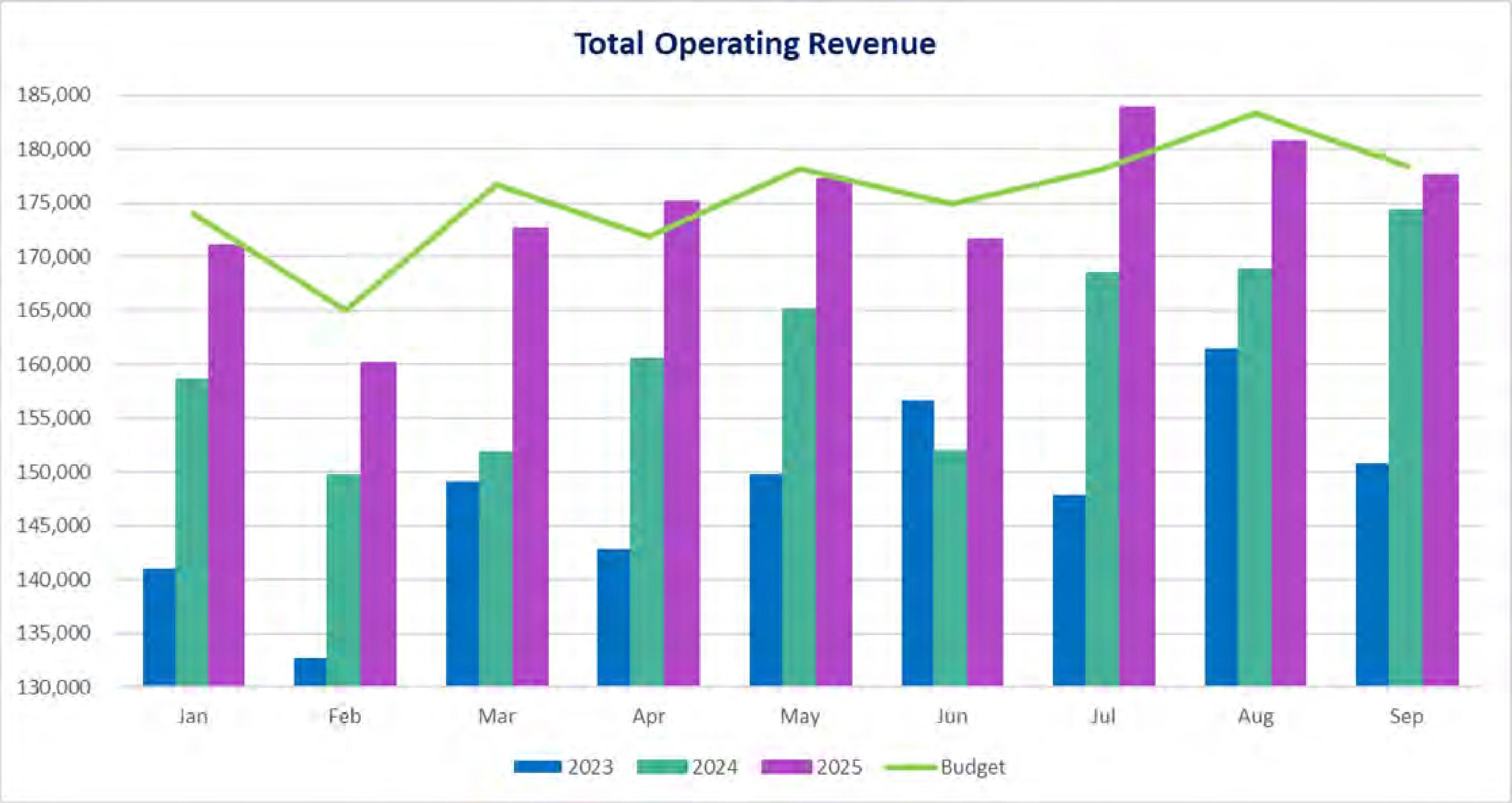
MetroHealth

In Thousands

September 2025

Current Month						Year to Date				
Actual	Budget	Fav (Unfav)	PY	Fav (Unfav)		Actual	Budget	Fav (Unfav)	PY	Fav (Unfav)
					Operating Revenue					
148,449	147,400	1,049	133,429	15,020	Inpatient Revenue	1,298,831	1,342,268	(43,437)	1,211,778	87,053
323,888	313,198	10,690	286,557	37,331	Outpatient Revenue	2,820,458	2,811,728	8,730	2,594,244	226,214
472,337	460,598	11,739	419,986	52,351	**Gross Patient Revenue**	4,119,289	4,153,996	(34,707)	3,806,022	313,267
(368,817)	(351,087)	(17,730)	(329,622)	(39,195)	Contractuals, Bad Debt & Charity	(3,211,063)	(3,165,438)	(45,625)	(2,994,919)	(216,144)
19,601	16,415	3,186	29,026	(9,425)	Supplemental Revenue	172,685	147,723	24,962	205,387	(32,702)
123,121	125,926	(2,805)	119,390	3,731	**Net Patient Revenue**	1,080,911	1,136,281	(55,370)	1,016,490	64,421
11,021	15,793	(4,772)	17,312	(6,291)	Other Revenue	110,556	124,566	(14,010)	113,915	(3,359)
43,369	36,650	6,719	37,574	5,795	Retail & Contract Pharmacy Revenue	378,078	319,631	58,447	318,743	59,335
177,511	**178,369**	**(858)**	**174,276**	**3,235**	**Total Operating Revenue**	**1,569,545**	**1,580,478**	**(10,933)**	**1,449,148**	**120,397**
					Operating Expenses					
94,749	101,167	6,418	95,511	762	Salaries, Wages & Employee Benefits	876,740	907,322	30,582	844,449	(32,291)
13,608	13,886	278	11,962	(1,646)	Purchased Services	116,018	121,874	5,856	95,662	(20,356)
14,364	11,356	(3,008)	12,371	(1,993)	Medical Supplies	116,172	102,662	(13,510)	100,095	(16,077)
32,359	26,242	(6,117)	24,933	(7,426)	Pharmaceuticals	261,628	227,231	(34,397)	217,008	(44,620)
11,884	12,521	637	11,569	(315)	Other Departmental Expenses	108,855	114,526	5,671	108,441	(414)
13,510	13,703	193	13,627	117	Depreciation, Amortization & Interest	121,613	123,413	1,800	120,170	(1,443)
180,474	**178,875**	**(1,599)**	**169,973**	**(10,501)**	**Total Operating Expense**	**1,601,026**	**1,597,028**	**(3,998)**	**1,485,825**	**(115,201)**
(2,963)	**(506)**	**(2,457)**	**4,303**	**(7,266)**	**Operating Income (Loss)**	**(31,481)**	**(16,550)**	**(14,931)**	**(36,677)**	**5,196**
10,547	**13,197**	**(2,650)**	**17,930**	**(7,383)**	**EBIDA**	**90,132**	**106,863**	**(16,731)**	**83,493**	**6,639**

Total Operating Revenue Increased 8.3% from Prior Year



Total Operating Revenue	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2023	$141,044	$132,743	$149,091	$142,906	$149,866	$156,716	$147,896	$161,450	$150,772	$1,332,484
2024	$158,561	$149,725	$151,877	$160,505	$165,040	$151,902	$168,451	$168,811	$174,276	$1,449,148
2025	$170,995	$160,090	$172,660	$175,121	$177,174	$171,552	$183,791	$180,651	$177,511	$1,569,545
2025 Budget	$174,025	$164,979	$176,674	$171,863	$178,200	$174,931	$178,146	$183,291	$178,369	$1,580,478

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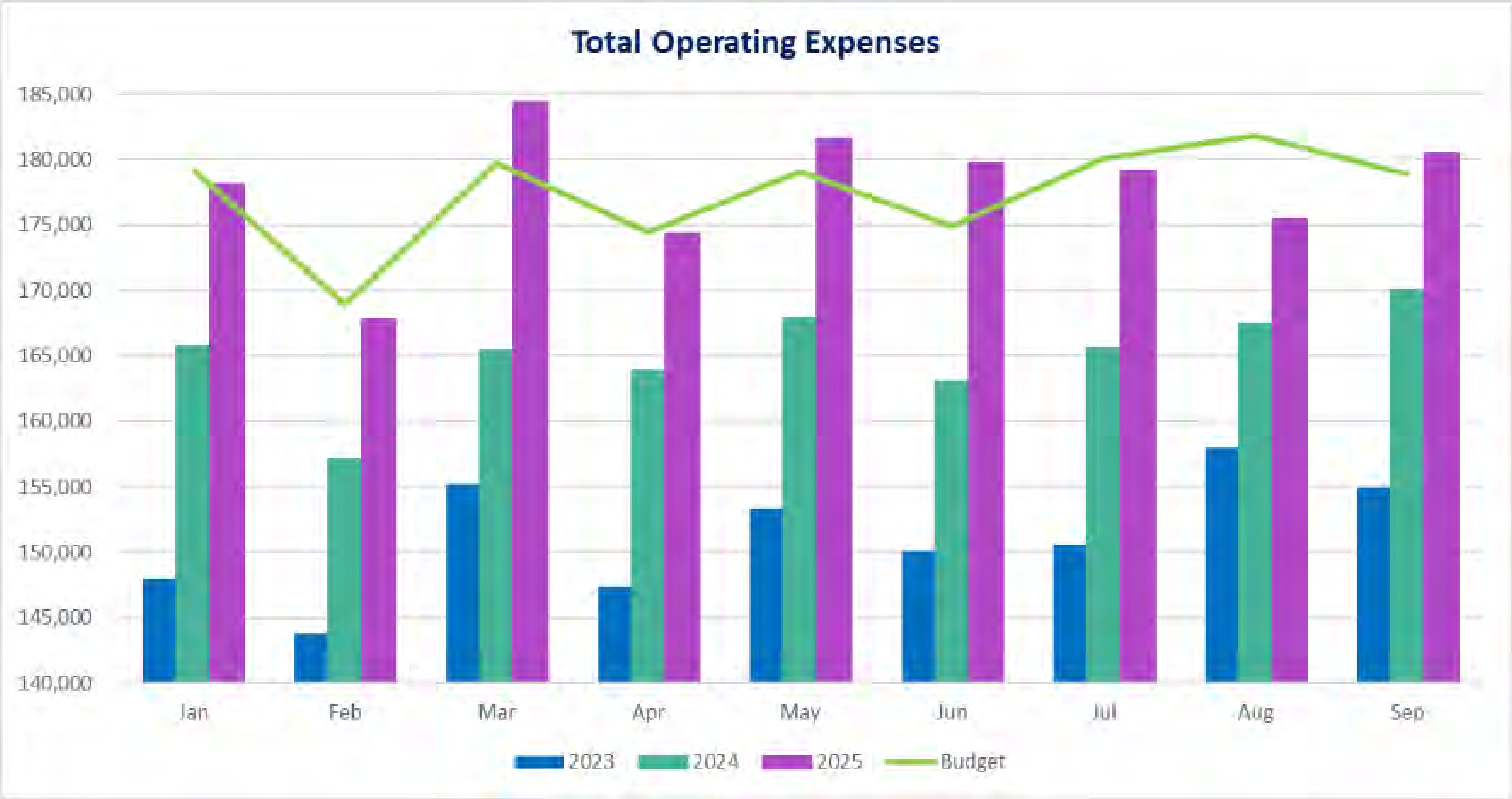
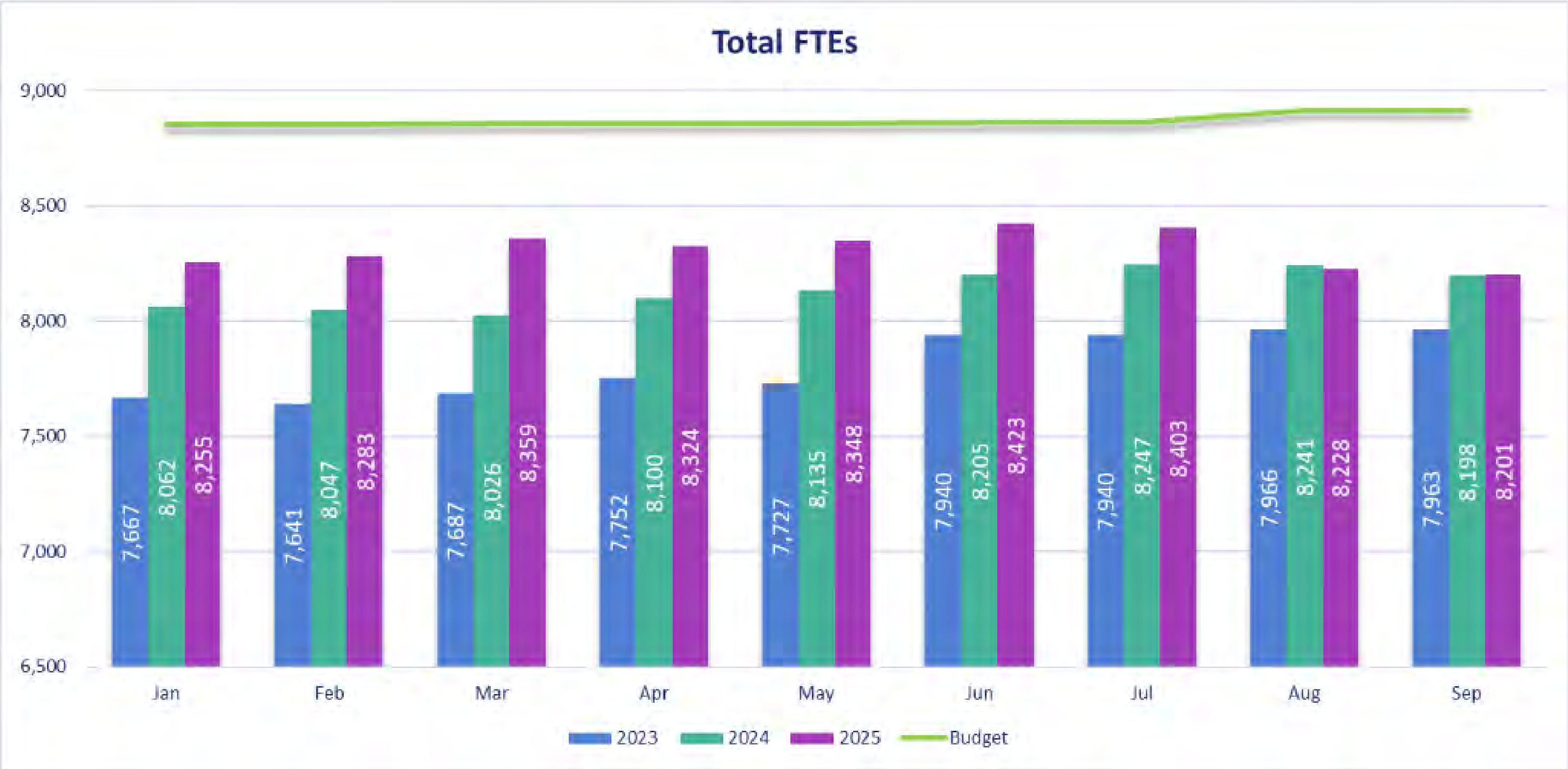
Total Operating Expenses Exceed Prior Year by 7.8%



Total Operating Expenses	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2023	$148,014	$143,735	$155,206	$147,395	$153,316	$150,090	$150,550	$157,946	$154,931	$1,361,183
2024	$165,674	$157,086	$165,362	$163,792	$167,905	$162,999	$165,616	$167,418	$169,973	$1,485,825
2025	$178,140	$167,765	$184,392	$174,300	$181,592	$179,761	$179,143	$175,459	$180,474	$1,601,026
2025 Budget	$179,128	$168,969	$179,696	$174,478	$179,065	$174,885	$180,109	$181,823	$178,875	$1,597,028

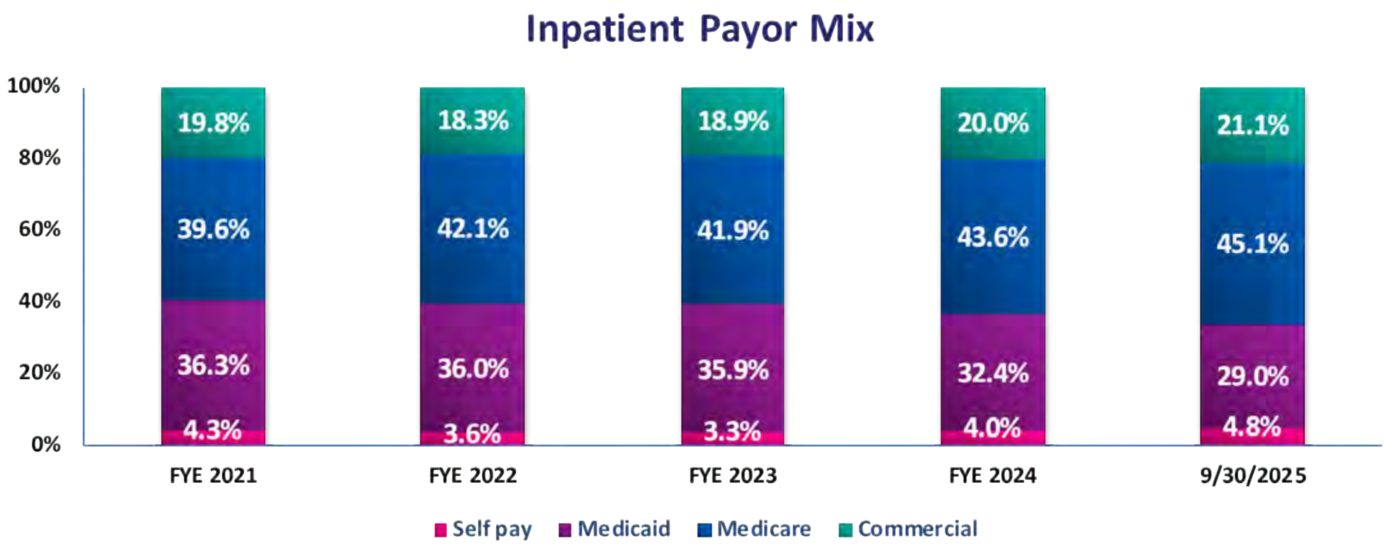
FTEs Increased 2.1% From Prior Year

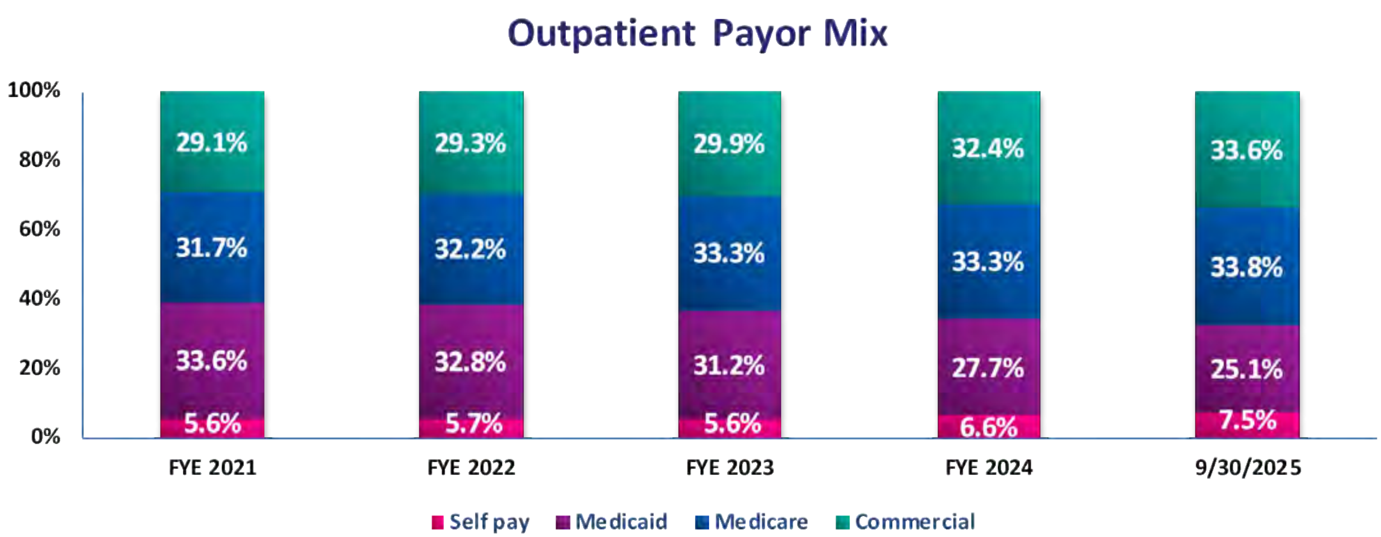


Total FTEs	FTEs
2023	7,809
2024	8,140
2025	8,314
2025 Budget	8,876

Payor Mix

(based on gross patient revenue)





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Credit Rating Strength Diagnostic Tool

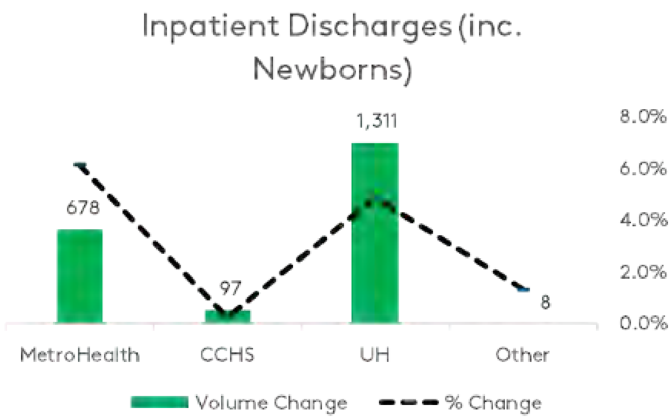
Nine Months Ended September 30, 2025

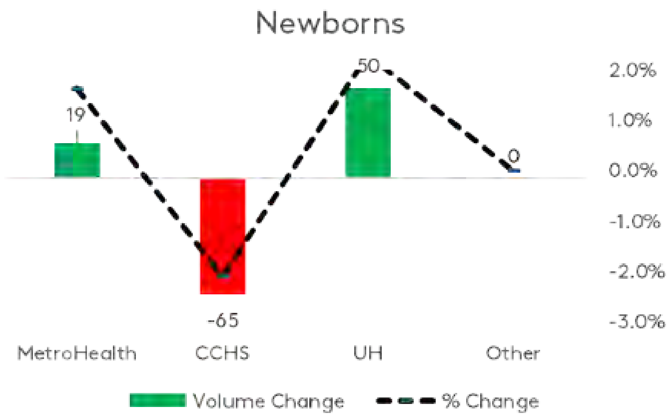
September 2025 MetroHealth Metrics vs. Rating Agency Medians (BBB- Rating)						
			Moodys		S&P	
		MetroHealth Value	Benchmark Medians	Variance	Benchmark Medians	Variance
(1)	Operating Margins	0.4%	0.0%	N/A	0.1%	256.3%
(1)	Excess Margins	0.2%	1.2%	-87.2%	1.6%	-90.4%
(1)	Operating EBITDA Margins	4.9%	4.7%	4.6%	4.1%	20.0%
(1)	Cash Flow as % of Total Liabilities	4.2%	N/A	N/A	6.5%	-35.1%
(1)	Return on Assets	0.1%	1.6%	-91.7%	N/A	N/A
	Maximum Annual Debt Service Coverage	1.8	2.7	-32.2%	2.6	-29.6%
	Cash on Hand (Days)	122.1	112.9	8.2%	76.0	60.7%
	Cushion ratio	10.8	10.2	5.5%	11.1	-3.1%
	Cash-to-Debt	66.4%	80.7%	-17.7%	57.6%	15.3%
	Account Receivable (days)	49.4	45.4	8.7%	47.1	4.8%
(1)	EBITDA Debt Service Coverage	1.8	3.0	-38.4%	N/A	N/A
	Capital Spending Ratio (x)	1.9	1.2	58.9%	N/A	N/A
	Capital Expenditures as % of Depreciation Expense	190.6%	N/A	N/A	138.7%	37.4%
	Debt-to-capitalization	52.2%	44.3%	17.9%	54.2%	-3.6%
(1)	Debt-to-Cash Flow (x)	10.1	5.1	98.5%	N/A	N/A
	Average Age of Plant (Years)	9.3	14.5	-36.1%	14.3	-35.2%

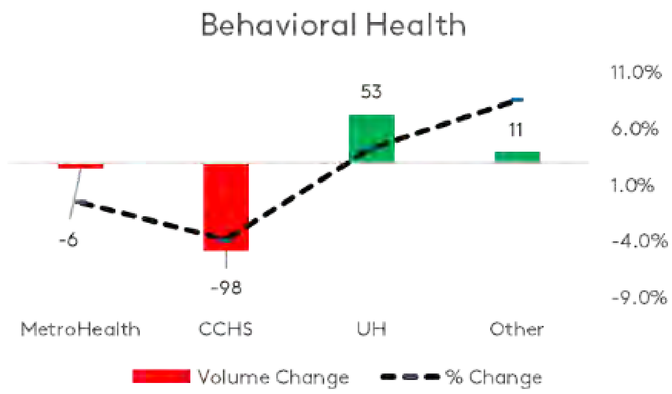
(1) The GASB Statement No. 68 & GASB Statement No. 75 adjustments, recorded on an annual basis using the results from the OPERS actuary reports, is excluded as there are no cash flows associated with the recognition of net pension and net OPEB liabilities, deferrals and expenses.

Market Volume Change by System

HY 2024 compared to HY 2025







Market grew +2.6% (+2,094 discharges)

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

Market grew 0.1% (4 discharges)

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

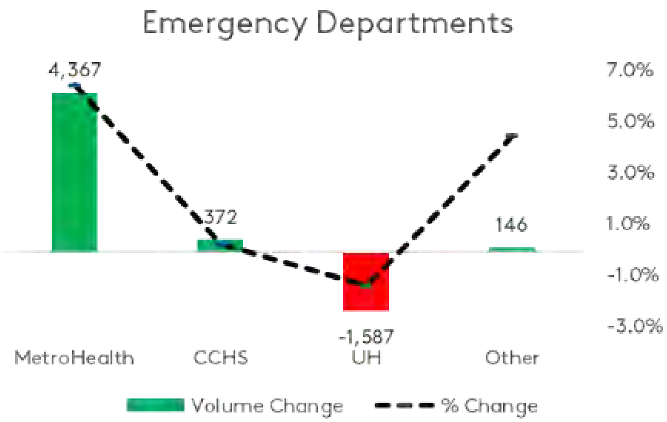
Market declined -0.8% (-40 discharges)

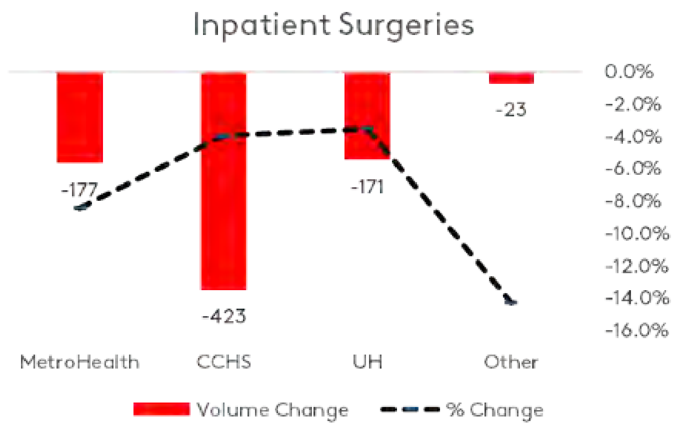
- CCHS volume losses drove the market decline.
- UH had solid growth

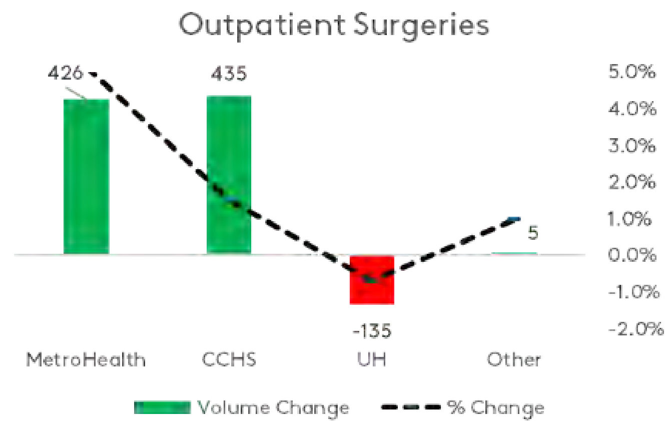
Note: "Other" is non-CC/UH/MH hospitals that had patient in Cuyahoga County (i.e. Summa, Mercy, etc.)
Data Source: Ohio Hospital Association, Cuyahoga County patient origin

Market Volume Change by System

HY 2024 compared to HY 2025







Market grew 0.9% (~3,300 visits/admits)

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

Market declined -4.5% (-794 IP surgeries)

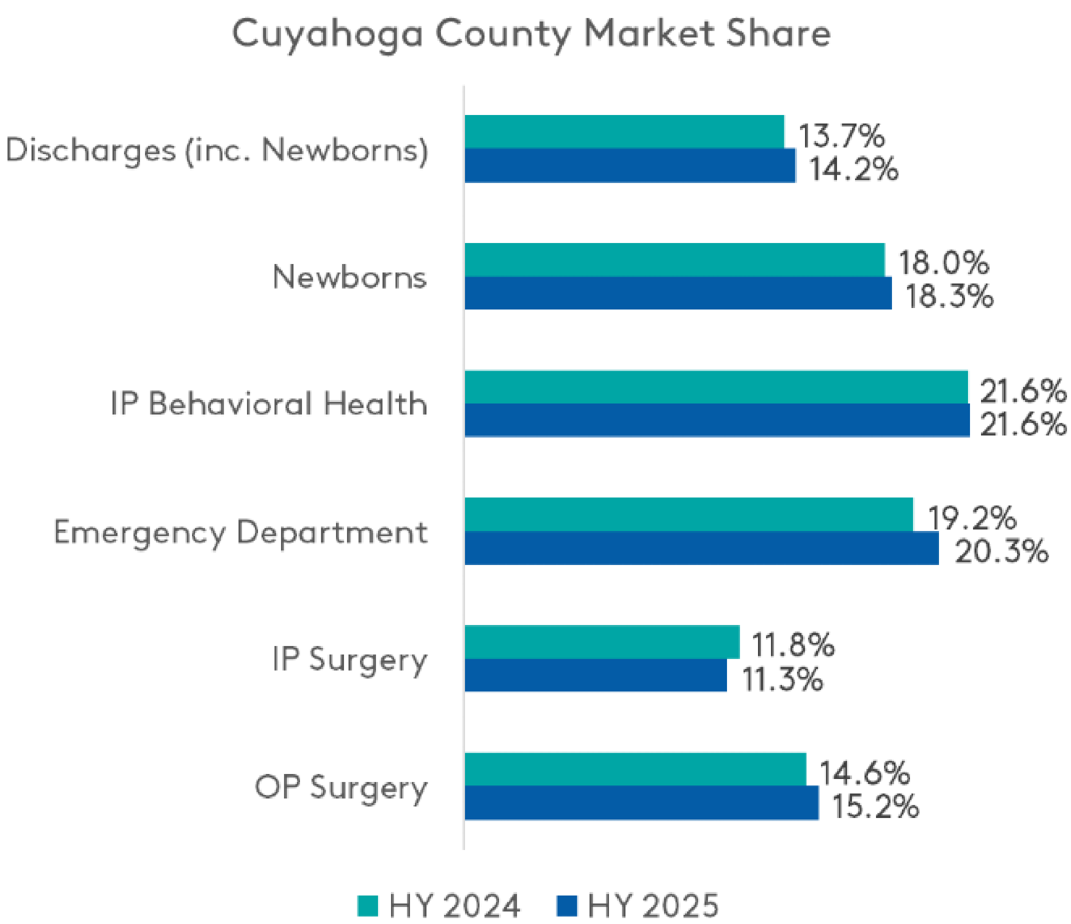
- UH and CCHS outperformed the market despite volume losses to gain share

Market grew 1.3% (731 OP surgeries)

- MH and CCHS 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 and UH outperformed a stable Market
- MetroHealth outperformed a declining Market, despite MH losing volume
- MH drove the Market's growth, gaining 1% share
- Market surgeries declined across all systems, driven by CCHS. CCHS and UH gained share.
- MH and CCHS drove the 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 HY 2025 YTD.
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.	

MetroHealth

2026 Annual Budget

Board of Trustees

Finance Committee Meeting

November 5, 2025

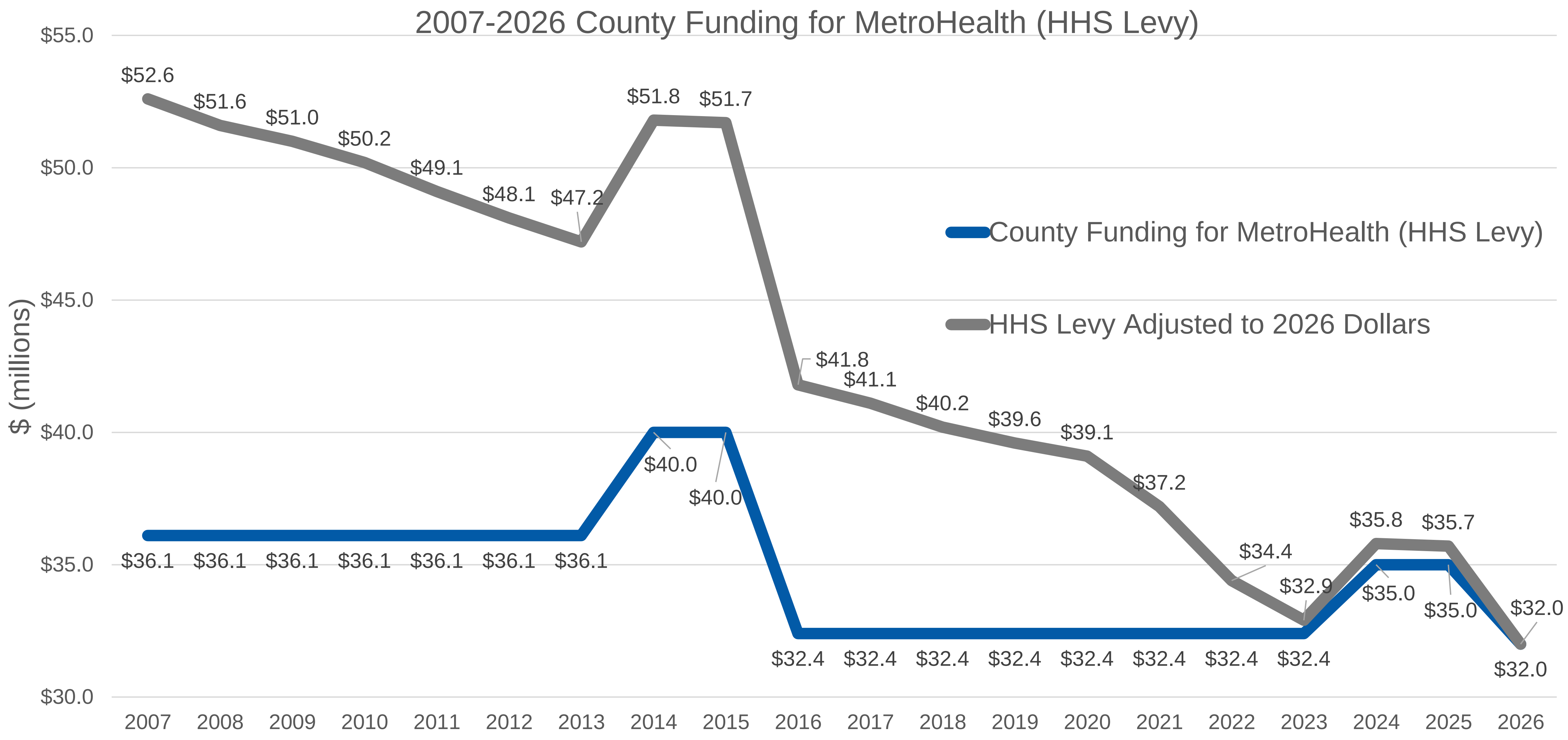
Public Session

2026 Operating Budget Summary

MetroHealth

Description (in $000s)	2022A	2023A	2024A	2025P	2026B
Total Operating Revenue	**$ 1,613,858**	**$ 1,819,570**	**$ 1,965,705**	**$ 2,092,191**	**$ 2,272,223**
Operating Expenses:					
Salaries, Wages, & Benefits	948,719	1,071,080	1,151,465	1,170,296	1,182,630
Department Expenses	527,596	611,747	710,656	807,315	941,149
Depreciation, Amortization, and Interest	119,450	158,490	153,959	162,923	179,624
Total Operating Expenses	**1,595,765**	**1,841,317**	**2,016,080**	**2,140,535**	**2,303,402**
Operating Income (Loss)	**$ 18,093**	**$ (21,747)**	**$ (50,375)**	**$ (48,344)**	**$ (31,179)**
Operating Income (Loss) Margin %	**1.1%**	**-1.2%**	**-2.6%**	**-2.3%**	**-1.4%**
EBIDA	**$ 137,543**	**$ 136,743**	**$ 103,584**	**$ 114,579**	**$ 148,445**
EBIDA Margin %	**8.5%**	**7.5%**	**5.3%**	**5.5%**	**6.5%**
FTEs	**7,336**	**7,862**	**8,174**	**8,297**	**8,192**

County Uncompensated Care

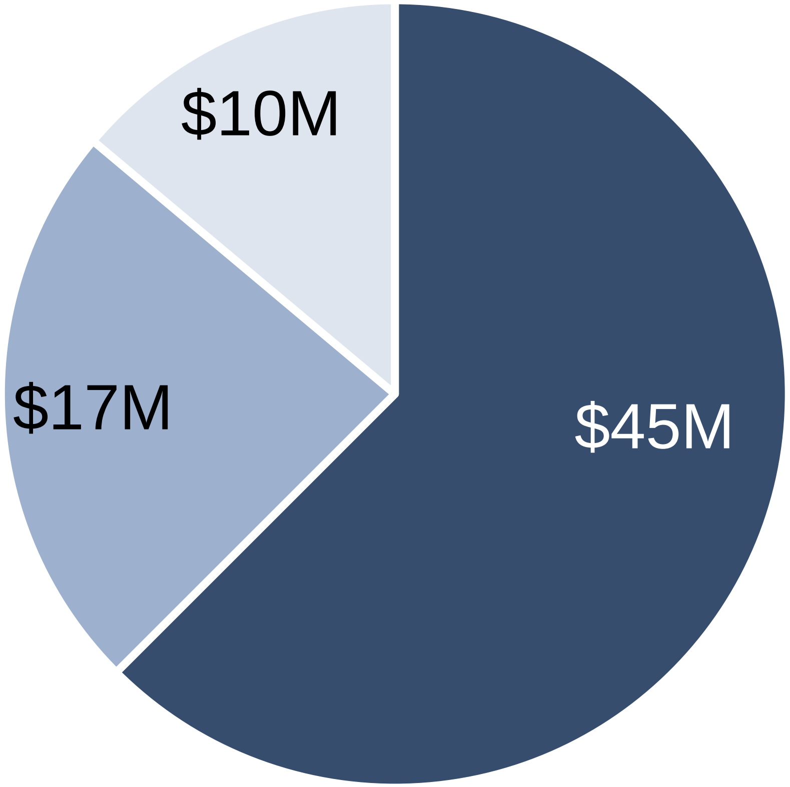


2026 Capital Budget

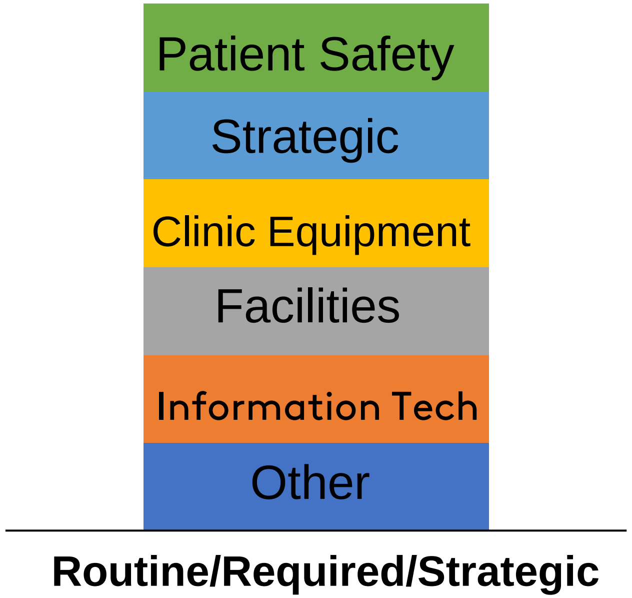
MetroHealth

$ in Thousands

Routine/Required/Strategic	$	45M
Outpatient Health Center	$	17M
Prior Year Projects	$	10M
Total	$	72M



Estimated Funding Allocation



RECOMMENDATION TO APPROVE A PROPOSED BUDGET FOR THE METROHEALTH SYSTEM FOR THE 2026 FISCAL YEAR AND TO AUTHORIZE THE SUBMISSION OF THE SAME TO THE GOVERNMENT OF CUYAHOGA COUNTY, OHIO

Recommendation

The Finance Committee ("Committee") of the Board of Trustees ("Board") of The MetroHealth System ("System") and the President and Chief Executive Officer of the System, on the advice of the Interim Chief Financial Officer of the System, recommends that the System approve a proposed budget for the 2026 fiscal year and authorize the submission of the same to the government of Cuyahoga County, Ohio ("County").

The information to be submitted to the County is shown in **Exhibit A**.

Background

The Board is required by law to submit to the County a proposed budget for the System for the ensuing fiscal year in advance of the end of the current fiscal year.

Approval of a Proposed Budget for The MetroHealth System
for the 2026 Fiscal Year and To Authorize the Submission of the Same to the
Government of Cuyahoga County, Ohio

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RESOLUTION XXXXX

WHEREAS, the Board of Trustees ("Board") of The MetroHealth System ("System") has been presented a recommendation by the Board's Finance Committee to approve a proposed budget for the System for the 2026 fiscal year and to authorize the submission of the same to the government of Cuyahoga County, Ohio ("County"); and

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

NOW, THEREFORE, BE IT RESOLVED, the Board hereby approves a proposed budget for the System for the 2026 fiscal year and authorizes the submission of the same to the County.

The information to be submitted to the County is shown in **Exhibit A**.

BE IT FURTHER RESOLVED, the Chief Executive Officer and President of the System or her designee are hereby authorized to take necessary actions consistent with this resolution.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

EXHIBIT A

2026 Operating Budget Summary

MetroHealth

Description (in $000s)	2022A	2023A	2024A	2025P	2026B
Total Operating Revenue	**$ 1,613,858**	**$ 1,819,570**	**$ 1,965,705**	**$ 2,092,191**	**$ 2,272,223**
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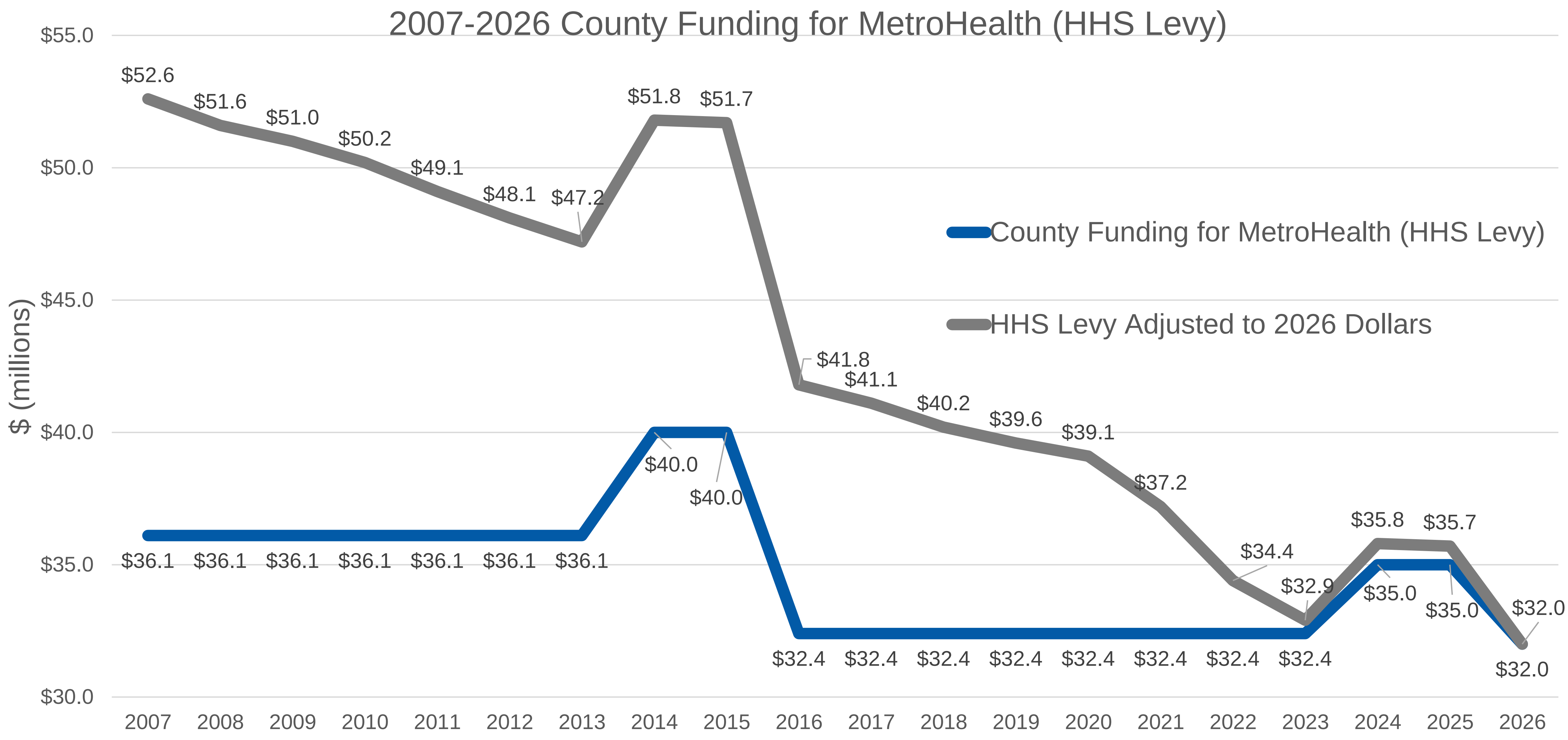

2026 Capital Budget

MetroHealth

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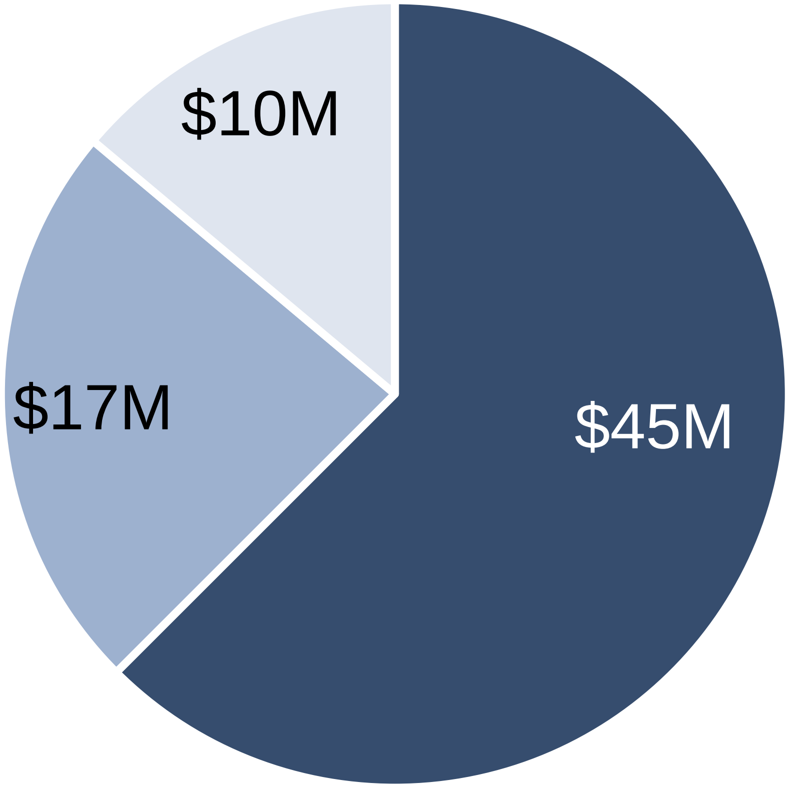
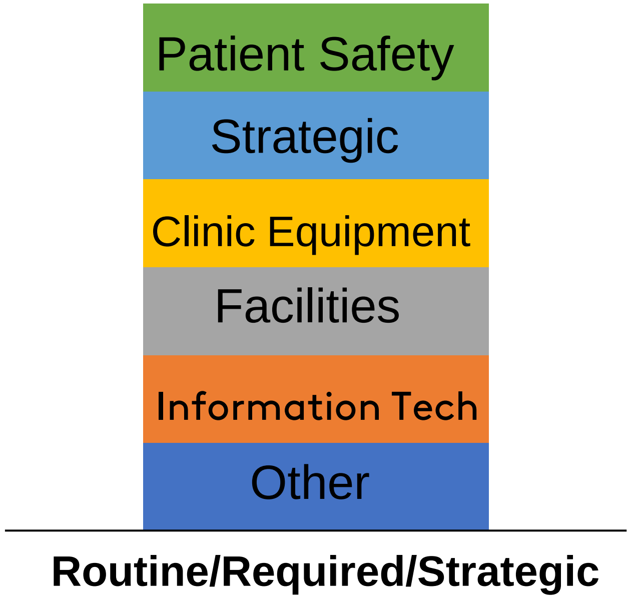


Estimated Funding Allocation



3

RECOMMENDATION TO APPROVE CERTAIN ANNUAL PURCHASING POLICIES AND PROCEDURES OF THE METROHEALTH SYSTEM

Recommendation

The Finance Committee ("Committee") of the Board of Trustees ("Board") of The MetroHealth System ("System") and the Interim Chief Financial Officer of the System, on the advice of the Chief Legal Officer of the System, recommends that the System approve certain annual purchasing policies and procedures, for participation in group or joint procurement arrangements.

For the calendar year 2026 and for the purpose of acquiring supplies, equipment, and services routinely used in the operations of the System, the System may obtain membership and participate in either:

a) One or more group purchasing organizations (each a "GPO") sponsored by nonprofit organizations, for all products available through such GPOs, provided that the terms and conditions of such participation, and the GPO's policies and procedures, are evaluated and determined to be in the best interest of the System; and,

b) One or more state or federally operated joint purchasing programs (each a "JPP"), for purchase of all products available through such JPPs.

The System may pay GPO or JPP participation or membership fees and costs, if any, out of general operating funds.

Background

The System may lawfully participate in group purchasing arrangements sponsored by nonprofit organizations. The System may also lawfully participate in state or federal joint purchasing programs that permit other states and their political subdivisions to participate.

The System's governing law permits the System to annually adopt certain policies and procedures, for procurement of supplies, equipment, and services, which may be used in lieu of competitive bidding.

Approval of Certain Annual Purchasing Policies and Procedures of The MetroHealth System

RESOLUTION XXXXX

WHEREAS, the Board of Trustees ("Board") of The MetroHealth System ("System") has been presented a recommendation by the Board's Finance Committee for certain annual purchasing policies and procedures; and

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

NOW, THEREFORE, BE IT RESOLVED, the Board hereby approves certain annual purchasing policies and procedures for participation in group or joint procurement arrangements. For the calendar year 2026 and for the purpose of acquiring supplies, equipment, and services routinely used in the operations of the System, the System may obtain membership and participate in either:

a) One or more group purchasing organizations (each a "GPO") sponsored by nonprofit organizations, for all products available through such GPOs, provided that the terms and conditions of such participation, and the GPO's policies and procedures, are evaluated and determined to be in the best interest of the System; and

b) One or more state or federally operated joint purchasing programs (each a "JPP"), for purchase of all products available through such JPPs.

BE IT FURTHER RESOLVED the System may pay GPO or JPP participation or membership fees and costs, if any, out of general operating funds; and

BE IT FURTHER RESOLVED, the President and Chief Executive Officer or her designee are hereby authorized to negotiate and execute agreements and other documents and develop and execute procedures consistent with this resolution.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

RECOMMENDATION FOR THE APPROVAL OF SUPPORT OF A NONPROFIT AFFILIATE

Recommendation

The Finance Committee ("Committee") of the Board of Trustees ("Board") of The MetroHealth System ("System") and the Interim Chief Financial Officer of the System recommend that the Board approve financial support for the System's nonprofit affiliate, Lumina Imaging, as more fully described in Attachment A.

Background

The Board approved the formation of Lumina Imaging in May 2019 in Resolution 19296 and financial support for Lumina Imaging in Resolutions 19333, 19554, and 19602. The System is the sole member of Lumina Imaging, which is an Ohio nonprofit corporation and has received 501(c)(3) status designation. Lumina Imaging was formed to disrupt the delivery of radiology services through stand-alone low-cost imaging centers for high-cost imaging services.

Lumina Imaging operates four locations in Northeast Ohio.

Approval of Support of a Nonprofit Affiliate

******

RESOLUTION XXXXX

WHEREAS, the Board of Trustees ("Board") of The MetroHealth System ("System") has been presented a recommendation by the Finance Committee of the Board to approve financial support for the System's nonprofit affiliate, Lumina Imaging, as fully described in Attachment A hereto.

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 financial support for the System's nonprofit affiliate, Lumina Imaging, as more fully described in Attachment A in accordance with the Board's authority provided in Ohio Revised Code, Section 339.10.

BE IT FURTHER RESOLVED, the System's President and Chief Executive Officer or her designee are hereby authorized to take necessary actions to effectuate or carry out the purpose and intent of the foregoing resolutions.

AYES:

NAYS:

ABSENT:

ABSTAINED:

DATE:

Attachment A