



MARCH 2025 MATERIALS

MEMORIAL HEALTHCARE SYSTEM

MARCH 2025

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A background image of a city at night with blurred lights and buildings, creating a sense of motion and depth. The colors are predominantly blue and white, with some warm tones from the lights.

FEBRUARY 2025 CAPITAL MARKET UPDATE



PROPRIETARY & CONFIDENTIAL

MARKET OUTLOOK



Fed reaction function still uncertain as economic data shows weakness while inflation concerns remain high



Tariff headlines have fueled volatility in equity and currency markets; resist the urge to adjust portfolios to news flow



We continue to recommend investors diversify S&P 500 exposure and complement with value and quality factors



We are comfortable holding excess liquidity and maintaining neutral duration targets relative to safe-haven fixed income



Global equity strategies offer a compelling alpha opportunity; we encourage greater use of active equity approaches

TRAILING ANNUAL INDEX PERFORMANCE

Equity						
	Feb-25	YTD	1 YR	3 YR	5 YR	10 YR
MSCI ACWI	-0.6%	2.7%	15.6%	9.1%	12.8%	9.1%
S&P 500	-1.3%	1.4%	19.1%	12.6%	16.9%	13.0%
Russell 1000	-1.7%	1.4%	18.7%	12.1%	16.5%	12.7%
Russell 2000	-5.3%	-2.9%	7.5%	3.3%	9.4%	7.2%
Russell 2500	-4.7%	-1.3%	8.4%	4.5%	10.9%	8.3%
MSCI EAFE	1.9%	7.3%	9.0%	6.4%	8.7%	5.3%
MSCI EM	0.5%	2.3%	10.3%	0.5%	4.3%	3.5%

Credit						
	Feb-25	YTD	1 YR	3 YR	5 YR	10 YR
BBG Global Agg	1.4%	2.0%	3.2%	-2.8%	-2.0%	0.4%
BBG US Agg	2.2%	2.7%	6.0%	-0.4%	-0.5%	1.5%
BBG Credit	2.0%	2.6%	6.5%	0.4%	0.0%	2.4%
BBG US HY	0.7%	2.0%	10.2%	4.9%	4.9%	5.1%
BBG Muni	1.0%	1.5%	3.1%	1.0%	0.7%	2.3%
BBG Muni HY	1.2%	2.0%	8.4%	2.0%	2.1%	4.3%
BBG TIPS	2.2%	3.5%	6.6%	-0.8%	1.9%	2.4%
BBG 20+ STRIPS	8.2%	7.8%	1.0%	-15.0%	-11.0%	-1.9%
BBG Long Treasuries	5.2%	5.6%	4.0%	-8.6%	-6.6%	-0.4%
BBG Long Credit	3.5%	3.9%	5.8%	-2.7%	-2.3%	2.2%
BBG Govt/Credit 1-3 Yr	0.7%	1.2%	5.6%	2.5%	1.5%	1.7%
JPM EMBI Glob Div	1.6%	3.0%	10.0%	3.4%	0.6%	3.3%
JPM GBI-EM Glob Div	0.7%	2.7%	2.7%	1.7%	-0.4%	0.8%

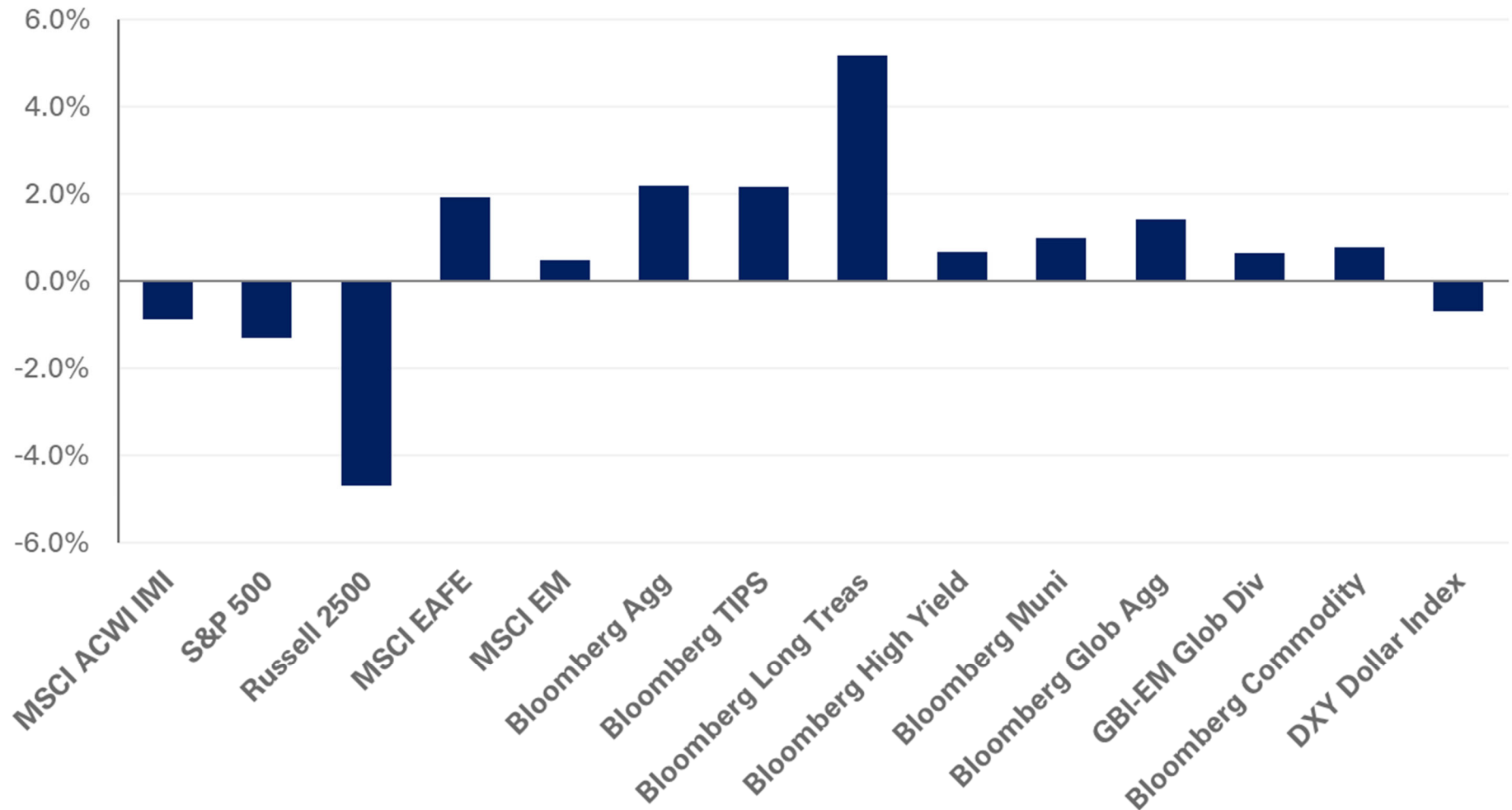
Real Assets						
	Feb-25	YTD	1 YR	3 YR	5 YR	10 YR
BBG Commodity	0.8%	4.8%	11.7%	0.7%	10.6%	1.8%
Alerian Midstream Index	1.7%	4.5%	47.2%	21.8%	20.5%	7.1%
NAREIT Composite Index	4.2%	5.5%	15.1%	1.4%	5.2%	5.9%



Source: S&P, MSCI, Russell, Bloomberg, JPM, Alerian, FTSE, FactSet

RISK-OFF IN U.S. AS YIELDS AND EQUITIES FALL

MONTHLY TOTAL RETURNS

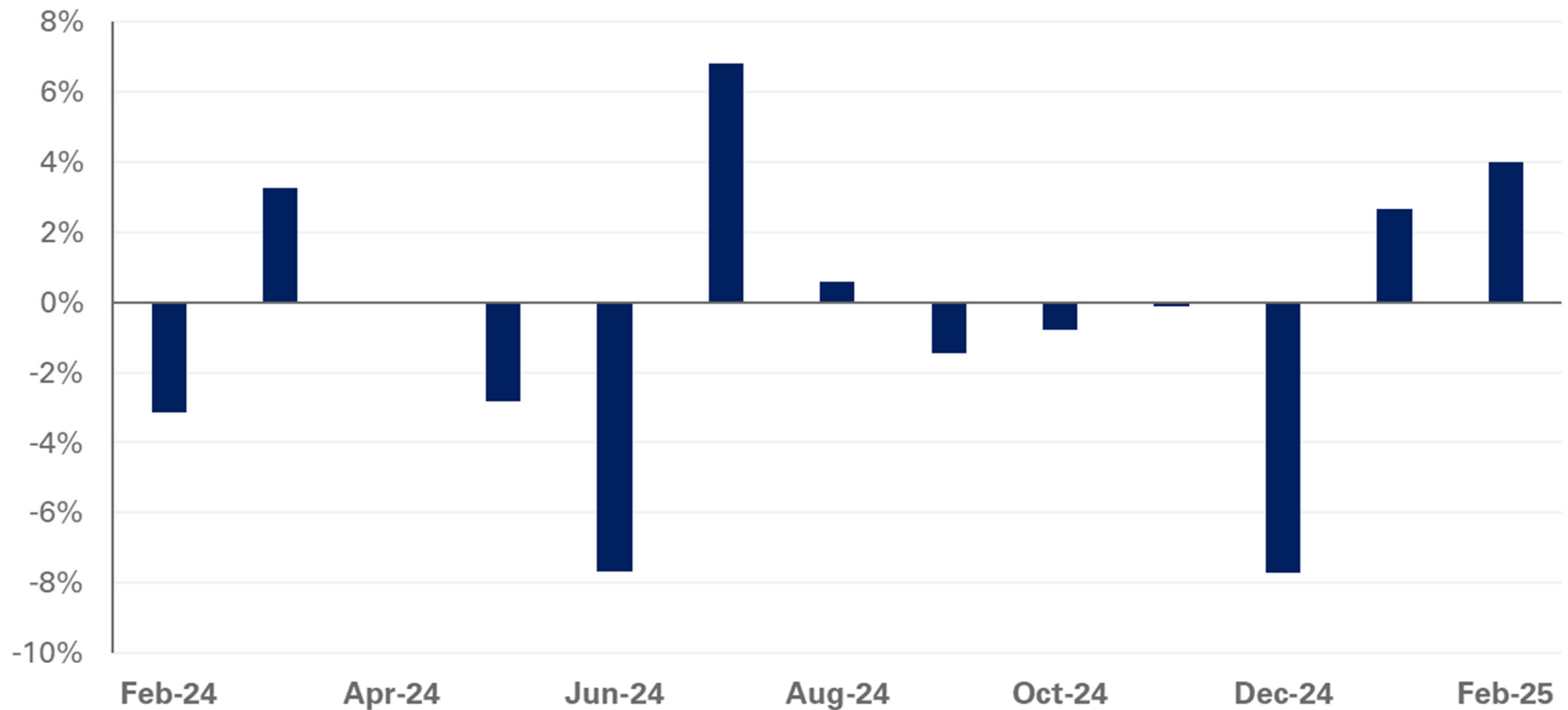


Sources: MSCI, S&P, Russell, Bloomberg, JP Morgan, FactSet



VALUE BEATS GROWTH FOR 2ND MONTH IN A ROW

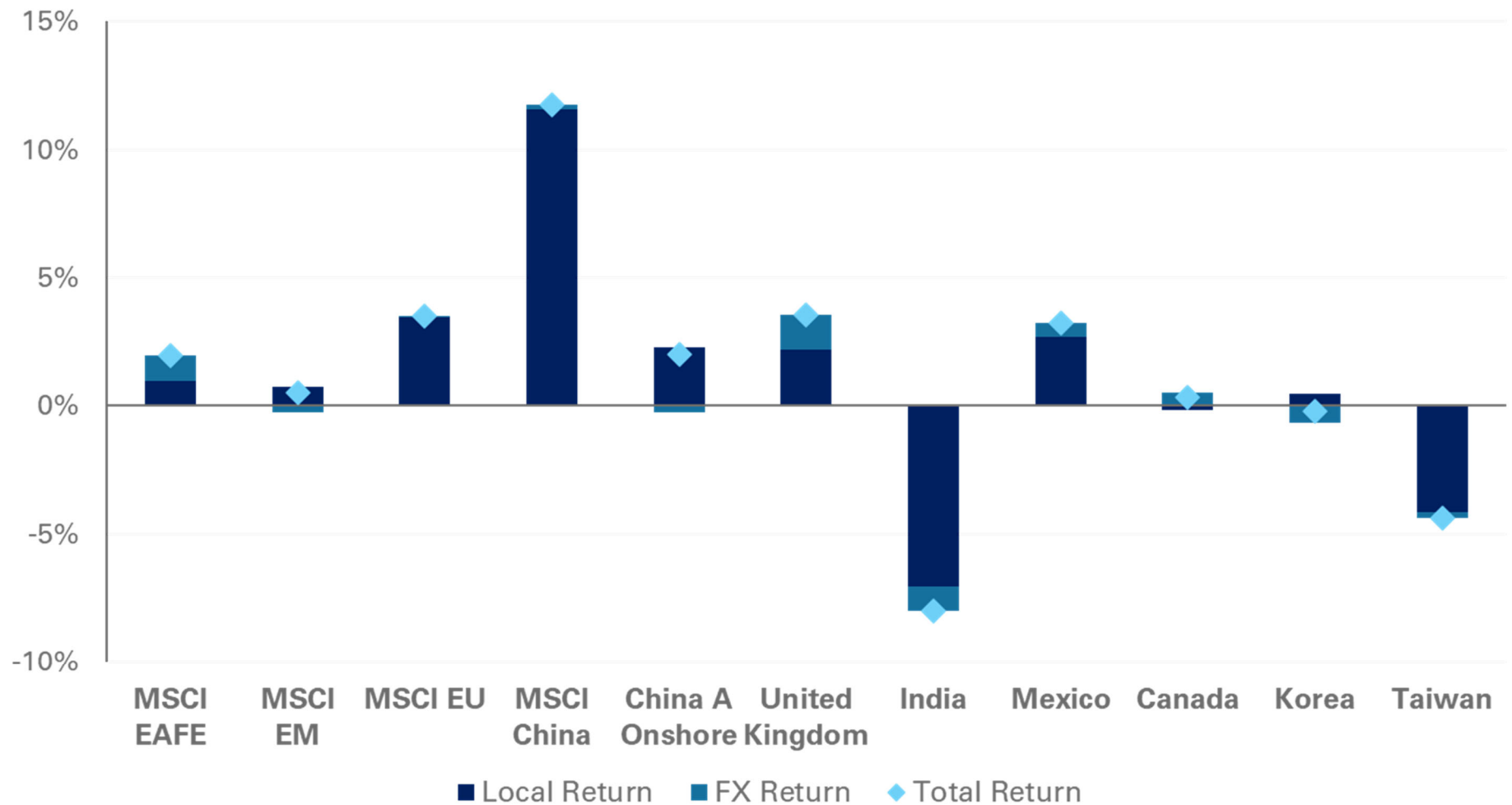
MONTHLY VALUE MINUS GROWTH PERFORMANCE



Sources: Russell, FactSet

EUROPE & CHINA LEAD THE WAY OUTSIDE OF U.S.

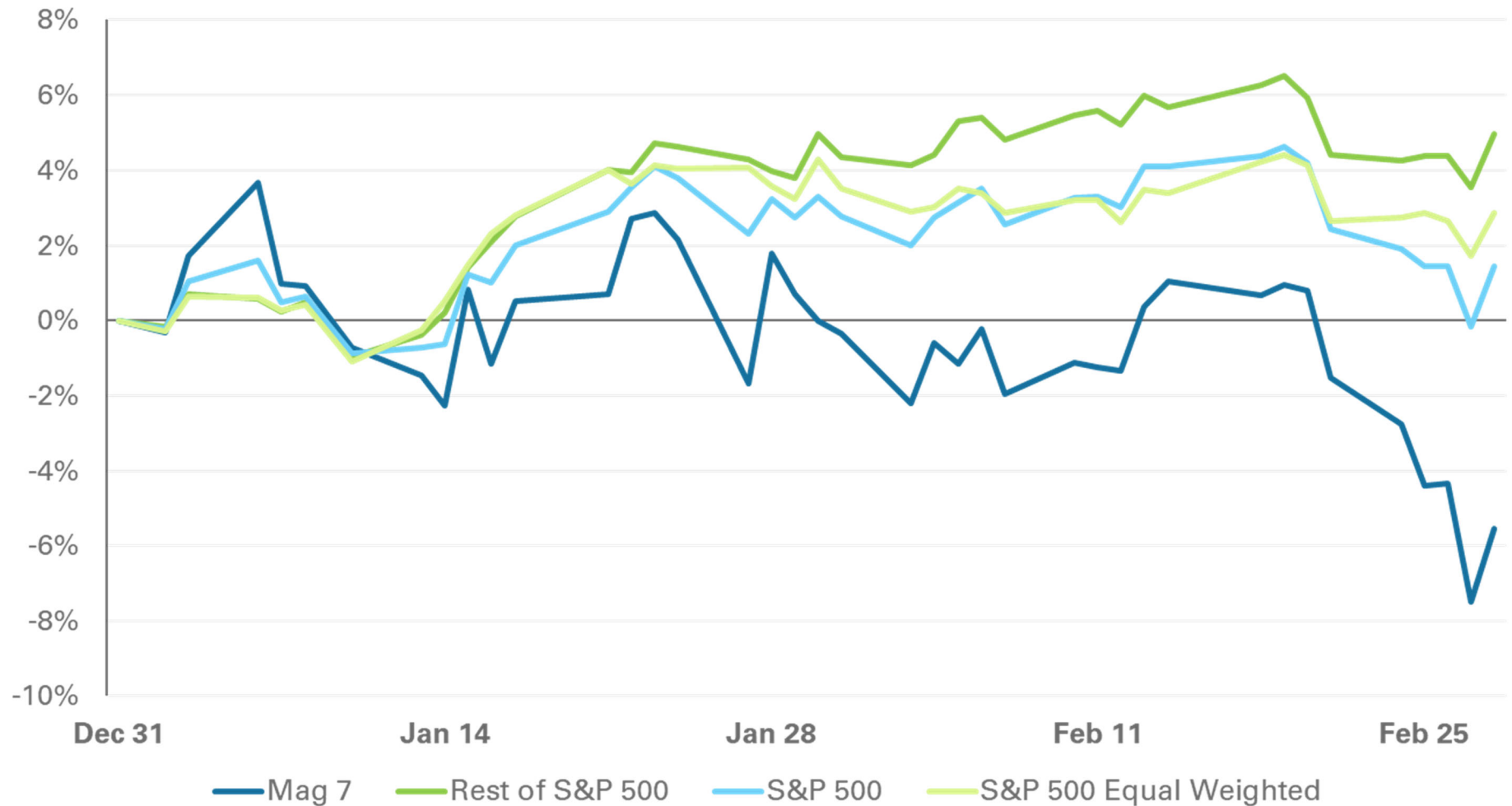
MONTHLY LOCAL EQUITY AND CURRENCY RETURNS



Sources: MSCI, FactSet

MAG 7 NOSEDIVED TO END FEBRUARY

YEAR-TO-DATE TOTAL RETURN



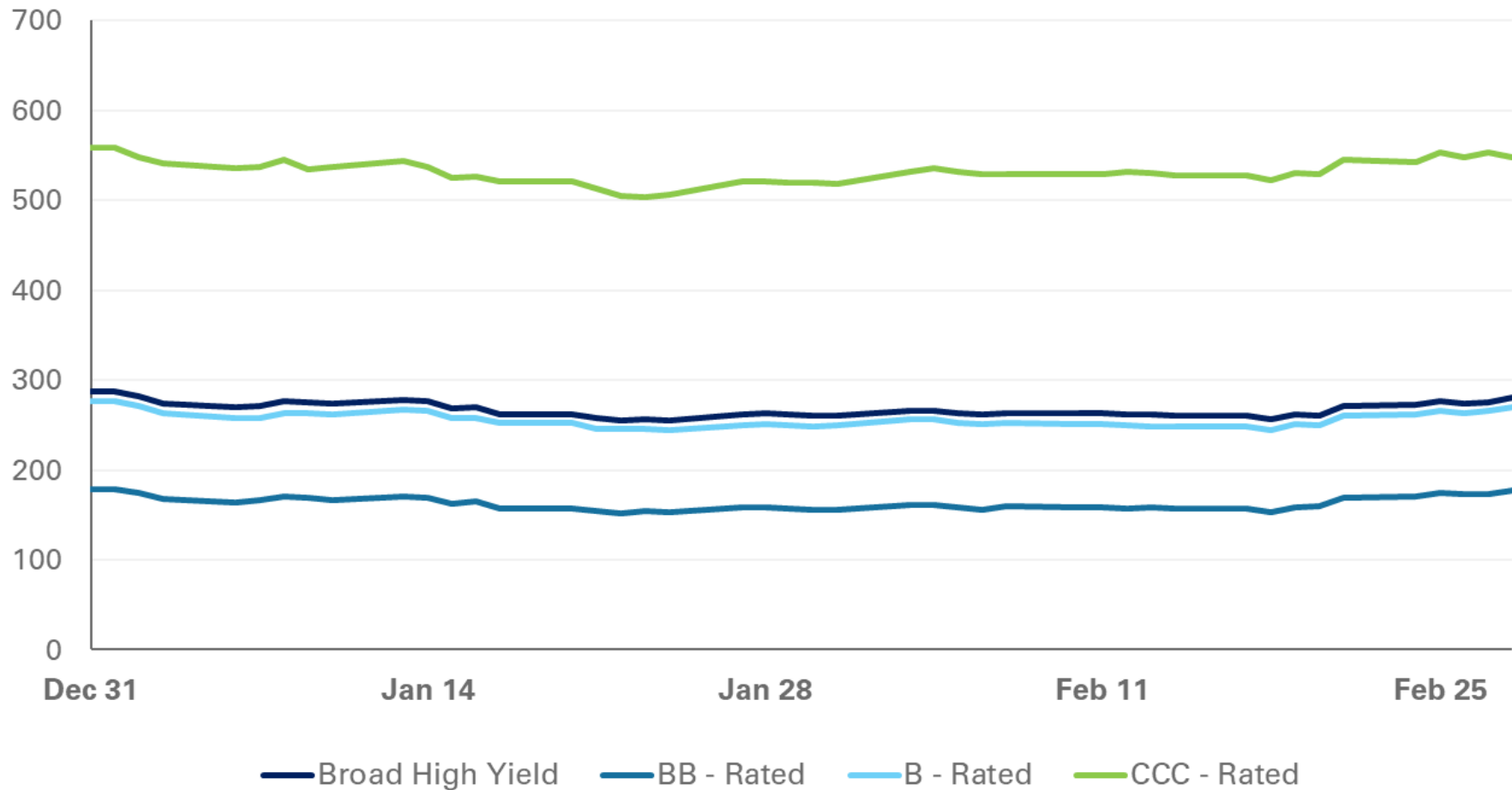
Source: FactSet, NEPC

Notes: Subset performance is based on hypothetical marginal portfolios using daily performance and index weights



SPREADS STILL QUIET GIVEN HEADLINE VOLATILITY

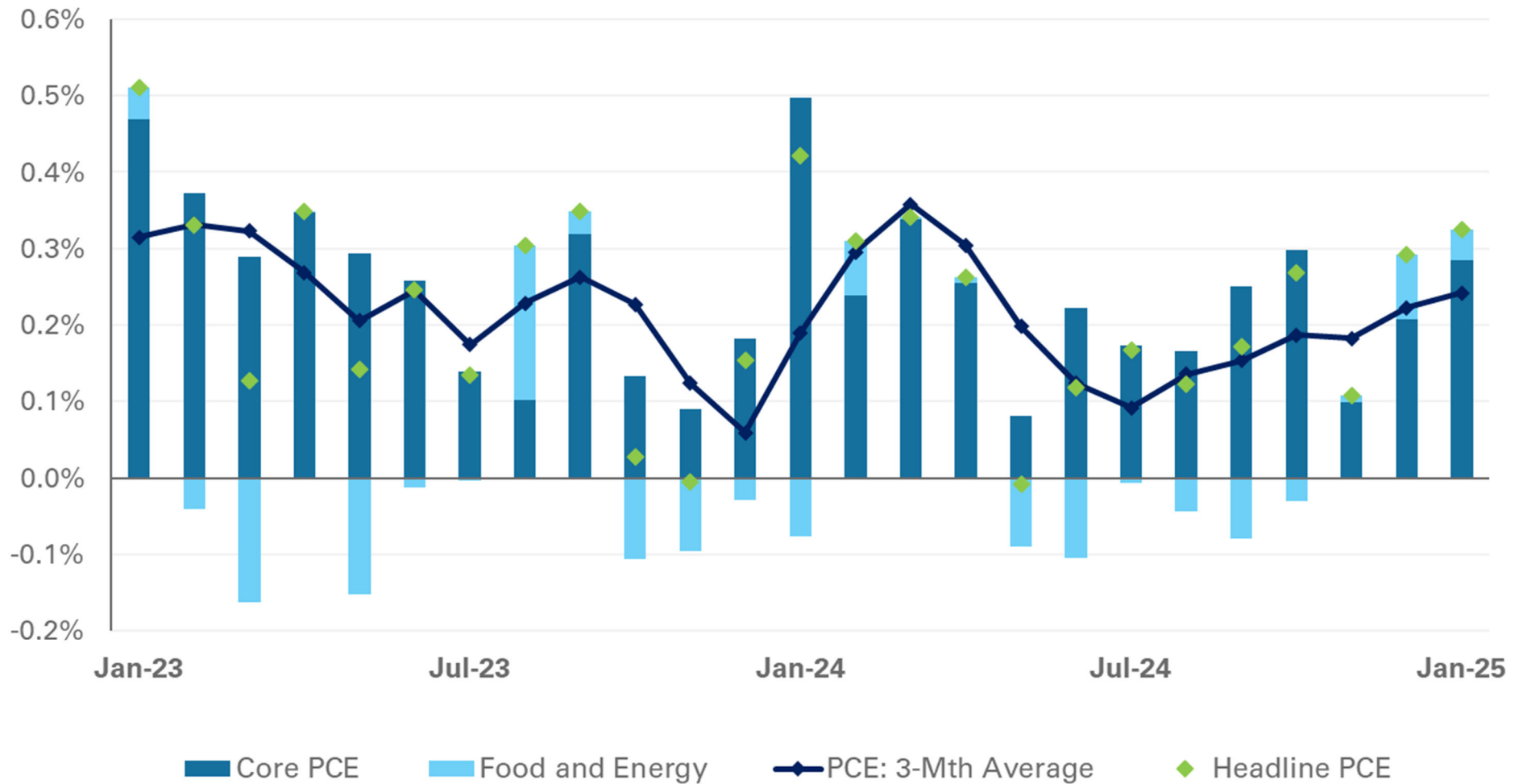
U.S. HIGH YIELD SPREADS



Source: Bloomberg, FactSet

INFLATION APPEARS STABLE BUT STUBBORN

MONTHLY CHANGE IN PERSONAL CONSUMPTION EXPENDITURES



Sources: Bureau of Economic Analysis, FactSet



PERFORMANCE UPDATE

February 28, 2025



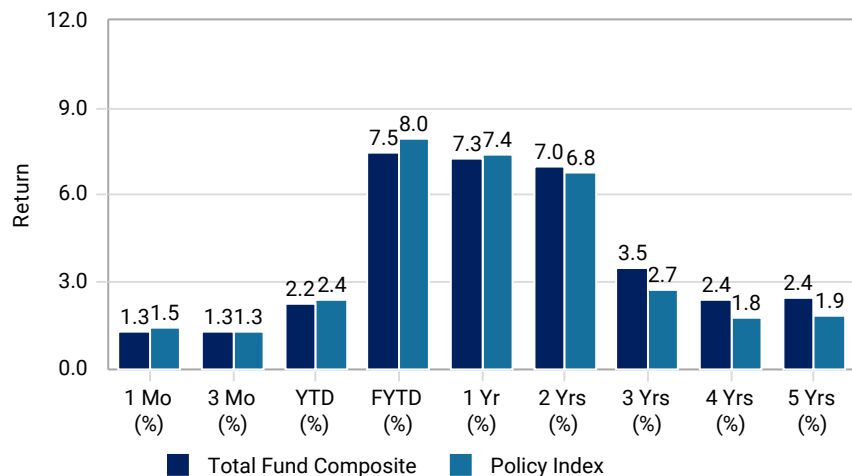
SOUTH BROWARD HOSPITAL DISTRICT – OPERATING FUNDS

February 28, 2025



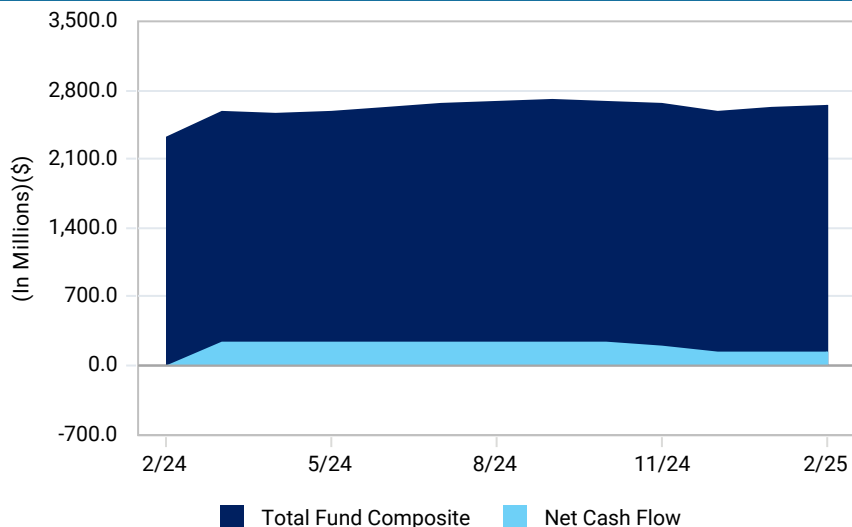
EXECUTIVE SUMMARY

Return Summary Ending February 28, 2025

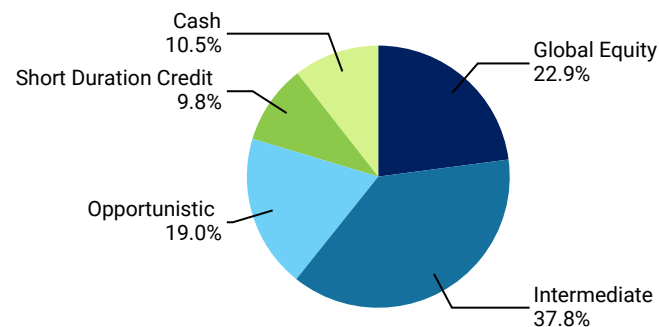


	Current (\$)	Current (%)	Policy (%)	Differences (%)
Global Equity	609,920,546	22.9	20.0	2.9
Intermediate	1,006,456,261	37.8	35.0	2.8
Opportunistic	504,550,418	19.0	20.0	-1.0
Short Duration Credit	260,470,242	9.8	10.0	-0.2
Cash	280,686,373	10.5	15.0	-4.5
Total	2,662,083,841	100.0	100.0	0.0

Market Value History 1 Year Ending February 28, 2025



Current Allocation



Summary of Cash Flows

	1 Month	FYTD	1 Year	5 Years
Beginning Market Value	2,627,817,105	2,571,092,637	2,326,058,319	2,225,439,588
Net Cash Flow		-100,045,068	149,954,932	128,686,254
Net Investment Change	34,266,736	191,036,272	186,070,591	307,957,999
Ending Market Value	2,662,083,841	2,662,083,841	2,662,083,841	2,662,083,841

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Total Fund Composite	2,662,083,841	100.0	1.3	1.3	2.2	7.5	7.3	7.0	3.5	2.4	2.4
<i>Policy Index</i>			1.5	1.3	2.4	8.0	7.4	6.8	2.7	1.8	1.9
Fixed Income Composite	1,771,476,921	66.5	1.5	1.4	2.1	6.8	6.2	5.4	1.7	0.6	0.9
Short Term Composite	260,470,242	9.8	1.0	1.4	1.5	6.1	5.9	5.4	2.3	1.1	1.2
<i>Blmbg. 1-5 Year Gov/Credit</i>			1.0	1.4	1.5	6.0	5.7	5.1	2.0	0.9	1.2
Lord Abbett Short Duration	131,024,738	4.9	1.0	1.4	1.5	6.1	5.8	5.3	2.3		
<i>Blmbg. 1-5 Year Gov/Credit</i>			1.0	1.4	1.5	6.0	5.7	5.1	2.0		
Loop Capital Asset Management	129,445,504	4.9	1.0	1.4	1.6	6.1	5.9	5.4	2.2	1.1	1.2
<i>Blmbg. 1-5 Year Gov/Credit</i>			1.0	1.4	1.5	6.0	5.7	5.1	2.0	0.9	1.2
Intermediate Term Composite	1,006,456,261	37.8	1.4	1.4	2.0	6.8	6.2	5.4	1.7	0.6	0.9
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.4	1.3	2.0	6.6	5.9	5.1	1.2	0.3	0.7
Galliard Intermediate Government	244,844,070	9.2	1.6	1.4	2.2	7.3	6.7	5.7	1.7	0.8	1.1
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.4	1.3	2.0	6.6	5.9	5.1	1.2	0.3	0.7
Merganser Intermediate Bond	237,145,425	8.9	1.5	1.5	2.1	6.7	6.2	5.4	1.7	0.6	0.9
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.4	1.3	2.0	6.6	5.9	5.1	1.2	0.3	0.7
Fort Washington Intermediate Bond	203,064,352	7.6	1.5	1.3	2.1	6.6	6.0	5.3	1.6		
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.4	1.3	2.0	6.6	5.9	5.1	1.2		
Lord Abbett Intermediate Bond	233,473,479	8.8	1.4	1.3	2.0	6.7	6.0	5.3	1.5		
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.4	1.3	2.0	6.6	5.9	5.1	1.2		
PFM - Self Insurance Fund	48,761,718	1.8	1.0	1.5	1.5	6.1	5.9	5.3	2.2	1.2	1.4
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			1.0	1.4	1.5	5.7	5.3	4.7	1.7	0.7	0.9
PFM - Disability Fund	21,583,784	0.8	1.0	1.5	1.5	6.1	5.8	5.2	2.2	1.1	1.4
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			1.0	1.4	1.5	5.7	5.3	4.7	1.7	0.7	0.9
PFM - Workmen's Compensation Fund	11,793,805	0.4	0.6	1.3	1.1	5.2	5.5	5.3	2.8	1.8	1.7
<i>ICE BofA U.S. Agencies, 1-3yr</i>			0.5	1.3	1.0	5.0	5.2	5.1	2.4	1.4	1.4
PFM - Health & Dental Fund	5,789,628	0.2	0.6	1.3	1.1	5.2	5.5	5.3	2.8	1.7	1.7
<i>ICE BofA U.S. Agencies, 1-3yr</i>			0.5	1.3	1.0	5.0	5.2	5.1	2.4	1.4	1.4

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Opportunistic Composite	504,550,418	19.0	1.8	1.4	2.4	7.2	6.4	5.4	1.4	0.5	0.8
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.7	1.4	2.3	7.3	6.1	4.9	0.7	-0.1	0.3
Galliard Opportunistic	156,025,122	5.9	1.8	1.5	2.5	7.7	6.7	5.5	1.2	0.4	0.8
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.7	1.4	2.3	7.3	6.1	4.9	0.7	-0.1	0.3
Merganser Opportunistic	155,743,528	5.9	1.8	1.4	2.4	7.0	6.2	5.3	1.4	0.5	0.8
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.7	1.4	2.3	7.3	6.1	4.9	0.7	-0.1	0.3
Fort Washington Active Fixed Income	192,781,767	7.2	1.8	1.3	2.4	7.1	6.2	5.4	1.5		
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.7	1.4	2.3	7.3	6.1	4.9	0.7		
Global Equity Composite	609,920,546	22.9	1.3	1.1	3.5	11.6	11.9	13.2	8.6	8.3	8.4
<i>MSCI AC World Minimum Volatility Index (Net)</i>			2.4	1.1	5.1	14.8	13.9	13.5	6.5	7.3	7.2
Vanguard Global Minimum Volatility Equity	289,725,212	10.9	2.6	1.4	5.3	13.0	12.8	13.4	9.3	8.7	7.3
<i>MSCI AC World Minimum Volatility Index (Net)</i>			2.4	1.1	5.1	14.8	13.9	13.5	6.5	7.3	7.2
Parametric Global Defensive Equity	320,195,334	12.0	0.1	0.9	1.9	10.4	11.1	13.2	8.1	7.9	8.7
<i>50% MSCI ACWI / 50% 90 Day T-Bill</i>			-0.1	0.7	1.7	9.7	10.1	12.1	6.9	6.2	7.9
Cash Composite	280,686,373	10.5	0.3	1.1	0.7	4.3	5.2	5.2	4.2	3.1	2.6
<i>90 Day U.S. Treasury Bill</i>			0.3	1.1	0.7	4.2	5.1	5.2	4.1	3.1	2.5
PNC Treasury Management	280,682,102	10.5	0.3	1.1	0.7	4.3	5.2	5.2	4.2	3.1	2.6
<i>90 Day U.S. Treasury Bill</i>			0.3	1.1	0.7	4.2	5.1	5.2	4.1	3.1	2.5
U.S. Bank Cash	4,271	0.0									
<i>90 Day U.S. Treasury Bill</i>			0.3	1.1	0.7	4.2	5.1	5.2	4.1	3.1	2.5

* All data prior to 5/2023 was received from Marquette Associates.

* Policy Index consist of 35% Bloomberg Intermediate U.S. Gov/Credit, 20% Bloomberg U.S. Intermediate Aggregate, 10% Bloomberg 1-5 Year Gov/Credit, 20% MSCI AC World Minimum Volatility Index (Net), and 15% 90 Day U.S. T-Bills.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Fund Composite	2,662,083,841	100.0	5.7	6.7	-5.9	1.1	3.9	5.3	1.2	1.3	1.1
<i>Policy Index</i>			5.0	5.7	-7.1	1.0	3.9	5.7	1.2	0.8	0.9
Short Term Composite	260,470,242	9.8	4.2	5.1	-5.2	-1.0	3.2	3.5	1.6	0.7	0.8
<i>Blmbg. 1-5 Year Gov/Credit</i>			3.8	4.9	-5.5	-1.0	4.7	5.0	1.4	1.3	1.6
Lord Abbett Short Duration	131,024,738	4.9	4.1	5.1	-4.9						
<i>Blmbg. 1-5 Year Gov/Credit</i>			3.8	4.9	-5.5						
Loop Capital Asset Management	129,445,504	4.9	4.2	5.1	-5.6	-0.9	3.2	3.5	1.6	0.7	1.0
<i>Blmbg. 1-5 Year Gov/Credit</i>			3.8	4.9	-5.5	-1.0	4.7	5.0	1.4	1.3	1.6
Intermediate Term Composite	1,006,456,261	37.8	3.6	5.5	-7.5	-1.0	4.8	4.6	1.5	1.3	1.2
<i>Blmbg. Intermed. U.S. Government/Credit</i>			3.0	5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1
Galliard Intermediate Government	244,844,070	9.2	3.9	5.8	-8.1	-0.6	5.1	4.6	1.5	1.4	1.3
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PFM - Self Insurance Fund	48,761,718	1.8	4.1	5.0	-5.0	-0.9	4.6	4.6	1.4	1.1	1.3
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			3.4	4.3	-5.2	-1.1	4.2	4.2	1.5	0.7	1.1
PFM - Disability Fund	21,583,784	0.8	4.0	5.0	-5.1	-0.9	4.6	4.6	1.3	1.1	1.3
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			3.4	4.3	-5.2	-1.1	4.2	4.2	1.5	0.7	1.1
PFM - Workmen's Compensation Fund	11,793,805	0.4	4.5	5.1	-3.0	-0.5	2.8	3.5	1.6	0.7	1.0
<i>ICE BofA U.S. Agencies, 1-3yr</i>			4.3	4.7	-3.7	-0.4	2.7	3.5	1.8	0.7	1.0
PFM - Health & Dental Fund	5,789,628	0.2	4.6	5.0	-3.1	-0.5	2.8	3.5	1.7	0.7	1.0
<i>ICE BofA U.S. Agencies, 1-3yr</i>			4.3	4.7	-3.7	-0.4	2.7	3.5	1.8	0.7	1.0

TOTAL FUND PERFORMANCE DETAIL

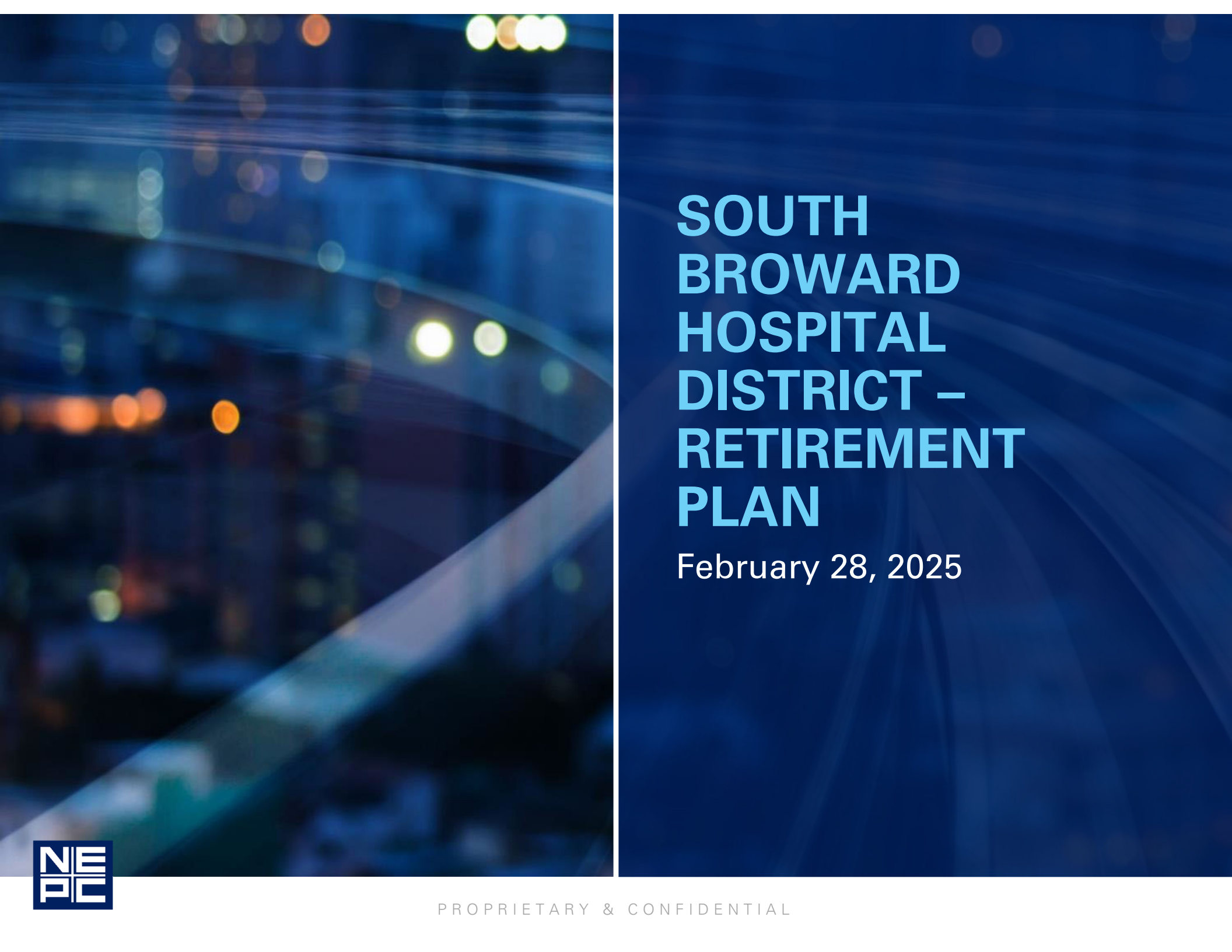
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Opportunistic Composite	504,550,418	19.0	3.1	5.7	-8.5	-1.4	6.3	5.9	1.3	2.0	1.6
<i>Blmbg. U.S. Intermediate Aggregate</i>			2.5	5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0
Galliard Opportunistic	156,025,122	5.9	3.3	5.7	-9.2	-1.1	6.6	5.9	1.3	2.2	1.6
<i>Blmbg. U.S. Intermediate Aggregate</i>			2.5	5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0
Merganser Opportunistic	155,743,528	5.9	3.1	5.6	-8.3	-1.4	5.9	5.8	1.4	1.7	1.6
<i>Blmbg. U.S. Intermediate Aggregate</i>			2.5	5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0
Fort Washington Active Fixed Income	192,781,767	7.2	3.0	5.8	-8.2						
<i>Blmbg. U.S. Intermediate Aggregate</i>			2.5	5.2	-9.5						
Global Equity Composite	609,920,546	22.9	13.0	11.2	-6.0	12.7	1.4	17.0			
<i>MSCI AC World Minimum Volatility Index (Net)</i>			11.4	7.7	-10.3	13.9	2.7	21.1			
Vanguard Global Minimum Volatility Equity	289,725,212	10.9	13.5	8.0	-4.5	12.0	-3.9	22.7			
<i>MSCI AC World Minimum Volatility Index (Net)</i>			11.4	7.7	-10.3	13.9	2.7	21.1			
Parametric Global Defensive Equity	320,195,334	12.0	12.7	14.6	-7.5	13.1	2.6	14.1			
<i>50% MSCI ACWI / 50% 90 Day T-Bill</i>			11.3	13.6	-8.5	9.0	9.1	14.1			
Cash Composite	280,686,373	10.5	5.3	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5
PNC Treasury Management	280,682,102	10.5	5.3	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5
<i>90 Day U.S. Treasury Bill</i>			5.3	5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3
U.S. Bank Cash	4,271	0.0									
<i>90 Day U.S. Treasury Bill</i>			5.3	5.0	1.5	0.0	0.7	2.3			

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* Policy Index consist of 35% Bloomberg Intermediate U.S. Gov/Credit, 20% Bloomberg U.S. Intermediate Aggregate, 10% Bloomberg 1-5 Year Gov/Credit, 20% MSCI AC World Minimum Volatility Index (Net), and 15% 90 Day U.S. T-Bills.

CASH FLOW SUMMARY BY MANAGER

1 Month Ending February 28, 2025						
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/Loss	Ending Market Value
Lord Abnett Short Duration	\$129,727,498	-	-	-	\$1,297,240	\$131,024,738
Loop Capital Asset Management	\$128,210,025	-	-	-	\$1,235,479	\$129,445,504
Galliard Intermediate Government	\$241,104,146	-	-	-	\$3,739,924	\$244,844,070
Merganser Intermediate Bond	\$233,535,216	-	-	-	\$3,610,210	\$237,145,425
Fort Washington Intermediate Bond	\$200,113,935	-	-	-	\$2,950,417	\$203,064,352
Lord Abnett Intermediate Bond	\$230,242,489	-	-	-	\$3,230,989	\$233,473,479
PFM - Self Insurance Fund	\$48,282,034	-	-	-	\$479,684	\$48,761,718
PFM - Disability Fund	\$21,371,719	-	-	-	\$212,065	\$21,583,784
PFM - Workmen's Compensation Fund	\$11,719,877	-	-	-	\$73,928	\$11,793,805
PFM - Health & Dental Fund	\$5,753,145	-	-	-	\$36,483	\$5,789,628
Galliard Opportunistic	\$153,232,284	-	-	-	\$2,792,839	\$156,025,122
Merganser Opportunistic	\$153,047,783	-	-	-	\$2,695,745	\$155,743,528
Fort Washington Active Fixed Income	\$189,437,796	-	-	-	\$3,343,971	\$192,781,767
Vanguard Global Minimum Volatility Equity	\$282,482,082	-	-	-	\$7,243,130	\$289,725,212
Parametric Global Defensive Equity	\$319,796,523	-	-	-	\$398,812	\$320,195,334
PNC Treasury Management	\$279,756,297	-	-	-	\$925,805	\$280,682,102
U.S. Bank Cash	\$4,256	-	-	-	\$15	\$4,271
Total	\$2,627,817,105	-	-	-	\$34,266,736	\$2,662,083,841



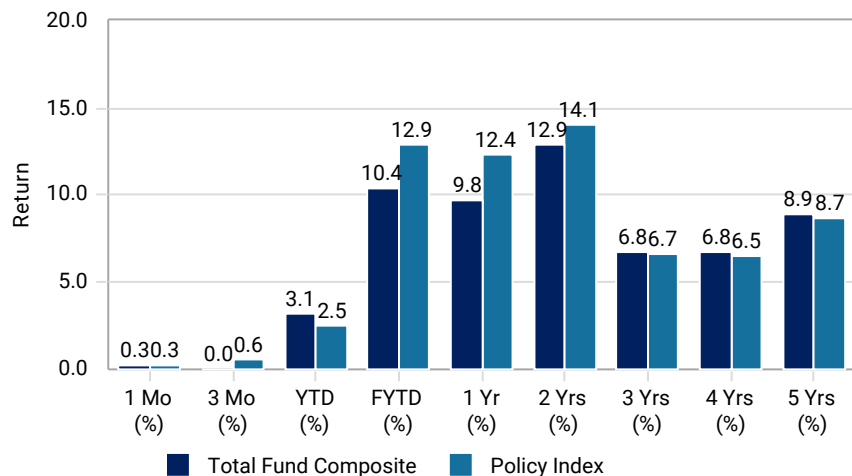
SOUTH BROWARD HOSPITAL DISTRICT – RETIREMENT PLAN

February 28, 2025



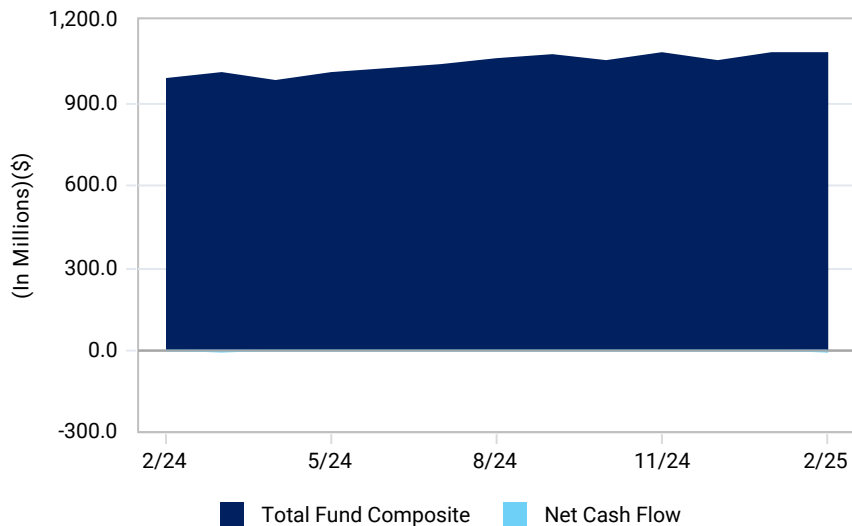
EXECUTIVE SUMMARY

Return Summary Ending February 28, 2025

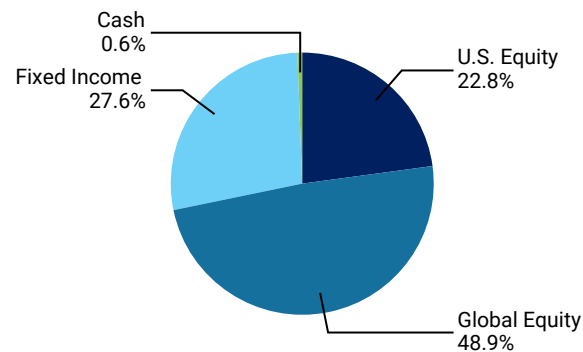


	Current (\$)	Current (%)	Policy (%)	Differences (%)
U.S. Equity	247,906,110	22.8	20.0	2.8
Global Equity	530,763,297	48.9	45.0	3.9
Fixed Income	299,875,080	27.6	35.0	-7.4
Cash	6,529,418	0.6	0.0	0.6
Total	1,085,073,905	100.0	100.0	0.0

Market Value History 1 Year Ending February 28, 2025



Current Allocation



Summary of Cash Flows

	1 Month	FYTD	1 Year	5 Years
Beginning Market Value	1,087,613,345	987,517,133	994,693,048	709,987,478
Net Cash Flow	-5,444,313	-4,898,967	-6,690,527	-12,192,208
Net Investment Change	2,904,873	102,455,739	97,071,384	387,278,634
Ending Market Value	1,085,073,905	1,085,073,905	1,085,073,905	1,085,073,905



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Total Fund Composite	1,085,073,905	100.0	0.3	0.0	3.1	10.4	9.8	12.9	6.8	6.8	8.9
Policy Index			0.3	0.6	2.5	12.9	12.4	14.1	6.7	6.5	8.7
Fixed Income Composite	299,875,080	27.6	1.6	1.1	2.2	7.3	6.4	6.3	1.9	1.1	1.4
Custom Index			1.7	1.2	2.3	7.3	6.4	5.8	1.5	0.8	1.2
C.S. McKee Aggregate Fixed Income	194,422,859	17.9	2.4	1.1	3.0	8.2	6.2	5.2	0.0	-0.7	-0.2
Blmbg. U.S. Aggregate Index			2.2	1.1	2.7	7.6	5.8	4.6	-0.4	-1.0	-0.5
Chartwell High Yield	49,258,415	4.5	0.0	1.0	1.0	6.0	6.7	7.3	4.7	3.5	3.8
ICE BofA U.S. High Yield Cash Pay BB 1-3 Year			0.5	1.5	1.5	6.9	7.6	7.7	5.3	4.1	4.7
Aristotle Floating Rate Income	56,190,429	5.2	0.1	1.1	0.7	5.4	6.8	9.2	6.9	6.0	5.6
S&P UBS Leveraged Loan Index			0.2	1.5	0.9	6.5	8.2	9.8	7.2	6.2	6.1
Wellington LCP Legacy Portfolio	3,377	0.0									
U.S. Equity Composite	247,906,110	22.8	-1.1	-0.7	1.3	15.8	15.3	19.0	10.5	10.8	13.6
CRSP U.S. Total Market TR Index			-1.9	-1.9	1.1	19.0	17.4	22.9	11.5	11.6	16.0
Vanguard Total Stock Market Fund	125,340,299	11.6	-1.9	-2.0	1.1	19.0	17.5	23.0	11.5	11.6	16.0
CRSP U.S. Total Market TR Index			-1.9	-1.9	1.1	19.0	17.4	22.9	11.5	11.6	16.0
Parametric Defensive Equity	122,565,810	11.3	-0.3	0.6	1.5	12.7	13.1	15.5	9.7	10.0	10.8
50% S&P 500/50% 90 Day T-Bill			-0.5	0.1	1.1	11.7	11.7	14.5	8.6	8.5	9.9
Global Equity Composite	530,763,297	48.9	0.2	-0.2	4.6	9.8	9.3	14.4	8.2	8.6	11.9
MSCI AC World Index (Net)			-0.6	0.3	2.7	15.4	15.1	19.0	9.1	8.8	12.8
Dodge & Cox	216,537,451	20.0	1.9	1.9	7.4	9.3	12.4	13.6	8.5	9.5	13.2
MSCI AC World Index Value (Net)			1.5	0.3	5.8	13.1	14.4	13.6	7.6	8.7	10.5
Walter Scott & Partners	255,697,209	23.6	-1.7	-2.3	2.2	9.5	6.1	15.3	7.7	7.8	11.3
MSCI World Growth (Net)			-2.8	0.1	-0.3	18.7	16.0	26.4	11.6	10.4	16.0
Vanguard Global Minimum Volatility	58,528,637	5.4	2.6	1.4	5.3	13.0	12.8	13.4	9.3	8.7	7.2
MSCI AC World Minimum Volatility Index (Net)			2.4	1.1	5.1	14.8	13.9	13.5	6.5	7.3	7.2
Cash Composite	6,529,418	0.6	0.4	1.2	0.8	4.1	5.1	4.9	3.6	2.7	2.2
90 Day U.S. Treasury Bill			0.3	1.1	0.7	4.2	5.1	5.2	4.1	3.1	2.5

- All data is preliminary. Chartwell January value is rolled, February statement not available yet.
- Memorial Health Systems' Fiscal Year ends in April.
- All data prior to 5/2023 was received from Marquette Associates.
- Policy Index consist of 40% MSCI ACWI, 5% MSCI ACWI Minimum Volatility, 25% Bloomberg U.S. Aggregate, 10% CRSP US Total Market Index, 10% CBOE Put Write Index, 5% BofAML 1-3 Year High Yield BB, and 5% Credit Suisse Leveraged Loan Index.
- Custom Index consist of 71.4% Bloomberg U.S. Aggregate, 14.3% BofA Merrill Lynch 1-3 Yrs High Yield BB, and 14.3% Credit Suisse Leveraged Loan Index.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)				
	Market Value (\$)	% of Portfolio	2024	2023	2022	2021	2020
Total Fund Composite	1,085,073,905	100.0	9.4	16.3	-11.9	13.4	11.0
<i>Policy Index</i>			12.7	15.7	-13.9	12.6	11.7
Fixed Income Composite	299,875,080	27.6	3.7	7.5	-9.5	-0.2	6.3
<i>Custom Index</i>			3.1	7.1	-10.0	0.1	6.7
C.S. McKee Aggregate Fixed Income	194,422,859	17.9	1.9	5.9	-12.9	-1.8	7.6
<i>Blmbg. U.S. Aggregate Index</i>			1.3	5.5	-13.0	-1.5	7.5
Chartwell High Yield	49,258,415	4.5	6.2	8.1	-3.0	2.3	4.2
<i>ICE BofA U.S. High Yield Cash Pay BB 1-3 Year</i>			6.7	8.9	-3.1	3.2	5.4
Aristotle Floating Rate Income	56,190,429	5.2	7.8	13.4	-0.8	4.6	1.6
<i>S&P UBS Leveraged Loan Index</i>			9.0	13.0	-1.1	5.4	2.8
Wellington LCP Legacy Portfolio	3,377	0.0					
U.S. Equity Composite	247,906,110	22.8	19.8	21.0	-13.8	21.8	13.6
<i>CRSP U.S. Total Market TR Index</i>			23.8	26.0	-19.5	25.7	21.0
Vanguard Total Stock Market Fund	125,340,299	11.6	23.8	26.0	-19.5	25.7	21.0
<i>CRSP U.S. Total Market TR Index</i>			23.8	26.0	-19.5	25.7	21.0
Parametric Defensive Equity	122,565,810	11.3	16.0	16.9	-7.7	17.2	5.0
<i>50% S&P 500/50% 90 Day T-Bill</i>			14.9	15.5	-8.2	13.7	10.1
Global Equity Composite	530,763,297	48.9	8.4	20.2	-12.8	19.0	12.4
<i>MSCI AC World Index (Net)</i>			17.5	22.2	-18.4	18.5	16.3
Dodge & Cox	216,537,451	20.0	5.1	20.3	-5.8	20.8	6.0
<i>MSCI AC World Index Value (Net)</i>			10.8	11.8	-7.5	19.6	-0.3
Walter Scott & Partners	255,697,209	23.6	10.1	23.1	-19.6	18.7	18.9
<i>MSCI World Growth (Net)</i>			25.9	37.0	-29.2	21.2	33.8
Vanguard Global Minimum Volatility	58,528,637	5.4	13.5	8.0	-4.5	12.0	-3.9
<i>MSCI AC World Minimum Volatility Index (Net)</i>			11.4	7.7	-10.3	13.9	2.7
Cash Composite	6,529,418	0.6	5.1	4.2	0.7	0.0	0.4
<i>90 Day U.S. Treasury Bill</i>			5.3	5.0	1.5	0.0	0.7

- All data is preliminary. Chartwell January value is rolled, February statement not available yet.
- Memorial Health Systems' Fiscal Year ends in April.
- All data prior to 5/2023 was received from Marquette Associates.
- Policy Index consist of 40% MSCI ACWI, 5% MSCI ACWI Minimum Volatility, 25% Bloomberg U.S. Aggregate, 10% CRSP US Total Market Index, 10% CBOE Put Write Index, 5% BofAML 1-3 Year High Yield BB, and 5% Credit Suisse Leveraged Loan Index.
- Custom Index consist of 71.4% Bloomberg U.S. Aggregate, 14.3% BofA Merrill Lynch 1-3 Yrs High Yield BB, and 14.3% Credit Suisse Leveraged Loan Index.

CASH FLOW SUMMARY BY MANAGER

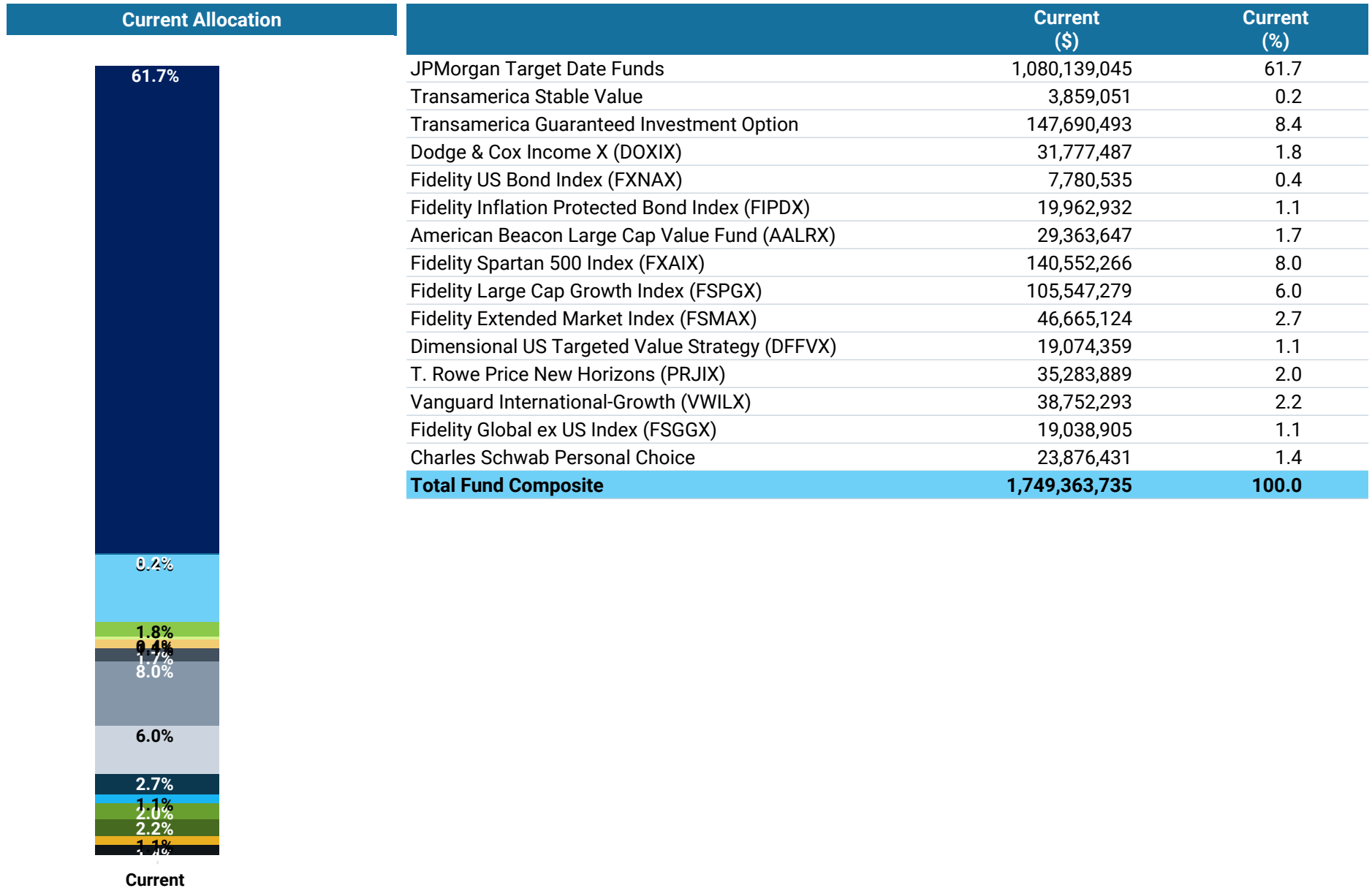
	1 Month Ending February 28, 2025					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/Loss	Ending Market Value
C.S. McKee Aggregate Fixed Income	\$191,797,039	-	-\$2,000,000	-\$2,000,000	\$4,625,819	\$194,422,859
Chartwell High Yield	\$49,768,415	-	-\$510,000	-\$510,000	-	\$49,258,415
Aristotle Floating Rate Income	\$56,084,576	-	-	-	\$105,853	\$56,190,429
Wellington LCP Legacy Portfolio	\$3,396	-	-	-	-\$19	\$3,377
Vanguard Total Stock Market Fund	\$127,753,323	-	-	-	-\$2,413,023	\$125,340,299
Parametric Defensive Equity	\$123,468,151	-	-\$500,000	-\$500,000	-\$402,341	\$122,565,810
Dodge & Cox	\$212,565,637	-	-	-	\$3,971,815	\$216,537,451
Walter Scott & Partners	\$263,151,183	-	-\$3,000,000	-\$3,000,000	-\$4,453,975	\$255,697,209
Vanguard Global Minimum Volatility	\$57,065,421	-	-	-	\$1,463,216	\$58,528,637
Money Market	\$1,422,637	\$6,014,584	-\$7,008,963	-\$994,379	\$5,124	\$433,382
Vanguard Treasury Money Market	\$4,533,567	\$7,009,487	-\$5,449,421	\$1,560,066	\$2,403	\$6,096,036
Total	\$1,087,613,345	\$13,024,070	-\$18,468,383	-\$5,444,313	\$2,904,873	\$1,085,073,905

MEMORIAL HEALTHCARE SYSTEM DEFINED CONTRIBUTION PLANS

February 28, 2025



ASSET ALLOCATION VS. POLICY



MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	1,457,913,316	100.0
JP Morgan Target Date Funds	892,656,130	61.2
JPMorgan SmartRetirement Blend Income (JIYBX)	37,988,502	2.6
JPMorgan SmartRetirement Blend 2020 (JSYRX)	62,662,039	4.3
JPMorgan SmartRetirement Blend 2025 (JBYSX)	133,667,083	9.2
JPMorgan SmartRetirement Blend 2030 (JRBYX)	152,867,933	10.5
JPMorgan SmartRetirement Blend 2035 (JPYRX)	137,001,618	9.4
JPMorgan SmartRetirement Blend 2040 (JOBYX)	108,281,970	7.4
JPMorgan SmartRetirement Blend 2045 (JMYAX)	95,396,987	6.5
JPMorgan SmartRetirement Blend 2050 (JNYAX)	86,063,703	5.9
JPMorgan SmartRetirement Blend 2055 (JTYBX)	47,110,814	3.2
JPMorgan SmartRetirement Blend 2060 (JAAYX)	26,780,020	1.8
JPMorgan SmartRetirement Blend 2065 (JSBYX)	4,835,462	0.3
Core Funds	545,845,665	37.4
Transamerica Stable Value	614,159	0.0
Transamerica Guaranteed Investment Option	135,290,162	9.3
Dodge & Cox Income X (DOXIX)	26,874,273	1.8
Fidelity US Bond Index (FXNAX)	7,083,431	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	16,261,682	1.1
American Beacon Large Cap Value Fund (AALRX)	25,818,232	1.8
Fidelity Spartan 500 Index (FXAIX)	114,670,247	7.9
Fidelity Large Cap Growth Index (FSPGX)	85,188,070	5.8
Fidelity Extended Market Index (FSMAX)	39,321,448	2.7
Dimensional US Targeted Value Strategy (DFFVX)	16,090,436	1.1
T. Rowe Price New Horizons (PRJIX)	29,125,581	2.0
Vanguard International-Growth (VWILX)	32,593,732	2.2
Fidelity Global ex US Index (FSGGX)	16,914,212	1.2
Brokerage	19,411,522	1.3
Charles Schwab Personal Choice	19,411,522	1.3

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	111,139,506	100.0
JPMorgan Target Date Funds	90,146,341	81.1
JPMorgan SmartRetirement Blend Income (JIYBX)	1,059,328	1.0
JPMorgan SmartRetirement Blend 2020 (JSYRX)	2,420,860	2.2
JPMorgan SmartRetirement Blend 2025 (JBYSX)	6,248,720	5.6
JPMorgan SmartRetirement Blend 2030 (JRBYX)	8,524,466	7.7
JPMorgan SmartRetirement Blend 2035 (JPYRX)	11,727,643	10.6
JPMorgan SmartRetirement Blend 2040 (JOBYX)	11,951,359	10.8
JPMorgan SmartRetirement Blend 2045 (JMYAX)	14,568,186	13.1
JPMorgan SmartRetirement Blend 2050 (JNYAX)	15,748,313	14.2
JPMorgan SmartRetirement Blend 2055 (JTYBX)	11,556,399	10.4
JPMorgan SmartRetirement Blend 2060 (JAAYX)	5,585,073	5.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)	755,995	0.7
Core Funds	20,854,831	18.8
Transamerica Stable Value	3,154,089	2.8
Transamerica Guaranteed Investment Option	1,340,525	1.2
Dodge & Cox Income X (DOXIX)	484,317	0.4
Fidelity US Bond Index (FXNAX)	537,436	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	564,164	0.5
American Beacon Large Cap Value Fund (AALRX)	1,144,832	1.0
Fidelity Spartan 500 Index (FXAIX)	4,661,482	4.2
Fidelity Large Cap Growth Index (FSPGX)	3,675,877	3.3
Fidelity Extended Market Index (FSMAX)	1,139,240	1.0
Dimensional US Targeted Value Strategy (DFFVX)	804,132	0.7
T. Rowe Price New Horizons (PRJIX)	772,496	0.7
Vanguard International-Growth (VWILX)	956,035	0.9
Fidelity Global ex US Index (FSGGX)	1,620,207	1.5
Brokerage	138,334	0.1
Charles Schwab Personal Choice	138,334	0.1

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	158,039,389	100.0
JPMorgan Target Date Funds	77,651,657	49.1
JPMorgan SmartRetirement Blend Income (JIYBX)	3,495,346	2.2
JPMorgan SmartRetirement Blend 2020 (JSYRX)	5,537,725	3.5
JPMorgan SmartRetirement Blend 2025 (JBYSX)	12,595,115	8.0
JPMorgan SmartRetirement Blend 2030 (JRBYX)	13,511,920	8.5
JPMorgan SmartRetirement Blend 2035 (JPYRX)	12,076,585	7.6
JPMorgan SmartRetirement Blend 2040 (JOBYX)	9,927,775	6.3
JPMorgan SmartRetirement Blend 2045 (JMYAX)	9,493,841	6.0
JPMorgan SmartRetirement Blend 2050 (JNYAX)	7,492,993	4.7
JPMorgan SmartRetirement Blend 2055 (JTYBX)	2,383,487	1.5
JPMorgan SmartRetirement Blend 2060 (JAAYX)	1,012,264	0.6
JPMorgan SmartRetirement Blend 2065 (JSBYX)	124,605	0.1
Core Funds	76,061,157	48.1
Transamerica Stable Value	2,290	0.0
Transamerica Guaranteed Investment Option	10,927,677	6.9
Dodge & Cox Income X (DOXIX) - 457(b) Retirement Plan	4,408,695	2.8
Fidelity US Bond Index (FXNAX) - 457(b) Plan	159,668	0.1
Fidelity Inflation Protected Bond Index (FIPDX)	2,783,179	1.8
American Beacon Large Cap Value Fund (AALRX)	2,395,445	1.5
Fidelity Spartan 500 Index (FXAIX)	20,545,022	13.0
Fidelity Large Cap Growth Index (FSPGX)	15,805,599	10.0
Fidelity Extended Market Index (FSMAX)	6,086,718	3.9
Dimensional US Targeted Value Strategy (DFFVX)	2,179,791	1.4
T. Rowe Price New Horizons (PRJIX)	5,128,487	3.2
Vanguard International-Growth (VWILX)	5,134,102	3.2
Fidelity Global ex US Index (FSGGX)	504,487	0.3
Brokerage	4,326,575	2.7
Charles Schwab Personal Choice	4,326,575	2.7

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	22,271,524	100.0
JPMorgan Target Date Funds	19,684,917	88.4
JPMorgan SmartRetirement Blend Income (JIYBX)	1,427,339	6.4
JPMorgan SmartRetirement Blend 2020 (JSYRX)	8,934	0.0
JPMorgan SmartRetirement Blend 2025 (JBYSX)	4,552,182	20.4
JPMorgan SmartRetirement Blend 2030 (JRBYX)	7,562,327	34.0
JPMorgan SmartRetirement Blend 2035 (JPYRX)	3,865,387	17.4
JPMorgan SmartRetirement Blend 2040 (JOBYX)	2,008,874	9.0
JPMorgan SmartRetirement Blend 2045 (JMYAX)	218,590	1.0
JPMorgan SmartRetirement Blend 2050 (JNYAX)	41,283	0.2
JPMorgan SmartRetirement Blend 2055 (JTYBX)		0.0
JPMorgan SmartRetirement Blend 2060 (JAAYX)		0.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)		0.0
Core Funds	2,586,607	11.6
Transamerica Stable Value	88,512	0.4
Transamerica Guaranteed Investment Option	132,130	0.6
Dodge & Cox Income X (DOXIX)	10,202	0.0
Fidelity US Bond Index (FXNAX)		0.0
Fidelity Inflation Protected Bond Index (FIPDX)	353,907	1.6
American Beacon Large Cap Value Fund (AALRX)	5,138	0.0
Fidelity Spartan 500 Index (FXAIX)	675,516	3.0
Fidelity Large Cap Growth Index (FSPGX)	877,734	3.9
Fidelity Extended Market Index (FSMAX)	117,719	0.5
Dimensional US Targeted Value Strategy (DFFVX)		0.0
T. Rowe Price New Horizons (PRJIX)	257,326	1.2
Vanguard International-Growth (VWILX)	68,424	0.3
Fidelity Global ex US Index (FSGGX)		0.0
Brokerage		0.0
Charles Schwab Personal Choice		0.0

PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Fund Composite	1,749,363,735	100.0								
JPMorgan Target Date Funds	1,080,139,045	61.7								
JPMorgan SmartRetirement Blend Income (JIYBX)	43,970,514	2.5	1.0	0.7	2.8	10.0	4.1	4.9	4.8	4.6
<i>S&P Target Date Retirement Income Index</i>			1.1	0.9	2.6	8.5	3.6	4.5	4.5	4.2
JPMorgan SmartRetirement Blend 2020 (JSYRX)	70,629,558	4.0	1.0	0.8	2.8	10.0	4.1	5.1	4.9	5.0
<i>S&P Target Date 2020 Index</i>			0.8	0.6	2.5	9.3	4.4	6.1	5.5	5.5
JPMorgan SmartRetirement Blend 2025 (JBYSX)	157,063,100	9.0	0.9	0.6	2.8	10.4	4.5	6.2	5.6	5.7
<i>S&P Target Date 2025 Index</i>			0.7	0.5	2.5	9.5	4.7	7.1	6.1	6.1
JPMorgan SmartRetirement Blend 2030 (JRBYX)	182,466,646	10.4	0.6	0.4	2.9	11.3	5.5	7.6	6.4	6.5
<i>S&P Target Date 2030 Index</i>			0.4	0.3	2.5	10.4	5.6	8.3	6.8	6.8
JPMorgan SmartRetirement Blend 2035 (JPYRX)	164,671,233	9.4	0.3	0.1	2.9	12.1	6.5	9.0	7.3	7.3
<i>S&P Target Date 2035 Index</i>			0.2	0.1	2.5	11.2	6.4	9.5	7.6	7.5
JPMorgan SmartRetirement Blend 2040 (JOBYSX)	132,169,979	7.6	0.1	0.0	2.9	12.8	7.2	10.0	7.9	7.9
<i>S&P Target Date 2040 Index</i>			-0.1	-0.1	2.5	12.0	7.2	10.6	8.2	8.1
JPMorgan SmartRetirement Blend 2045 (JMYAX)	119,677,605	6.8	-0.1	-0.1	2.9	13.3	7.8	10.9	8.4	8.2
<i>S&P Target Date 2045 Index</i>			-0.2	-0.1	2.5	12.4	7.7	11.2	8.6	8.4
JPMorgan SmartRetirement Blend 2050 (JNYAX)	109,346,291	6.3	-0.2	-0.2	2.9	13.5	8.0	11.1	8.6	8.3
<i>S&P Target Date 2050 Index</i>			-0.4	-0.3	2.4	12.8	8.0	11.5	8.8	8.6
JPMorgan SmartRetirement Blend 2055 (JTYBX)	61,050,700	3.5	-0.2	-0.2	2.9	13.5	8.0	11.1	8.6	8.3
<i>S&P Target Date 2055 Index</i>			-0.4	-0.3	2.5	12.9	8.0	11.6	8.8	8.7
JPMorgan SmartRetirement Blend 2060 (JAAYX)	33,377,356	1.9	-0.2	-0.2	2.9	13.5	8.1			
<i>S&P Target Date 2060 Index</i>			-0.5	-0.4	2.4	12.9	8.1			
JPMorgan SmartRetirement Blend 2065 (JSBYX)	5,716,062	0.3	-0.1	-0.2	2.9	13.2				
<i>S&P Target Date 2065+ Index</i>			-0.5	-0.4	2.4	13.2				

PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Core Funds	626,309,355	35.8								
Transamerica Stable Value	3,859,051	0.2	0.2	0.6	0.4	2.6	2.3	1.8	1.7	1.5
<i>90 Day U.S. Treasury Bill</i>			0.3	1.1	0.7	5.1	4.1	2.5	2.4	1.8
Transamerica Guaranteed Investment Option	147,690,493	8.4	0.2	0.6	0.4	2.6	2.4	2.3	2.1	1.7
<i>90 Day U.S. Treasury Bill</i>			0.3	1.1	0.7	5.1	4.1	2.5	2.4	1.8
Dodge & Cox Income X (DOXIX)	31,777,487	1.8	2.4	1.0	3.0	6.8	1.6	1.4	2.8	2.7
<i>Blmbg. U.S. Aggregate Index</i>			2.2	1.1	2.7	5.8	-0.4	-0.5	1.7	1.5
Fidelity US Bond Index (FXNAX)	7,780,535	0.4	2.2	1.1	2.7	5.8	-0.4	-0.5	1.6	1.5
<i>Blmbg. U.S. Aggregate Index</i>			2.2	1.1	2.7	5.8	-0.4	-0.5	1.7	1.5
Fidelity Inflation Protected Bond Index (FIPDX)	19,962,932	1.1	2.2	1.9	3.5	6.2	-0.8	1.9	3.0	2.3
<i>Blmbg. U.S. TIPS</i>			2.2	1.9	3.5	6.4	-0.8	1.9	3.1	2.4
American Beacon Large Cap Value Fund (AALRX)	29,363,647	1.7	0.6	-1.6	4.6	15.8	9.9	14.6	10.2	9.4
<i>Russell 1000 Value Index</i>			0.4	-2.1	5.1	15.8	8.7	12.5	9.4	9.0
Fidelity Spartan 500 Index (FXAIX)	140,552,266	8.0	-1.3	-1.0	1.4	18.4	12.5	16.8	13.8	13.0
<i>S&P 500 Index</i>			-1.3	-1.0	1.4	18.4	12.6	16.9	13.8	13.0
Fidelity Large Cap Growth Index (FSPGX)	105,547,279	6.0	-3.6	-0.8	-1.7	19.7	14.8	19.7	17.1	
<i>Russell 1000 Growth Index</i>			-3.6	-0.8	-1.7	19.7	14.8	19.7	17.1	
Fidelity Extended Market Index (FSMAX)	46,665,124	2.7	-5.8	-8.0	-1.1	11.8	5.9	11.6	9.2	8.9
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>			-5.8	-8.0	-1.1	11.7	5.7	11.5	9.0	8.8
Dimensional US Targeted Value Strategy (DFFVX)	19,074,359	1.1	-4.6	-9.0	-1.6	8.3	7.2	16.1	9.2	8.7
<i>Russell 2000 Value Index</i>			-3.8	-10.0	-1.9	7.6	2.8	10.3	6.4	6.9
T. Rowe Price New Horizons (PRJIX)	35,283,889	2.0	-7.6	-10.9	-2.4	-2.9	-2.1	5.8	9.3	10.6
<i>Russell 2000 Growth Index</i>			-6.8	-11.7	-3.8	5.8	3.6	7.9	6.4	7.2
Vanguard International-Growth (VWILX)	38,752,293	2.2	1.3	3.7	7.3	13.3	3.1	9.3	7.2	8.8
<i>MSCI AC World ex USA (Net)</i>			1.4	3.4	5.5	9.7	4.6	7.6	4.2	4.8
Fidelity Global ex US Index (FSGGX)	19,038,905	1.1	2.1	3.4	6.0	10.0	4.9	7.5	4.4	4.9
<i>MSCI AC World ex USA (Net)</i>			1.4	3.4	5.5	9.7	4.6	7.6	4.2	4.8
Brokerage	23,876,431	1.4								
Charles Schwab Personal Choice	23,876,431	1.4								

- All data prior to 5/2023 was received from Marquette Associates

- Transamerica Stable Value Fund is not an open option for plan participants

- Assets include: Memorial Healthcare System RSP Gold 403(b) Plan, Memorial Healthcare System 401(a) Plan, Memorial Healthcare System 457(b) Plan, Memorial Healthcare System SERP 457(f) Plan

- Performance is net of fees and is annualized for periods longer than one year. Performance is ranked within PARis's style-specific universes, where "1" refers to the top percentile and "100" th bottom percentile.

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Fund Composite	1,749,363,735										
JPMorgan SmartRetirement Blend Income (JIYBX)	43,970,514		8.4	11.8	-13.7	6.3	9.6	14.1	-3.8	10.7	5.8
<i>S&P Target Date Retirement Income Index</i>			6.5	10.3	-11.2	5.1	8.8	13.3	-2.5	8.5	5.0
JPMorgan SmartRetirement Blend 2020 (JSYRX)	70,629,558		8.4	12.0	-13.7	6.4	10.1	15.5	-4.5	13.4	6.8
<i>S&P Target Date 2020 Index</i>			8.1	12.3	-12.8	8.8	10.2	16.5	-4.2	12.8	7.2
JPMorgan SmartRetirement Blend 2025 (JBYSX)	157,063,100		9.0	13.4	-15.2	9.1	11.3	18.3	-5.7	15.6	7.2
<i>S&P Target Date 2025 Index</i>			8.4	13.0	-13.1	10.7	11.2	18.4	-5.0	14.6	7.8
JPMorgan SmartRetirement Blend 2030 (JRBYX)	182,466,646		10.5	15.3	-16.1	11.3	12.2	20.4	-6.6	17.4	7.9
<i>S&P Target Date 2030 Index</i>			9.9	14.8	-14.0	12.6	11.9	20.4	-6.0	16.2	8.3
JPMorgan SmartRetirement Blend 2035 (JPYRX)	164,671,233		12.1	17.1	-16.7	14.1	12.6	22.3	-7.4	18.9	8.3
<i>S&P Target Date 2035 Index</i>			11.4	16.6	-15.0	14.9	12.8	22.2	-6.9	17.8	8.9
JPMorgan SmartRetirement Blend 2040 (JOBYSX)	132,169,979		13.3	18.4	-17.2	15.9	13.0	23.8	-8.0	20.3	8.8
<i>S&P Target Date 2040 Index</i>			12.9	18.2	-15.6	16.5	13.4	23.4	-7.4	18.9	9.2
JPMorgan SmartRetirement Blend 2045 (JMYAX)	119,677,605		14.2	19.5	-17.6	17.7	13.1	24.6	-8.3	20.5	8.8
<i>S&P Target Date 2045 Index</i>			13.6	19.1	-15.8	17.5	13.7	24.0	-7.7	19.6	9.5
JPMorgan SmartRetirement Blend 2050 (JNYAX)	109,346,291		14.7	19.8	-17.6	17.8	13.4	24.6	-8.3	20.5	8.8
<i>S&P Target Date 2050 Index</i>			14.3	19.6	-16.0	18.0	13.9	24.4	-7.9	20.2	9.7
JPMorgan SmartRetirement Blend 2055 (JTYBX)	61,050,700		14.7	19.7	-17.6	17.8	13.2	24.7	-8.4	20.4	8.8
<i>S&P Target Date 2055 Index</i>			14.3	19.6	-16.0	18.2	13.9	24.5	-8.0	20.5	9.9
JPMorgan SmartRetirement Blend 2060 (JAAYX)	33,377,356		14.7	19.7	-17.4	17.8					
<i>S&P Target Date 2060 Index</i>			14.4	19.7	-16.0	18.0					
JPMorgan SmartRetirement Blend 2065 (JSBYX)	5,716,062		14.6	19.1							
<i>S&P Target Date 2065+ Index</i>			14.8	19.8							
Transamerica Stable Value	3,859,051		2.6	2.5	1.6	1.0	1.2	1.8	1.3	1.0	1.0
<i>90 Day U.S. Treasury Bill</i>			5.3	5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3
Transamerica Guaranteed Investment Option	147,690,493		2.6	2.5	2.2	2.3	1.6	1.8	1.3	1.0	1.0
<i>90 Day U.S. Treasury Bill</i>			5.3	5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
Dodge & Cox Income X (DOXIX)	31,777,487		2.3	7.8	-10.8	-0.9	9.5	9.7	-0.3	4.4	5.6
<i>Blmbg. U.S. Aggregate Index</i>			1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
Fidelity US Bond Index (FXNAX)	7,780,535		1.3	5.5	-13.0	-1.8	7.8	8.5	0.0	3.5	2.5
<i>Blmbg. U.S. Aggregate Index</i>			1.3	5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6
Fidelity Inflation Protected Bond Index (FIPDX)	19,962,932		2.0	3.8	-12.0	5.9	10.9	8.3	-1.4	3.0	4.9
<i>Blmbg. U.S. TIPS</i>			1.8	3.9	-11.8	6.0	11.0	8.4	-1.3	3.0	4.7
American Beacon Large Cap Value Fund (AALRX)	29,363,647		15.2	13.5	-5.2	28.0	3.4	29.7	-12.0	17.1	16.0
<i>Russell 1000 Value Index</i>			14.4	11.5	-7.5	25.2	2.8	26.5	-8.3	13.7	17.3
Fidelity Spartan 500 Index (FXAIX)	140,552,266		25.0	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0
<i>S&P 500 Index</i>			25.0	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0
Fidelity Large Cap Growth Index (FSPGX)	105,547,279		33.3	42.8	-29.2	27.6	38.4	36.4	-1.6	30.1	
<i>Russell 1000 Growth Index</i>			33.4	42.7	-29.1	27.6	38.5	36.4	-1.5	30.2	
Fidelity Extended Market Index (FSMAX)	46,665,124		17.0	25.4	-26.4	12.4	32.2	28.0	-9.4	18.2	16.1
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>			16.9	25.0	-26.5	12.4	32.2	27.9	-9.6	18.1	15.7
Dimensional US Targeted Value Strategy (DFFVX)	19,074,359		9.3	19.3	-4.6	38.8	3.8	21.5	-15.8	9.6	26.9
<i>Russell 2000 Value Index</i>			8.1	14.6	-14.5	28.3	4.6	22.4	-12.9	7.8	31.7
T. Rowe Price New Horizons (PRJIX)	35,283,889		4.0	21.5	-36.9	9.8	57.9	37.8	4.2	31.7	7.9
<i>Russell 2000 Growth Index</i>			15.2	18.7	-26.4	2.8	34.6	28.5	-9.3	22.2	11.3
Vanguard International-Growth (VWILX)	38,752,293		9.5	14.8	-30.8	-0.7	59.7	31.5	-12.6	43.2	1.8
<i>MSCI AC World ex USA (Net)</i>			5.5	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
Fidelity Global ex US Index (FSGGX)	19,038,905		5.3	15.6	-15.7	7.8	10.7	21.3	-13.9	27.4	4.6
<i>MSCI AC World ex USA (Net)</i>			5.5	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5
Charles Schwab Personal Choice	23,876,431										

- All data prior to 5/2023 was received from Marquette Associates
 - Transamerica Stable Value Fund is not an open option for plan participants
 - Assets include: Memorial Healthcare System RSP Gold 403(b) Plan, Memorial Healthcare System 401(a) Plan, Memorial Healthcare System 457(b) Plan, Memorial Healthcare System SERP 457(f) Plan
 - Performance is net of fees and is annualized for periods longer than one year. Performance is ranked within PARis's style-specific universes, where "1" refers to the top percentile and "100" th bottom percentile.

A background image of a city at night with blurred lights and streaks, suggesting motion and a modern, global setting.

RETIREMENT PLAN – GLOBAL EQUITY REVIEW

MARCH 2025



PROPRIETARY & CONFIDENTIAL

MHS GLOBAL EQUITY ALLOCATION - RETIREMENT

- **At the January 2025 meeting, the Finance Committee requested NEPC review the MHS Retirement portfolio's Global Equity allocation**
 - Dodge and Cox Global Equity has delivered positive absolute and relative results over the longer-dated periods due to stock and sector selection
 - On the contrary, Walter Scott and Partners has continuously underperformed over the longer-term trailing periods, warranting an evaluation of the fit of this investment in the portfolio
 - Vanguard Global Minimum Volatility has served a purpose for the portfolio in years past, however this type of investment sacrifices long-term growth potential in exchange for potentially lower volatility; defensive bias can lead to underperformance in up-markets and limits upside potential of assets
- **NEPC, alongside its Research team, conducted a search to create a more complimentary investment lineup for the MHS Retirement Global Equity portfolio**
 - Dodge and Cox has provided value to the portfolio, and therefore we do not believe needs further evaluation
 - NEPC would suggest the termination of Walter Scott and Vanguard Global Minimum Volatility, and introduce Arrowstreet Global Equity alongside Wellington Global Quality Growth
 - This adjustment aims to enhance diversification of the portfolio, align with strategic portfolio objectives, and optimize risk-adjusted returns

PERFORMANCE COMPARISON (12/31/2024)

Proposed Allocation

Fund/Benchmark	1 Month	3 Month	1 Year	3 Year	5 year	7 year	10 year
Dodge & Cox Global Equity	-5.08%	-7.37%	5.07%	5.73%	8.43%	7.04%	7.66%
MSCI ACWI World Value	-5.19%	-4.55%	11.56%	5.40%	7.20%	6.42%	7.03%
Arrowstreet Global Equity ACWI	-2.63%	-0.08%	20.66%	8.83%	14.16%	12.24%	11.87%
Wellington Global Quality Growth	-2.17%	2.28%	22.40%	4.14%	10.39%	11.46%	12.30%
MSCI ACWI	-2.36%	-0.99%	17.48%	5.43%	10.06%	9.20%	9.23%

Current Allocation

Fund/Benchmark	1 Month	3 Month	1 Year	3 Year	5 year	7 year	10 year
Dodge & Cox Global Equity	-5.08%	-7.37%	5.07%	5.73%	8.43%	7.04%	7.66%
MSCI ACWI World Value	-5.19%	-4.55%	11.56%	5.40%	7.20%	6.42%	7.03%
Walter Scott Global	-4.52%	-3.02%	8.64%	2.19%	8.60%	9.91%	10.03%
Vanguard Global Minimum Volatility	-3.72%	-1.89%	13.44%	5.33%	4.65%	6.07%	7.23%
MSCI ACWI	-2.36%	-0.99%	17.48%	5.43%	10.06%	9.20%	9.23%

Green indicates outperformance of respective benchmark

Red indicates underperformance of respective benchmark

Grey indicates a benchmark metric



Performance data is as of December 31, 2024

MANAGER METRICS

Global Equity Mix Metrics

Metric	Proposed Mix	Current Mix	MSCI ACWI
Annualized Return	10.78%	9.11%	10.12%
Annualized Std Dev	14.51%	14.30%	14.39%
Annualized Sharpe	0.74	0.64	0.70
Alpha	0.12%	-0.05%	0.00%
Beta	0.99	0.97	1.00
Tracking Error	2.76%	2.67%	0.00%
Information Ratio	0.53	-0.38	N/A
Upside Capture	101.78%	95.90%	100.00%
Downside Capture	93.90%	99.42%	100.00%

Individual Manager Metrics

Metric	Arrowstreet Global Equity ACWI	Wellington Global Quality Growth	Dodge & Cox Global Equity	Vanguard Global Minimum Volatility	Walter Scott Global
Annualized Return	11.50%	12.26%	7.55%	8.05%	9.97%
Annualized Std Dev	14.24%	14.14%	17.35%	10.15%	14.24%
Annualized Sharpe	0.81	0.87	0.43	0.79	0.70
Alpha	0.20%	0.28%	-0.19%	0.18%	0.00%
Beta	0.96	0.93	1.11	0.61	0.95
Tracking Error	3.46%	4.63%	7.07%	7.60%	3.66%
Information Ratio	0.63	0.64	-0.25	-0.19	-0.15
Upside Capture	100.41%	102.44%	103.86%	66.84%	95.98%
Downside Capture	87.49%	86.37%	114.24%	56.81%	96.64%

Metrics are calculated over a ten-year time horizon as of 12/31/2024

Mix composition is actual \$ allocations for Current Mix, and 50% Arrowstreet, 25% Dodge and Cox, 25% Wellington for Proposed Mix



CURRENT MANAGER RATINGS

Investment Strategy	NEPC DD Rating	NEPC Investment Thesis	Firm & Team	Investment Philosophy	Portfolio Positioning	Performance Expectations
Arrowstreet Global Equity ACWI	1	Arrowstreet's investment edge is their robust and dynamic research engine that is centered around one team and one process. They have one focus on forecasting equity returns and their private partnership has been instrumental in attracting and retaining talent. Arrowstreet's differentiated approach evaluates securities on an integrated basis taking into consideration direct effects (stock level characteristics) and indirect, or spillover, effects (country, sector, related companies, etc.) and expanded linkages.	Arrowstreet utilizes one team and consistent investment approach across all strategies. 25+ sr. investment team members across the Research, Investment Processes and Services, Investment Analytics and Portfolio Management teams are supported by 80 investment team members.	Dynamic, quantitative, all-cap, core strategy that will invest in emerging markets. Tracking error may be higher than other quants with a range of 3-7%. Alpha target is 3% over a market cycle.	Core, diversified with 300-800 securities and annual turnover around 200%; alpha and risk models allow for portfolio to fluctuate slightly between overweights to style factors, regions, and market caps.	The strategy is considered core and dynamic so it can react to market opportunities and generate alpha in value and growth markets. It seeks to maximize alpha while minimizing transaction costs. It has mostly protected in down markets and participated in strong markets.
Wellington Global Quality Growth	2	Wellington's investment edge is their unique and extremely comprehensive process that manages to incorporate strong fundamental research by both the portfolio managers as well as Wellington's Global Industry Analysts, with their multistage, multi-factor proprietary screening and scoring model. Wellington dynamically weights their factors based on a global cycle index of seven forward looking macro variables and assumptions that indicate the direction of the global economic cycle. The team focuses on free cash flow generation rather than earnings.	The team is comprised of 4 PMs following John Boselli's retirement at the end of 2023 - Steve Angeli, Tim Manning, Terry Tian and Alvaro Llaverro and 2 Managing Directors. The team is spread out in US, England, Spain and Hong Kong. They are supported by Wellington Global Industry Analysts.	This strategy is combination of bottom up fundamental research, aided by proprietary screens, to help identify quality investments and Global Cycle Index utilization that incorporates firm macro team views to determine factor exposure weighting.	The product typically holds 60-90 securities with max cash at 5% and maximum security limit of 10%. Energy and materials tend to be avoided in light of their weak cash flows and/or growth, as well as areas like biotech with their binary events.	The product will tend to outperform in declining, low or slow growing markets. Conversely in fast rising or narrow sector driven markets, it would likely underperform.



REVIEW

- **NEPC suggests replacing Walter Scott and Vanguard Minimum Volatility Fund with Arrowstreet Global Equity and Wellington Global Quality Growth**
 - The Proposed Mix illustrates notably stronger investment metrics across the board, whilst only increasing risk to that just above the MSCI ACWI benchmark
 - The Proposed mix is comprised of 50% Arrowstreet, 25% Dodge and Cox, and 25% Wellington
 - Proposed Mix Vs. Current Mix*
 - Higher annualized return (10.8% vs. 10.1%)
 - Heightened Information Ratio (0.53 vs. -0.38)
 - Upside/Downside Market Capture benefits
 - Arrowstreet and Wellington are preferred managers and pair favorably with Dodge and Cox
 - Arrowstreet brings a quantitative approach with a core equity focus – the fund performs well in up-markets and protects on the downside
 - Due to the quantitative approach, tracking error is mitigated
 - Wellington Global Quality Growth utilizes a bottom-up fundamental approach and outperforms in periods of market distress, complementing the other two investments in the Global Equity sleeve appropriately
 - **This will be subject to Legal review of investments and update to IPS trust documents**



OPERATING PLAN ASSET ALLOCATION DISCUSSION



PROPRIETARY & CONFIDENTIAL

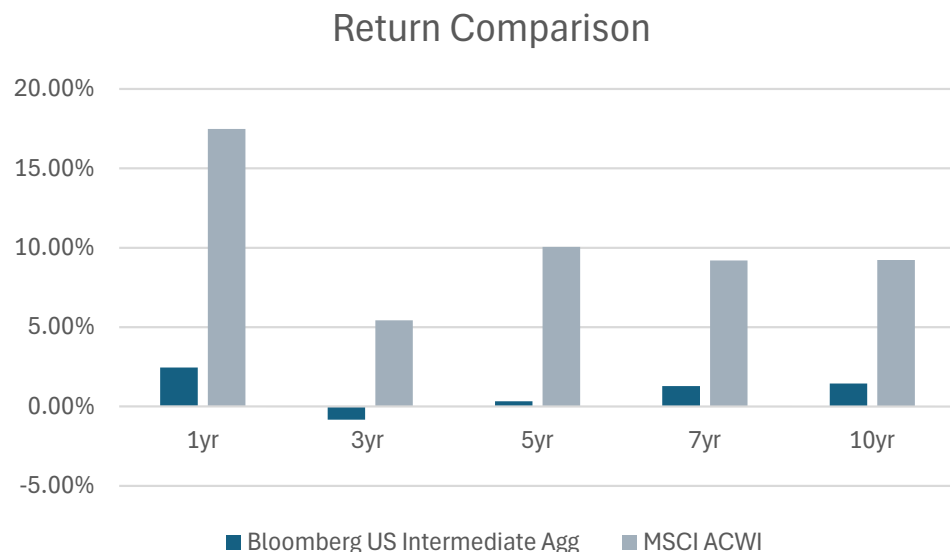
MHS OPERATING PORTFOLIO

ASSET ALLOCATION OVERVIEW

- **Asset allocation is a fundamental investment strategy that balances risk and return throughout the investment portfolio**
- **In this review, the Equity portfolio is assessed, considering factors such as historical performance, market conditions, risk tolerance, and overall investment portfolio objectives**
- **By evaluating the equity allocation in the context of broader asset allocation, NEPC and MHS Staff aim to ensure a balanced portfolio that links asset growth potential with stability during evolving market conditions**



HISTORICAL RETURN ANALYSIS – OPPORTUNITY COST



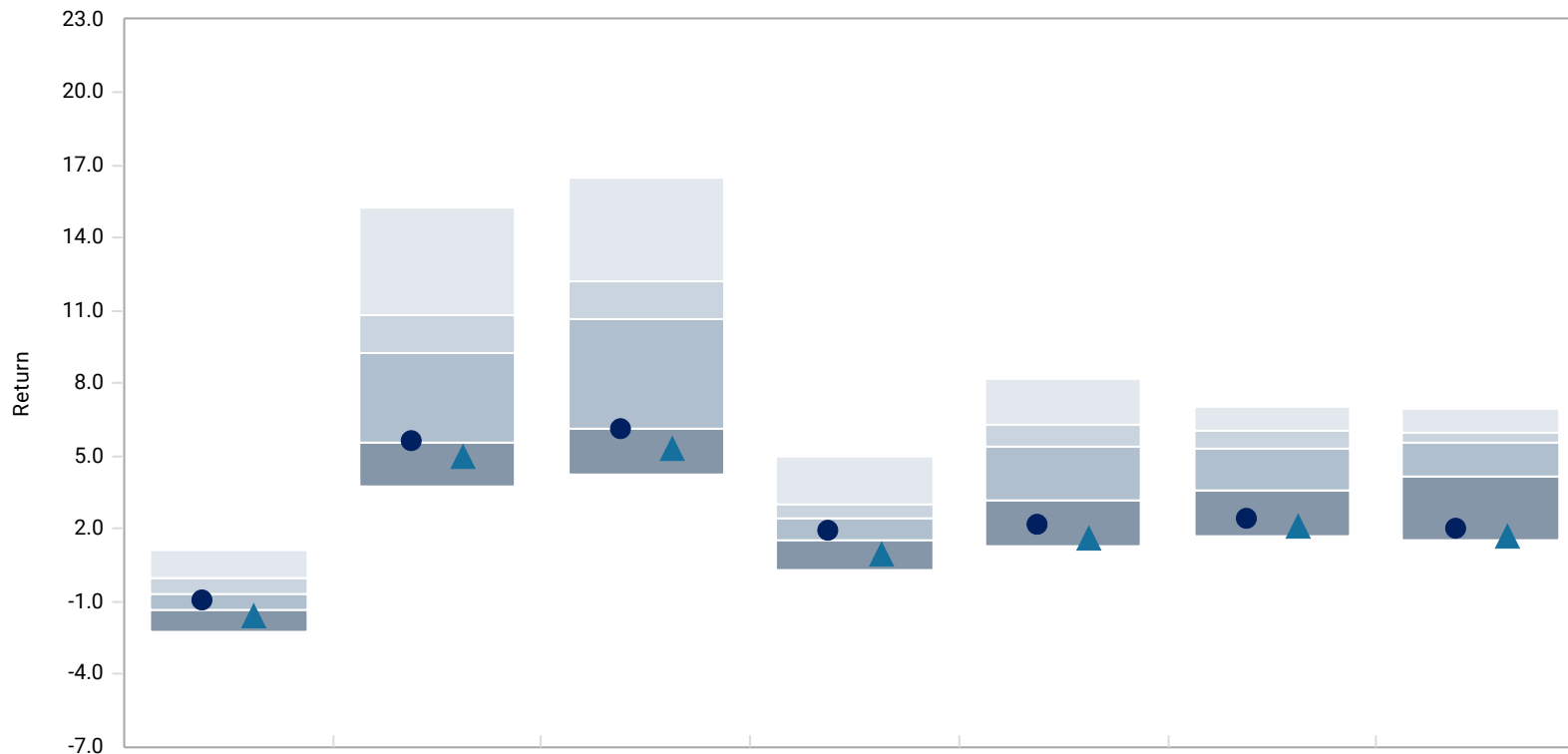
	Bloomberg US Intermediate Agg	MSCI ACWI
1yr	2.46%	17.48%
3yr	-0.83%	5.43%
5yr	0.33%	10.06%
7yr	1.29%	9.20%
10yr	1.45%	9.23%

- If the MHS Operating portfolio assets (\$2.6B) were instead invested in a passive MSCI ACWI product, over a historical ten-year period, the following results illustrate how an incremental increase in equity allocation would impact the total portfolio value:**
 - If 5% was added to the ACWI component, making the portfolio allocation 25% ACWI/75% BBG US Int Agg, this would result in a market value of ~\$2.87B (a gain of ~\$275M)
 - If 10% was added to the ACWI component, making the portfolio allocation 30% ACWI/70% BBG US Int Agg, this would result in a market value of ~\$3.15B (a gain of ~\$550M)
 - If 15% was added to the ACWI component, making the portfolio allocation 35% ACWI/65% BBG US Int Agg, this would result in a market value of ~\$3.42B (a gain of ~\$821M)
 - Figures are estimated and assume additional assets are not contributed to this investment and no redemptions occur
- When considering adjustments to the equity allocation, it is imperative to understand the opportunity cost of taking risk**



RETURN SUMMARY VS. PEER UNIVERSE

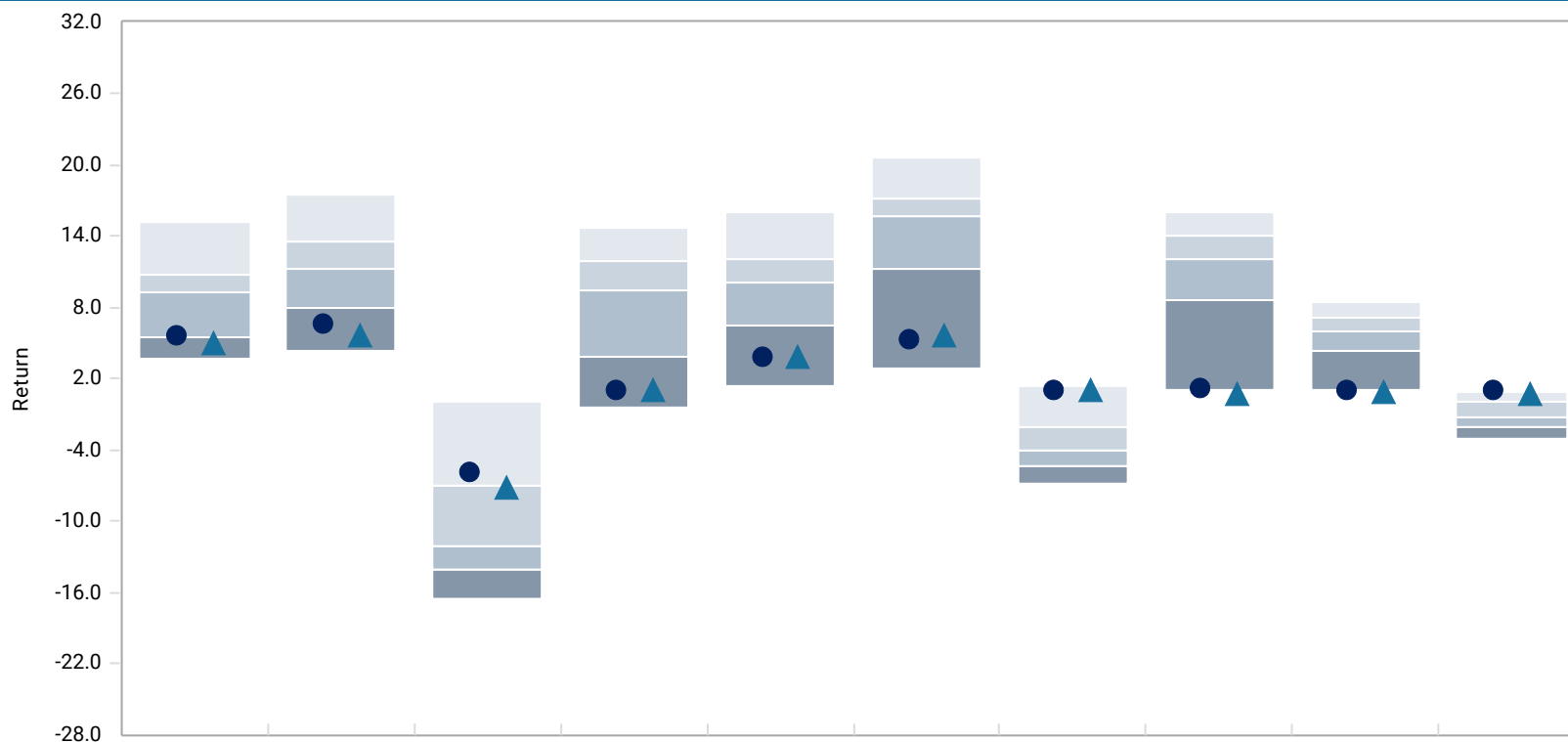
Total Fund Composite vs. InvMetrics Healthcare Operating Funds Net



	3 Mo	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
● Total Fund Composite	-0.9 (60)	5.7 (74)	6.2 (75)	2.0 (63)	2.2 (84)	2.5 (83)	2.1 (90)
▲ Policy Index	-1.6 (82)	5.0 (84)	5.3 (81)	1.0 (89)	1.6 (92)	2.1 (90)	1.7 (92)
5th Percentile	1.1	15.2	16.5	5.0	8.2	7.1	7.0
1st Quartile	0.0	10.8	12.2	3.1	6.3	6.1	6.0
Median	-0.7	9.3	10.7	2.4	5.5	5.4	5.5
3rd Quartile	-1.3	5.6	6.2	1.6	3.2	3.6	4.1
95th Percentile	-2.2	3.8	4.3	0.4	1.3	1.7	1.6
Population	104	103	102	95	85	74	59

RETURN SUMMARY VS. PEER UNIVERSE

Total Fund Composite vs. InvMetrics Healthcare Operating Funds Net



	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
● Total Fund Composite	5.7 (74)	6.7 (77)	-5.9 (22)	1.1 (82)	3.9 (88)	5.3 (86)	1.2 (10)	1.3 (93)	1.1 (95)	1.1 (4)
▲ Policy Index	5.0 (84)	5.7 (82)	-7.1 (26)	1.0 (82)	3.9 (88)	5.7 (85)	1.2 (10)	0.8 (97)	0.9 (98)	0.8 (7)
5th Percentile	15.2	17.6	0.1	14.8	16.1	20.7	1.5	16.1	8.5	0.9
1st Quartile	10.8	13.6	-7.0	11.9	12.1	17.2	-2.0	14.0	7.2	0.1
Median	9.3	11.3	-12.1	9.5	10.1	15.7	-4.0	12.2	6.0	-1.2
3rd Quartile	5.6	8.0	-14.1	3.9	6.5	11.3	-5.3	8.6	4.3	-2.0
95th Percentile	3.8	4.4	-16.4	-0.3	1.5	2.9	-6.8	1.1	1.1	-3.0
Population	103	197	215	238	255	236	203	210	199	190

FORWARD LOOKING ANALYSIS

	20% Equity Allocation	25% Equity Allocation	30% Equity Allocation	Broward Health Policy	Healthcare Operating Universe	MHS Retirement Portfolio
Cash	15%	15%	15%	0%	5%	0%
Total Cash	15%	15%	15%	0%	5%	0%
US Large-Cap Equity	0%	0%	0%	0%	0%	20%
Global Equity	20%	25%	30%	36%	44%	45%
Total Equity	20%	25%	30%	36%	44%	65%
US Opportunistic	20%	15%	10%	30%	40%	35%
Short Term Pool	10%	10%	10%	0%	0%	0%
Intermediate Pool	35%	35%	35%	0%	0%	0%
Total Fixed Income	65%	60%	55%	30%	40%	35%
Real Estate - Core	0%	0%	0%	12%	3%	0%
Private Real Assets - Infrastructure	0%	0%	0%	5%	0%	0%
Total Real Assets	0%	0%	0%	17%	3%	0%
Hedge Fund	0%	0%	0%	10%	4%	0%
Private Equity	0%	0%	0%	8%	4%	0%
Total Multi Asset	0%	0%	0%	18%	8%	0%
Expected Return 10 yrs	5.45%	5.54%	5.61%	6.43%	6.04%	6.07%
Expected Return 30 yrs	5.80%	5.95%	6.09%	7.35%	6.87%	7.13%
Standard Dev	5.3%	5.9%	6.5%	11.3%	10.0%	12.4%
Sharpe Ratio (10 years)	0.25	0.24	0.23	0.20	0.19	0.15

Current Policy allocation modeled as Global Equity

- As we evaluate the MHS Global Equity portfolio, forward looking risk and return expectations can provide a pathway forward
- Incrementally increasing the equity allocation drives up the expected return
 - As US markets have taken a negative turn in the last month, the drawdown could present an attractive buying opportunity
 - With this said, the Operating portfolio is built on the basis of achieving long-term growth
- Although market volatility and lowered equity return assumptions exhibit reduced value in equities, NEPC maintains the view that MHS is in a prudent financial position to increase risk
- Broward Health, the Healthcare Operating Universe, and the MHS Retirement Portfolio are utilized in this analysis as a source of comparison



SUMMARY

- **In this asset allocation overview, NEPC analyzed the portfolio's current allocation, risk/return profile, and alignment with investment objectives as requested by the Committee**
- **After completing and reviewing the results of the Enterprise Risk Management model, modeling alternate allocations against peers, and working with MHS Staff to ensure the goals of the portfolio are top of mind, NEPC has found that modestly increasing risk, particularly in equities, will enhance the portfolio as we keep in mind the long-term portfolio objectives**
- **As the financial markets as well as the portfolio evolve, rebalancing and ongoing monitoring of investment allocations will be essential as the opportunity cost of averting risk can be costly**
- **NEPC will continue collaborating with MHS staff and the Committee to manage the portfolio with fiduciary responsibility**



APPENDIX



GLOSSARY OF TERMS

Alpha - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

Alpha Jensen - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

Annualized Excess Return over Benchmark - Annualized fund return minus the annualized benchmark return for the calculated return.

Annualized Return - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

Beta - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

Information Ratio - A measure of the risk adjusted return of a financial security, asset, or portfolio.

Formula:
 $(\text{Annualized Return of Portfolio} - \text{Annualized Return of Benchmark}) / \text{Annualized Standard Deviation}(\text{Period Portfolio Return} - \text{Period Benchmark Return})$. To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

R-Squared - Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

Sharpe Ratio - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

Sortino Ratio - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

Formula:
 $\text{Calculation Average } (X-Y) / \text{Downside Deviation } (X-Y) * 2$
Where X=Return Series Y = Return Series Y which is the risk free return (91 day T-bills)

Standard Deviation - The standard deviation is a statistical term that describes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

Formula:
 $(\text{Annualized Return of Portfolio} - \text{Annualized Return of Risk Free}) / \text{Annualized Standard Deviation (Portfolio Returns)}$

Tracking Error - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

Formula:
 $\text{Tracking Error} = \text{Standard Deviation } (X-Y) * \sqrt{(\# \text{ of periods per year})}$
Where X = periods portfolio return and Y = the period's benchmark return
For monthly returns, the periods per year = 12
For quarterly returns, the periods per year = 4

Treynor Ratio - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

Formula:
 $(\text{Portfolio Average Return} - \text{Average Return of Risk-Free Rate}) / \text{Portfolio Beta}$

Up/Down Capture Ratio - A measure of what percentage of a market's returns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

$\text{Upside Capture} = \text{Total Return}(\text{Fund Returns}) / \text{Total Returns}(\text{BM Return})$ when Period Benchmark Return is $> = 0$

$\text{Downside Capture} = \text{Total Return}(\text{Fund Returns}) / \text{Total Returns}(\text{BM Return})$ when Benchmark < 0

INFORMATION DISCLAIMER

Past performance is no guarantee of future results.

The goal of this report is to provide a basis for monitoring financial markets. The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.

Information on market indices was provided by sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.

All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses.