

# JULY 2025 MATERIALS

## MEMORIAL HEALTHCARE SYSTEM

JULY 2025

Dave Moore, ARM, CEBS, CPCU, Partner  
Gary Wyniemko, CFA, Partner  
Deirdre Robert, CFA, CAIA, Partner



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# GLOBAL MULTISECTOR FIXED INCOME REVIEW



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# MHS GLOBAL MULTISECTOR FIXED INCOME - OPERATING

- **At the June 2025 meeting, NEPC introduced the topic of Global Multisector (GMS) fixed income**
  - Global Multi Sector fixed income offers benefits that can enhance diversification, risk management, and overall return potential
  - GMS funds invest in fixed income securities that span the globe – including treasuries, securitized assets, corporate bonds, and more
  - Managers often have flexibility with GMS to tactically shift the portfolio, taking advantage of market dislocations or relative value opportunities
  - GMS also mitigates risk of investments through duration management, analysis of credit, and hedging risk (i.e. currency, interest rate..)
- **NEPC, alongside its Research team, conducted a search to find Global Multisector investments that are complimentary to the MHS Operating Fixed Income portfolio**
  - Loomis Multisector Full Discretion is an opportunistic, actively managed fixed income approach that invests across bond sectors and the credit spectrum, using broad flexibility to pursue total return through tactical asset allocation, credit selection, and duration management
  - Fidelity Tactical Bond is a benchmark agnostic, multi-sector fixed income strategy that seeks a high level of current income (and capital growth) by investing assets across a wide range of fixed income instruments – including US government, IG, high yield bonds and more



# MHS OPERATING ASSET ALLOCATION

	Current Policy	Proposed Mix
Cash	10.0%	10.0%
<b>Total Cash</b>	<b>10.0%</b>	<b>10.0%</b>
Global Equity	30.0%	30.0%
<b>Total Equity</b>	<b>30.0%</b>	<b>30.0%</b>
Global Multi-Sector Fixed Income	0.0%	12.0%
US Short-Term Treasury Bond (1-3 Year)	10.0%	10.0%
US Intermediate Fixed Income	50.0%	38.0%
<b>Total Fixed Income</b>	<b>60.0%</b>	<b>60.0%</b>

<b>Expected Return 10 yrs</b>	<b>5.68%</b>	<b>5.78%</b>
<b>Expected Return 30 yrs</b>	<b>6.22%</b>	<b>6.31%</b>
<b>Standard Dev</b>	<b>6.7%</b>	<b>7.2%</b>
<b>Sharpe Ratio (10 years)</b>	<b>0.26</b>	<b>0.26</b>

- The Proposed Mix introduces Global Multi-Sector Fixed Income at the expense of Intermediate fixed income
- Global Multisector will incorporate broad fixed income sector exposure and will invest across global markets
- Global Multisector increases return potential while introducing a bit more risk through a global landscape, as well as moving across the credit spectrum

# PERFORMANCE COMPARISON (05/31/2025)

## Trailing Allocation Returns

Fund/Benchmark	1 Month	3 Month	1 Year	3 Year	5 year	7 year	10 year
Current Mix	0.36%	2.50%	6.19%	2.74%	1.78%	2.65%	2.31%
Proposed Mix	0.26%	2.49%	6.23%	2.72%	2.22%	2.87%	2.60%
Bloomberg US Aggregate	-0.72%	-0.29%	5.46%	1.49%	-0.90%	1.53%	1.49%
Bloomberg US Intermediate Aggregate	-0.49%	0.53%	6.31%	2.30%	0.06%	1.84%	1.61%
Bloomberg US Intermediate Gov/Credit	-0.33%	1.04%	6.45%	2.82%	0.55%	2.26%	1.87%

## Trailing GMS Manager Returns

Fund/Benchmark	1 Month	3 Month	1 Year	3 Year	5 year	7 year	10 year
Loomis Sayles Multisector Full Discretion	0.47%	0.76%	9.32%	4.57%	3.15%	4.12%	4.06%
Fidelity Tactical Bond	-0.34%	-0.11%	6.09%	3.17%	2.24%	3.57%	3.44%
Bloomberg US Aggregate	-0.72%	-0.29%	5.46%	1.49%	-0.90%	1.53%	1.49%
Bloomberg US Intermediate Aggregate	-0.49%	0.53%	6.31%	2.30%	0.06%	1.84%	1.61%
Bloomberg US Intermediate Gov/Credit	-0.33%	1.04%	6.45%	2.82%	0.55%	2.26%	1.87%

Performance data is as of May 31, 2025

Bloomberg US Aggregate Index is the primary benchmark for Fidelity Tactical Bond and Loomis Multisector Full Discretion.

Performance metrics for the Current Mix do not represent the full actual history of the Operating Portfolio, as several managers lack complete track records for this analysis. Evestment vehicle proxies were used for illustrative purposes.



# MANAGER METRICS (AS OF 3/31/2025)

## Global Multisector Mix Metrics

Metric	Current Mix	Proposed Mix (Fidelity/Loomis)	Bloomberg US Aggregate Index
Annualized Return	2.34%	2.61%	1.76%
Annualized Std Dev	3.33%	3.63%	5.04%
Annualized Sharpe	0.70	0.72	0.35
Alpha	0.12%	0.13%	0.00%
Beta	0.39	0.49	1.00
Tracking Error	5.10%	3.81%	0.00%
Information Ratio	0.06	0.18	N/A
Upside Capture	45.20%	56.30%	100.0%
Downside Capture	31.25%	39.17%	100.0%

## Individual Manager Metrics

Metric	Loomis Sayles Multisector Full Discretion	Fidelity Tactical Bond	Bloomberg US Aggregate Index
Annualized Return	4.00%	3.42%	1.76%
Annualized Std Dev	6.03%	5.76%	5.04%
Annualized Sharpe	0.66	0.59	0.35
Alpha	0.22%	0.17%	0.00%
Beta	0.93	0.93	1.00
Tracking Error	3.82%	3.41%	0.00%
Information Ratio	0.67	0.58	N/A
Upside Capture	118.54%	115.90%	100.0%
Downside Capture	78.14%	85.09%	100.0%
Duration	5.2 years	6.5 years	6.1 Years
Yield to Maturity	5.94%	5.40%	4.61%
Average Credit Quality	BBB	A	AA

**Fidelity Tactical Bond Fee: 0.32% on investment**

**Loomis Multisector Fee: 0.39% on first \$50M, 0.30% above \$50M**

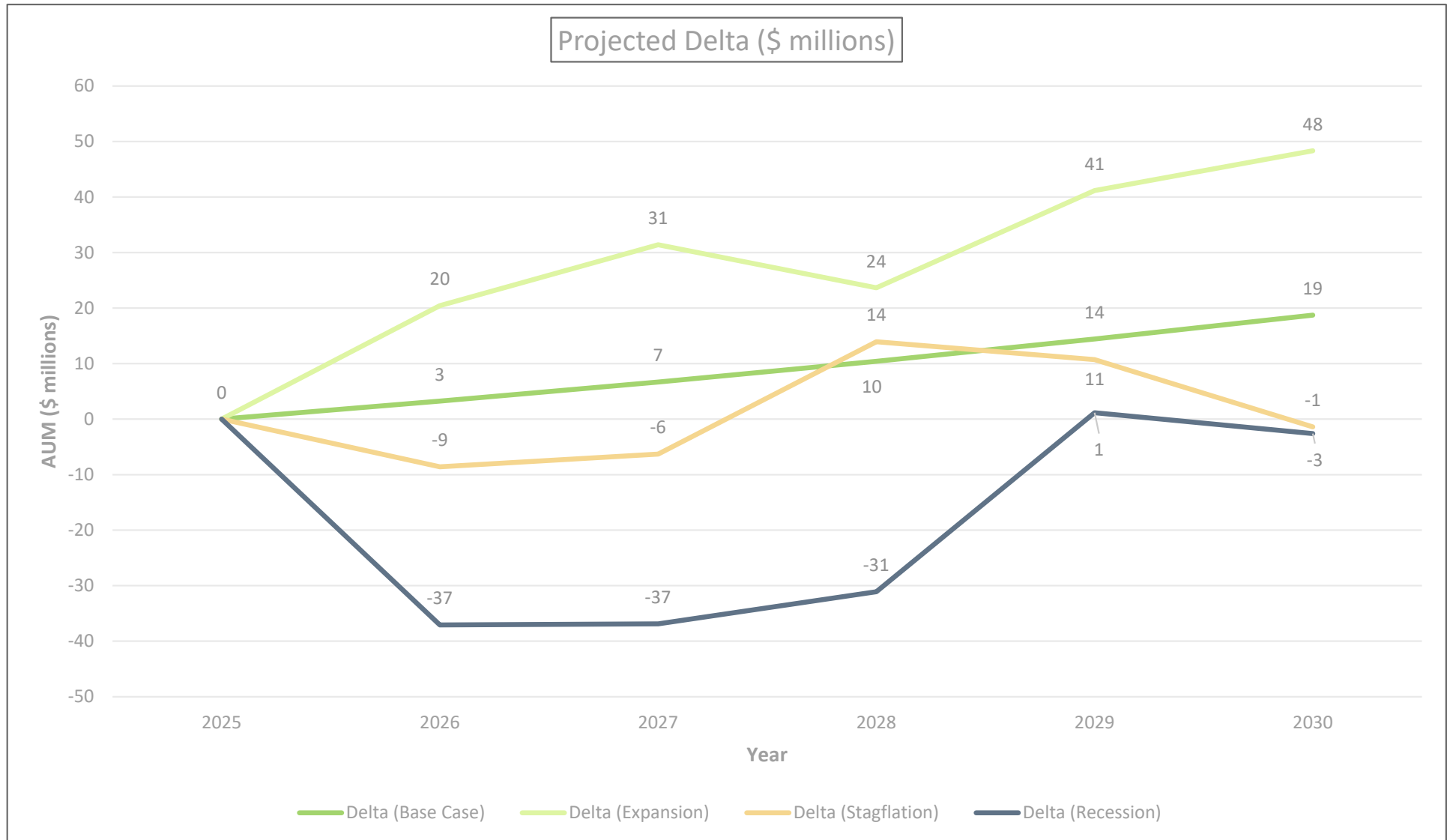


Metrics are calculated over a ten-year time horizon as of 3/31/2025

The Current Mix reflects actual dollar allocations, while the Proposed Mix represents a rebalanced version of the Current Mix with the addition of an equal allocation to Fidelity Tactical Bond and Loomis Multisector Fixed Income. Performance metrics for the Current Mix do not represent the full actual history of the Operating Portfolio, as several managers lack complete track records for this analysis. Evestment vehicle proxies were used for illustrative purposes.

# SCENARIO ANALYSIS

## DIFFERENCE IN \$ BETWEEN PROPOSED AND CURRENT MIX





# MHS CREDIT QUALITY

AS OF 3/31/2025

## Credit Distribution by Mix

Component	AAA/Gov	AA	A	BBB	BB	B	CCC	CC	C
Current Mix	51.3%	8.3%	16.8%	21.8%	1.3%	0.4%	0.1%	0.00%	0.0%
Proposed Mix	47.6%	6.7%	14.7%	24.8%	4.1%	1.7%	0.5%	0.00%	0.0%

## Credit Distribution by Manager

Component	AAA/Gov	AA	A	BBB	BB	B	CCC	CC	C
Loomis Sayles Multisector Full Discretion	14.0%	2.6%	9.8%	46.1%	14.3%	5.4%	2.3%	0.0%	0.0%
Fidelity Tactical Bond	59.1%	0.6%	3.2%	14.3%	11.7%	6.9%	1.5%	0.0%	0.0%



Totals may not add to 100% due to securities that are not rated

# CURRENT MANAGER RATINGS

Investment Strategy	NEPC DD Rating	Firm & Team	Investment Philosophy	Performance Expectations	Portfolio Positioning	NEPC Investment Thesis
<b>Loomis Sayles Multisector Full Discretion</b>	1	The Full Discretion portfolio management team consists of senior portfolio managers, Matt Eagan, Brian Kennedy and Todd Vandam. The FD team also has its own customized research group to further support the team on additional work.	Multisector Full Discretion is a best-ideas strategy across the Loomis fixed income research platform; product has a heavy tilt towards corporate bonds, both investment grade, and high yield, US and International	Strategy will lag during credit bear markets, but should perform strongly during periods of spread tightening.	High yielding, return seeking, credit-oriented strategy; will hold hybrid securities such as convertible bonds and preferred equity	The Full Discretion team benefits from two factors, credit research and long-term value driven top-down view. The long-tenured and broad credit research team provides fundamental bottom-up ideas. The Full Discretion portfolio management team combines the bottom-up credit ideas with the top down views on the credit cycle and valuation to drive the level of risk and specific areas of opportunity.
<b>Fidelity Tactical Bond</b>	1	Portfolio Managers Ford O'Neil, Celso Munoz, Jeff Moore, and Michael Plage are responsible for the management of FIAM's Broad Market Duration and Core Plus strategies.	Tactical Bond is a benchmark agnostic multi-sector fixed income strategy targeting 3-6% volatility over a market cycle	Fidelity has shown an ability to rotate the portfolio effectively, leading to high risk-adjusted returns. At times, strategy performance may be highly correlated with credit markets	Duration is not relative to a benchmark and will range from 3-6 years; currency will only be used to manage risk in this portfolio; manager will have less non-US exposure than most managers profiled	Tactical Bond, like many unconstrained fixed income efforts is an extension of core plus. Tactical Bond looks to generate income while maintaining volatility similar to the Aggregate (3%-5% range) and also continuing to provide diversification relative to equities. This takes the form of targeting overall volatility, not tracking error to the Bloomberg Aggregate Index. The Fidelity team believes in carrying some duration to help diversify spread risk, but are not looking for rate risk to be the primary risk factor as it is within the Aggregate index.

# REVIEW

- **NEPC suggests hiring Fidelity Tactical Bond and Loomis Multisector Full Discretion Fixed Income to fulfill the Global Multisector mandate**
  - The Proposed Mix illustrates stronger investment metrics across the board, thus increasing risk; however, the total fixed income portfolio maintains a lower risk versus the Bloomberg US Aggregate Index
    - The Proposed Mix represents the current fixed income portfolio as well as allocations to Fidelity Tactical Bond and Loomis Multisector Fixed Income (each ~6% of the total Operating portfolio)
    - Proposed Mix Vs. Current Mix\*
      - Higher annualized return (2.61% vs. 2.34%) – **over a 10-year period, the proposed mix would have outearned the current mix by ~\$41 million dollars**
      - Heightened Information Ratio (0.18 vs. 0.06)
      - Reduced Tracking Error (3.81% vs. 5.10%)
  - Fidelity and Loomis are preferred managers and pair favorably within the current construct of the Fixed Income portfolio
    - Fidelity Tactical Bond provides the portfolio an extension of Core-Plus, looking to generate income while maintaining volatility similar to the Bloomberg Aggregate
    - The Loomis Multisector Full Discretion investment philosophy combines deep credit cycle awareness with bottom-up research and a repeatable, equity-like approach to security selection across the capital structure
  - **This will be subject to Legal review of investments**



# **JUNE 2025**

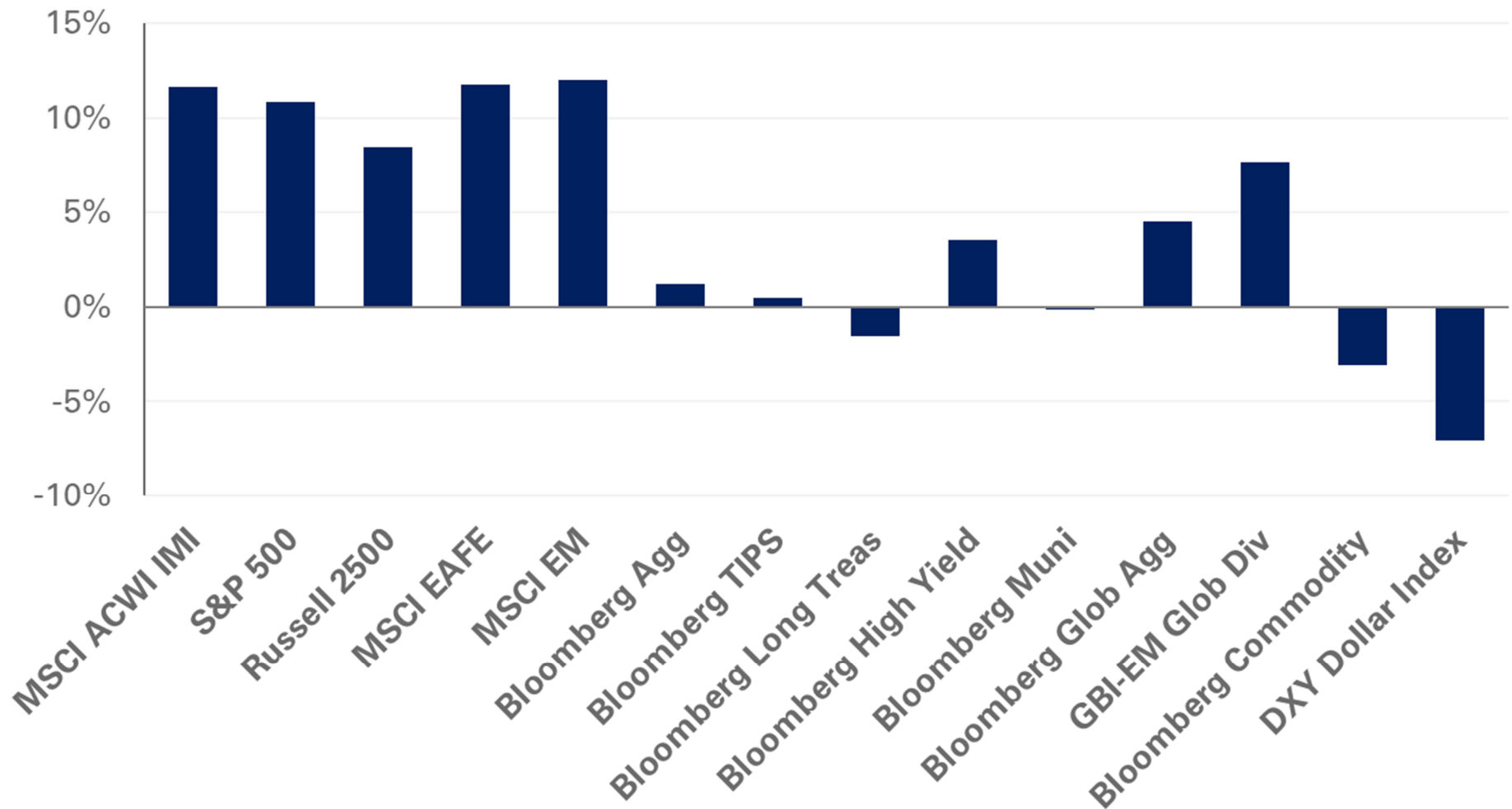
## QUARTER IN REVIEW



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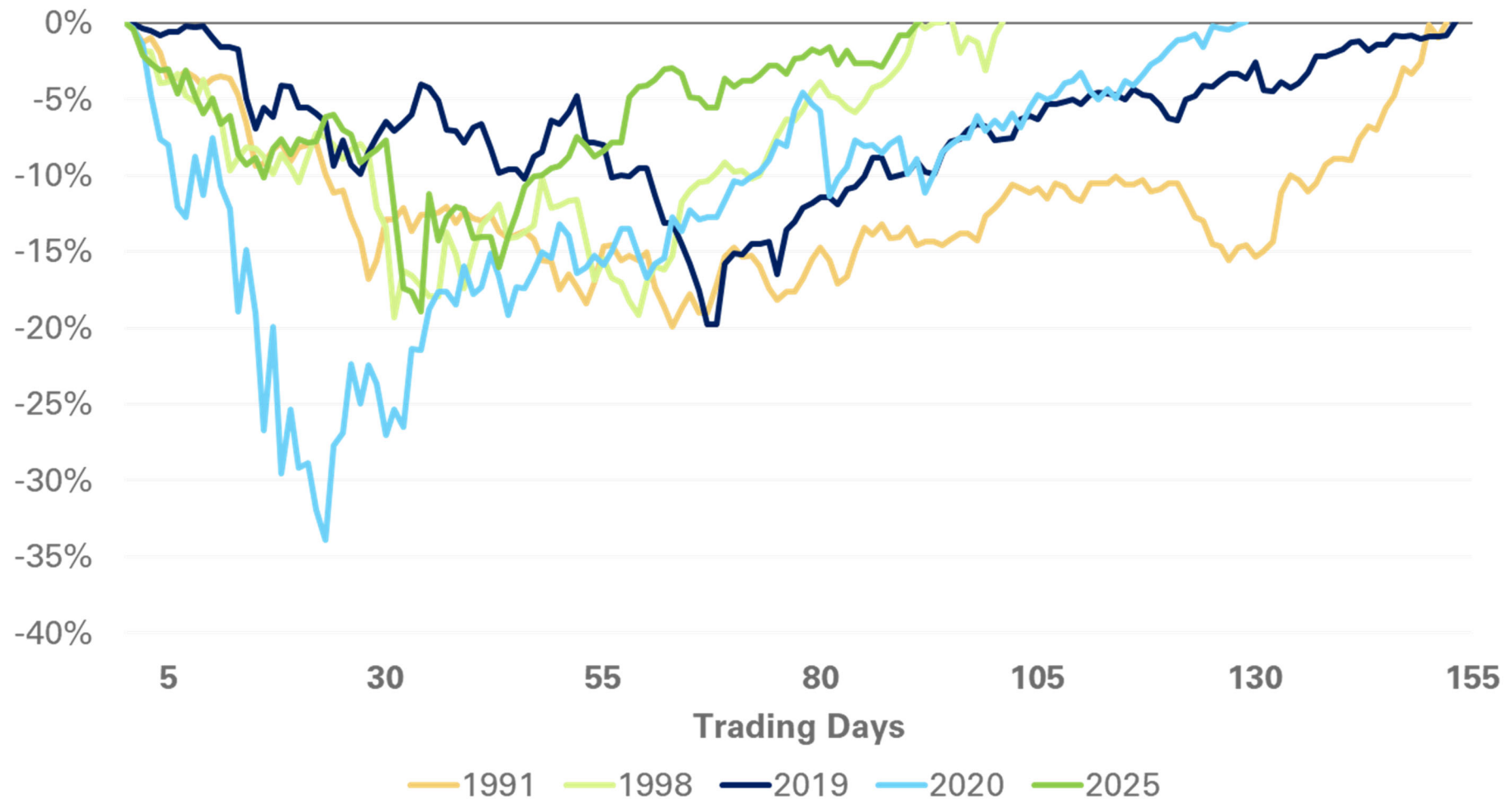
# EQUITIES POSTED OUTSIZED RETURNS IN Q2

## QUARTERLY TOTAL RETURNS



# MARKETS WERE QUICK TO RECOVER STEEP LOSSES

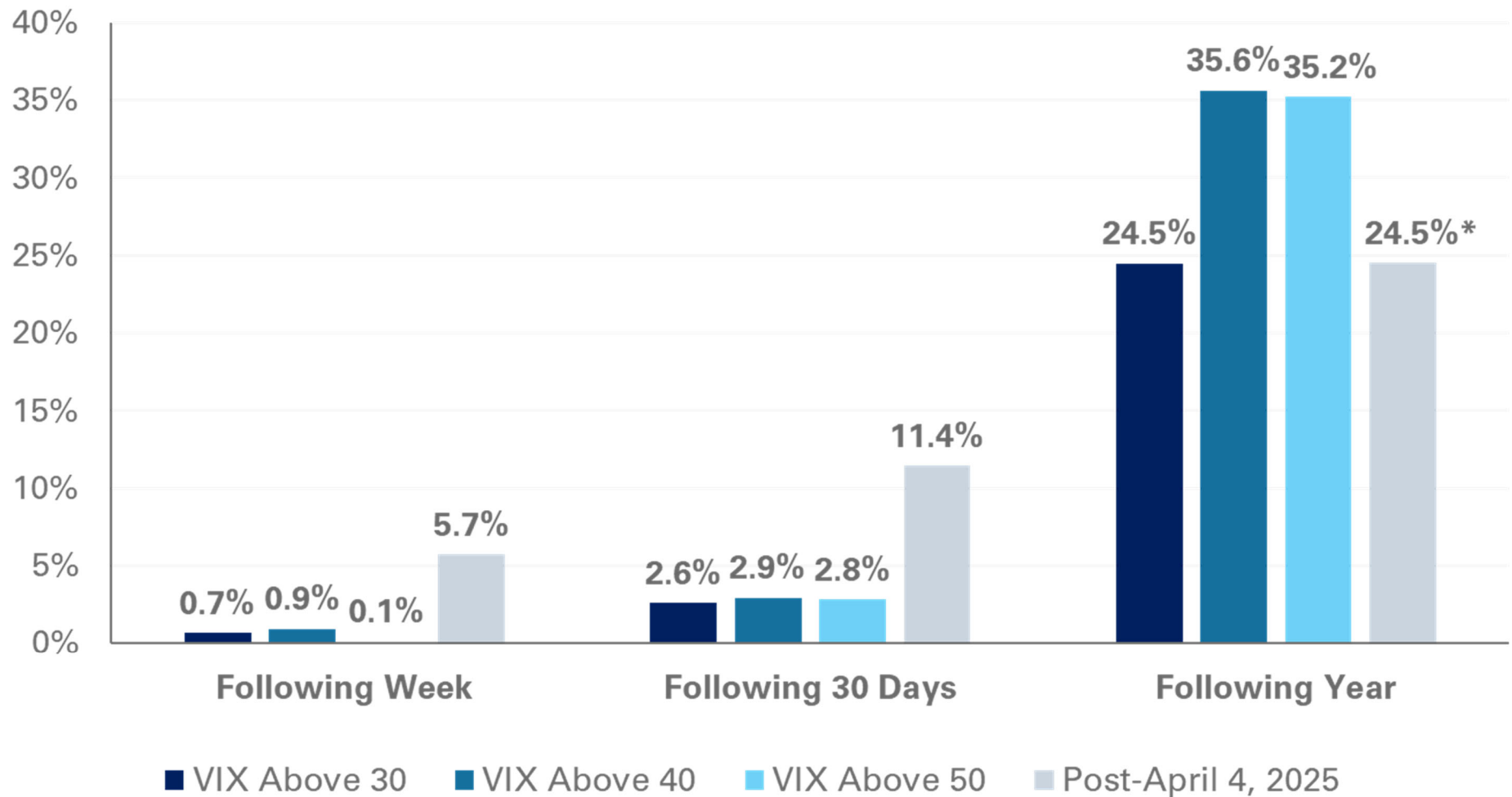
S&P 500 RECOVERIES TO RECORDS AFTER A DECLINE OF 15%+





# EQUITY REBALANCING PROVED ITS VALUE (AGAIN)

## AVERAGE S&P 500 RETURNS FOLLOWING SPIKES IN VIX

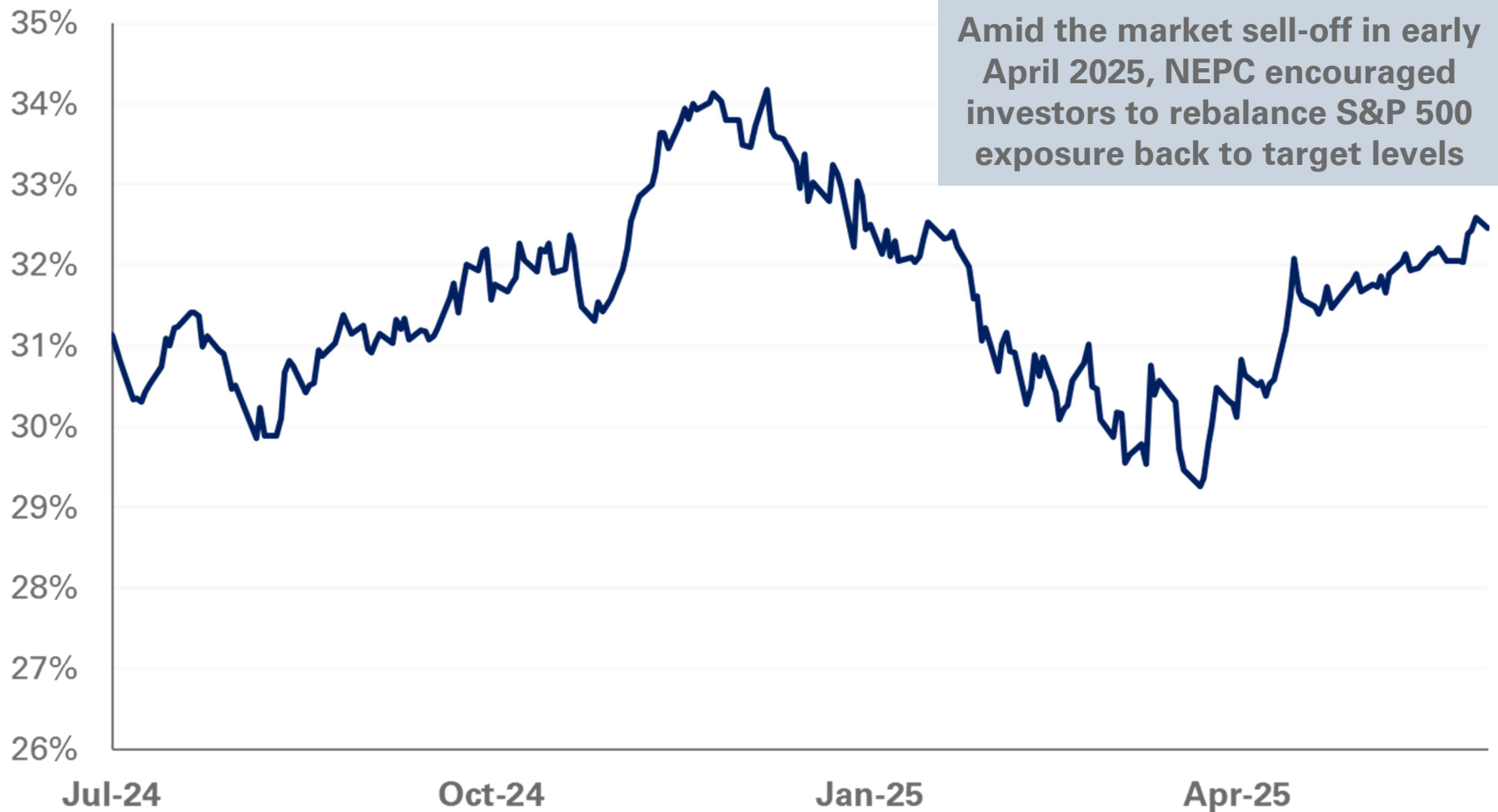


Note: VIX spiked above 45 on April 4, 2025. \*Following year returns Post-April 4, 2025 reflects data through July 7, 2025.

Sources: S&P, CBOE, FactSet, NEPC

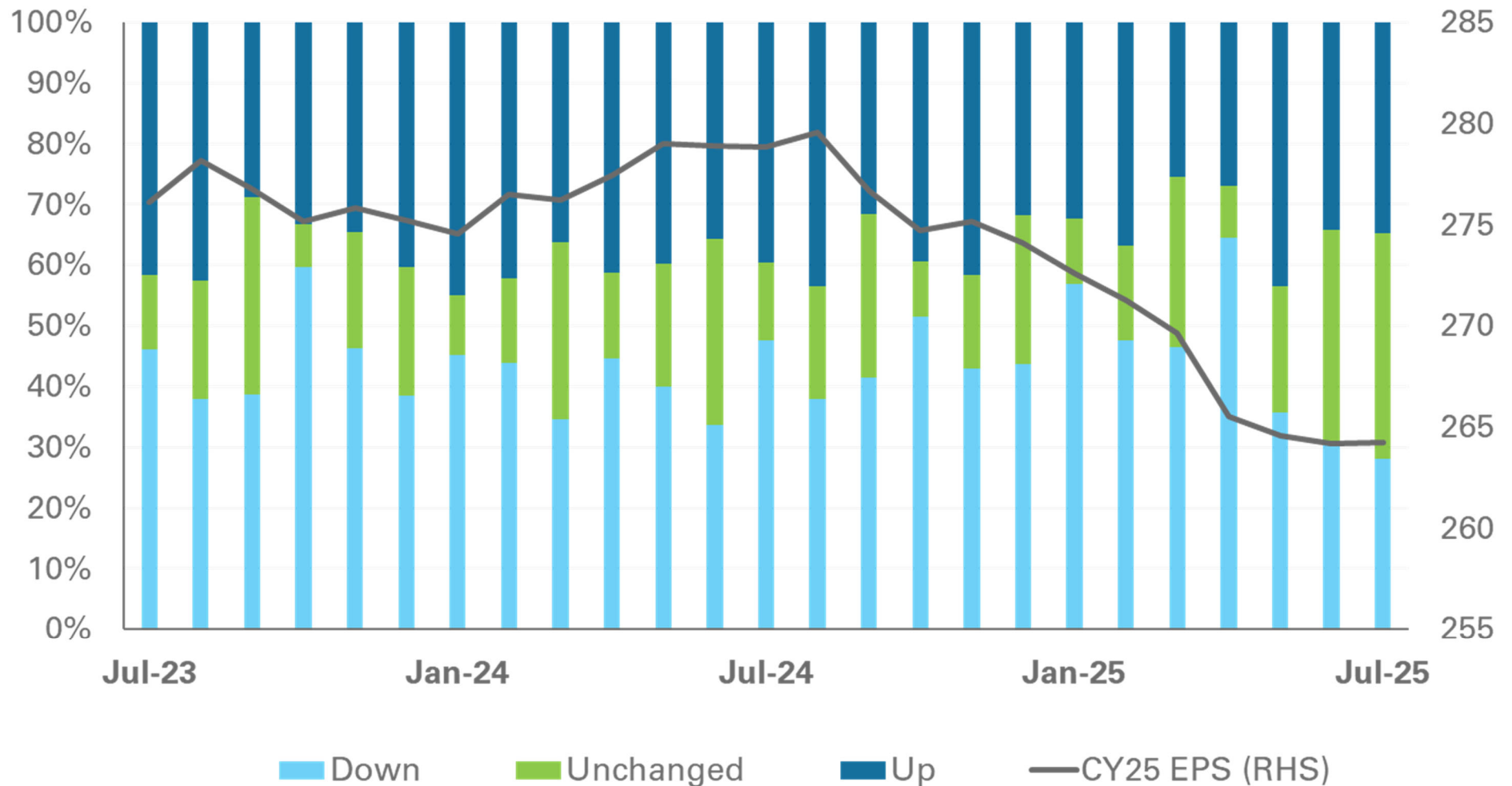
# MARKET CONCENTRATION HAS CREPT BACK UP

## MAGNIFICENT 7 TOTAL WEIGHT IN THE S&P 500 INDEX



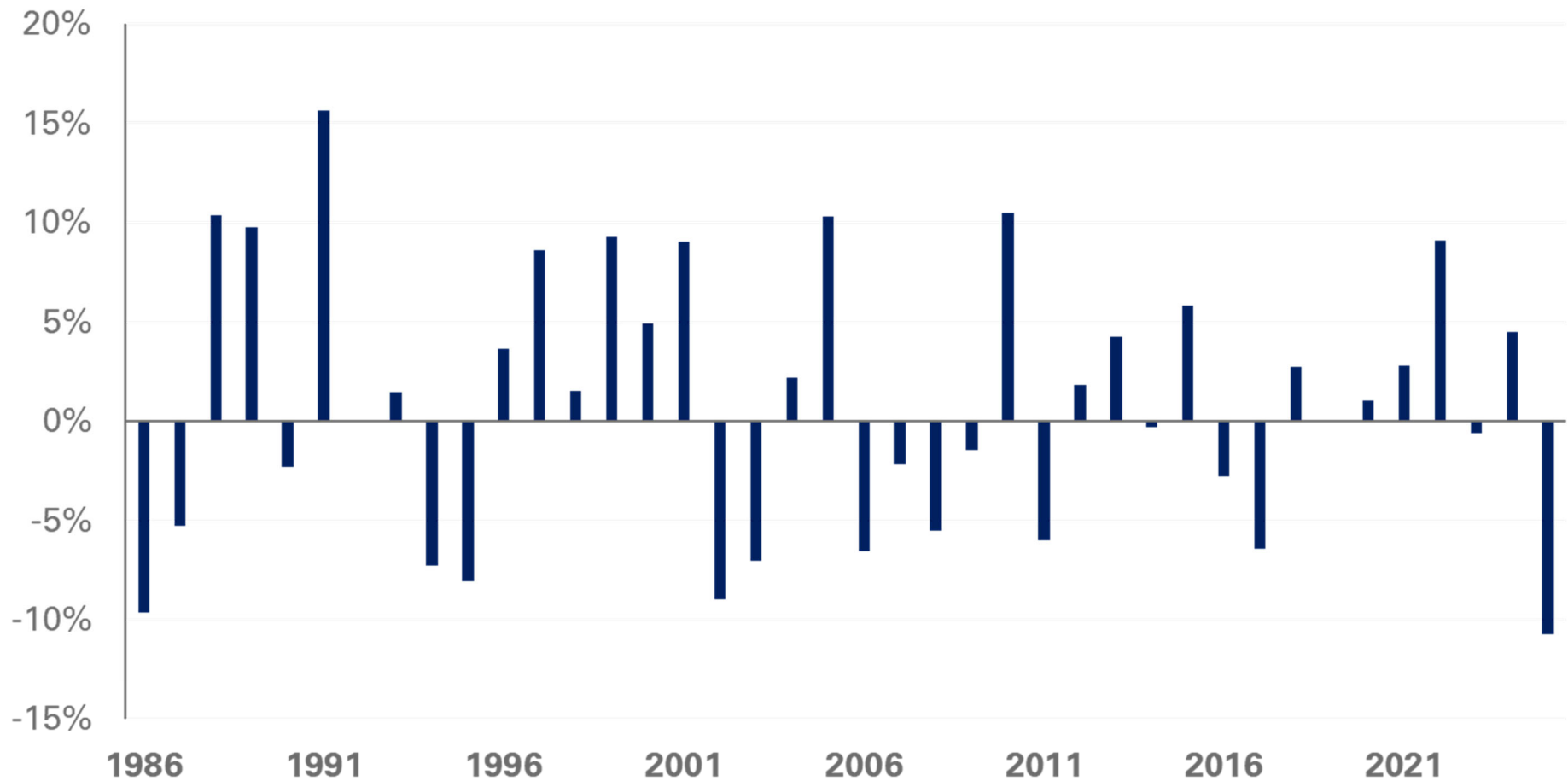
# UNCERTAINTY SEEPING INTO U.S. EARNINGS EST.

## CHANGES IN S&P 500 2025 CALENDAR YEAR EARNINGS ESTIMATES



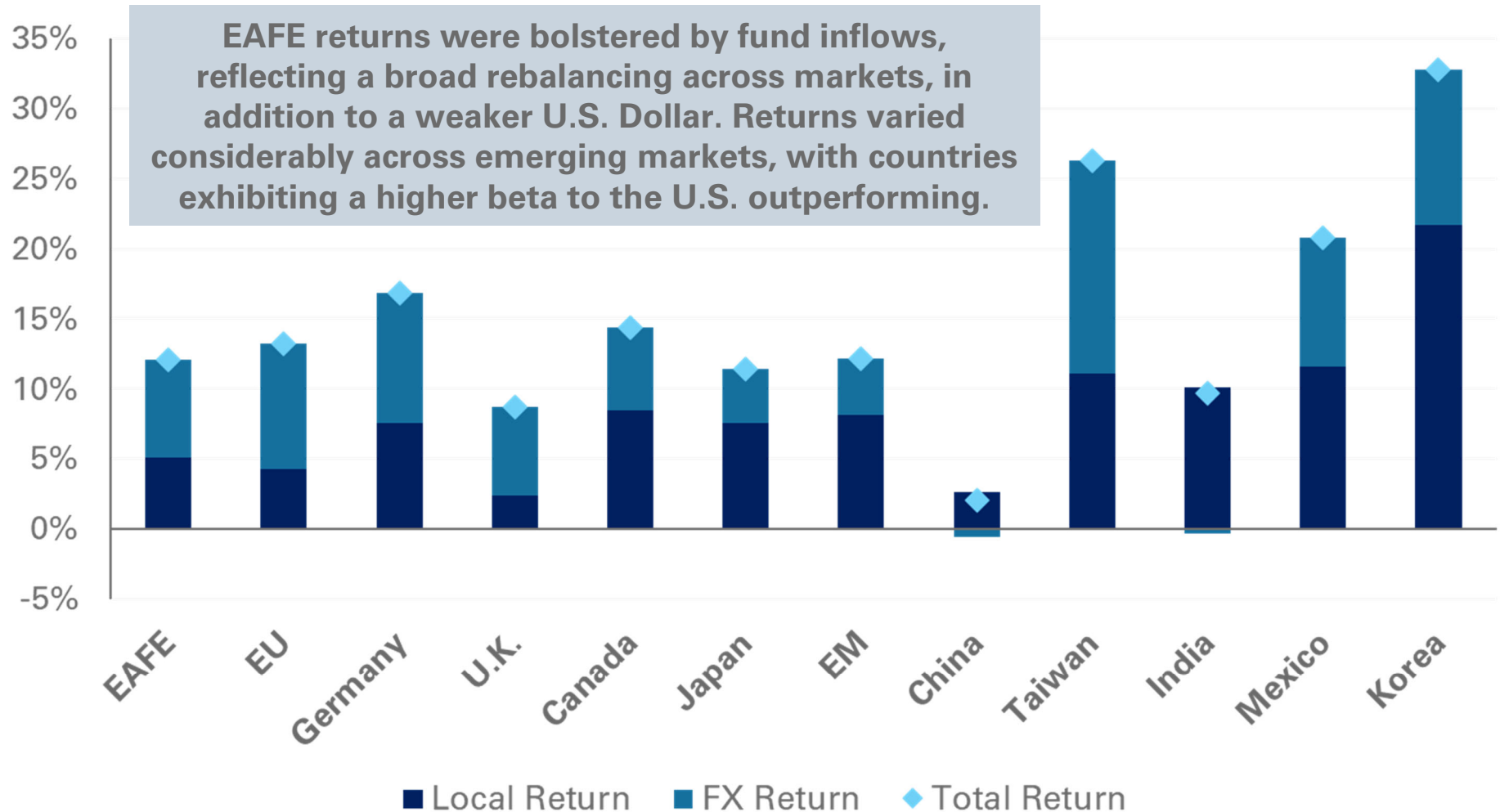
# WEAKNESS IN THE U.S. DOLLAR WAS PRONOUNCED

## 1H CALENDAR YEAR CHANGES IN THE DXY INDEX



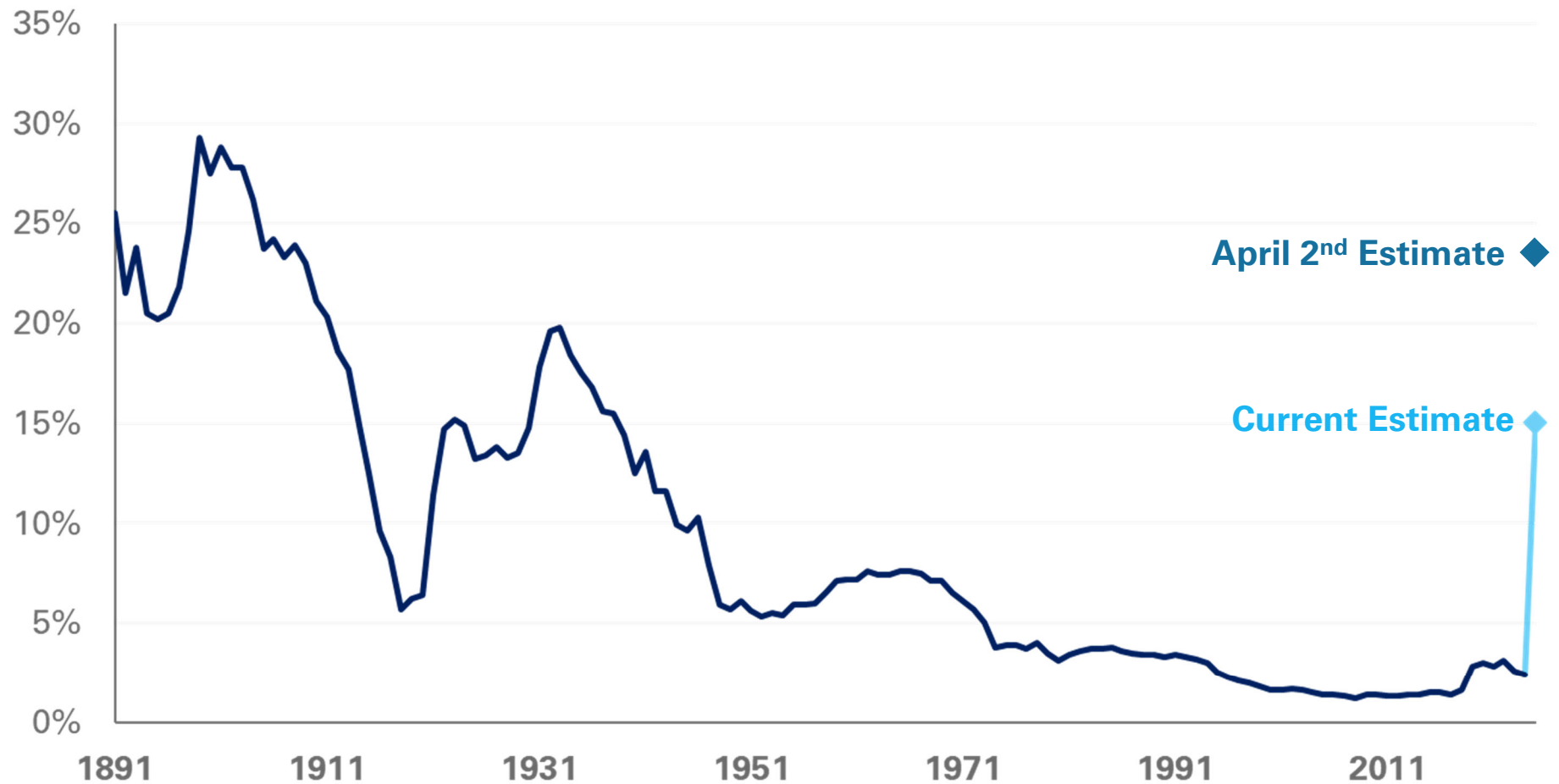
# NON-U.S. MARKETS SAW WIDE RETURN DISPERSION

## NON-U.S. LOCAL EQUITY VS. CURRENCY RETURNS



# TARIFF CONCERNS MOVED TO THE BACK BURNER

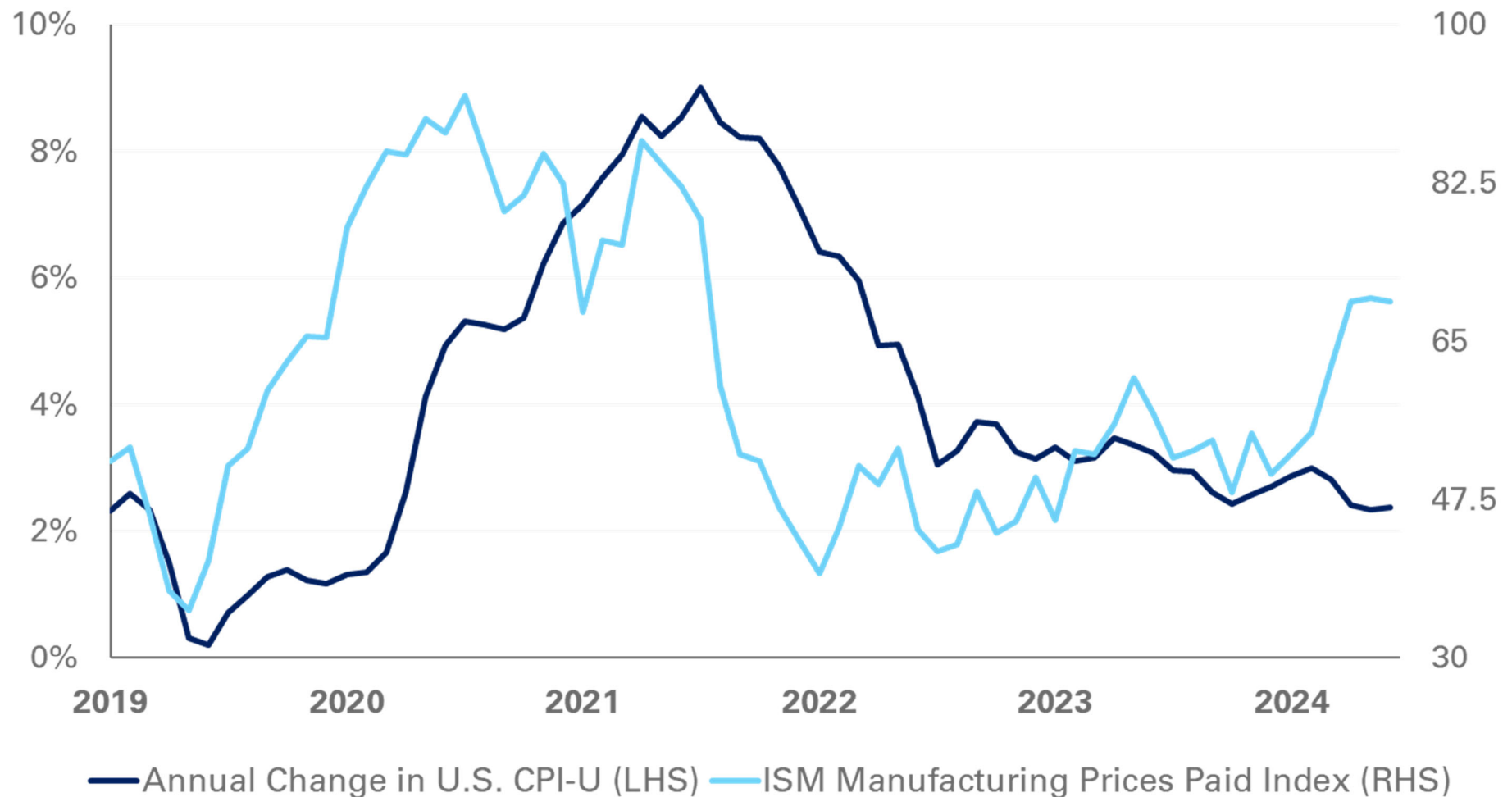
## U.S. AVERAGE EFFECTIVE TARIFF RATE





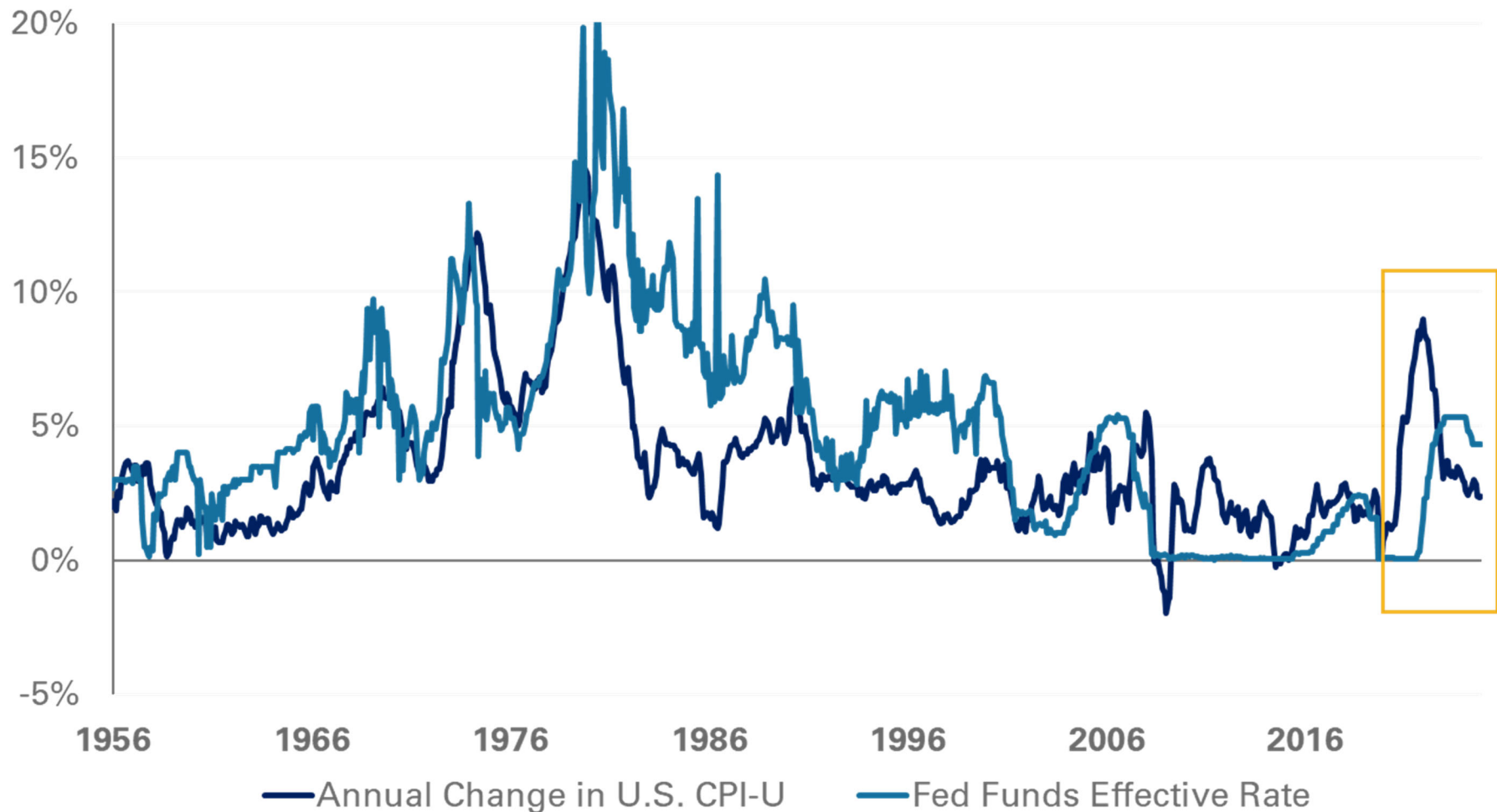
# INFLATION REMAINS CONTAINED... SO FAR

## U.S. CPI VS. ISM MANUFACTURING PRICES PAID INDEX



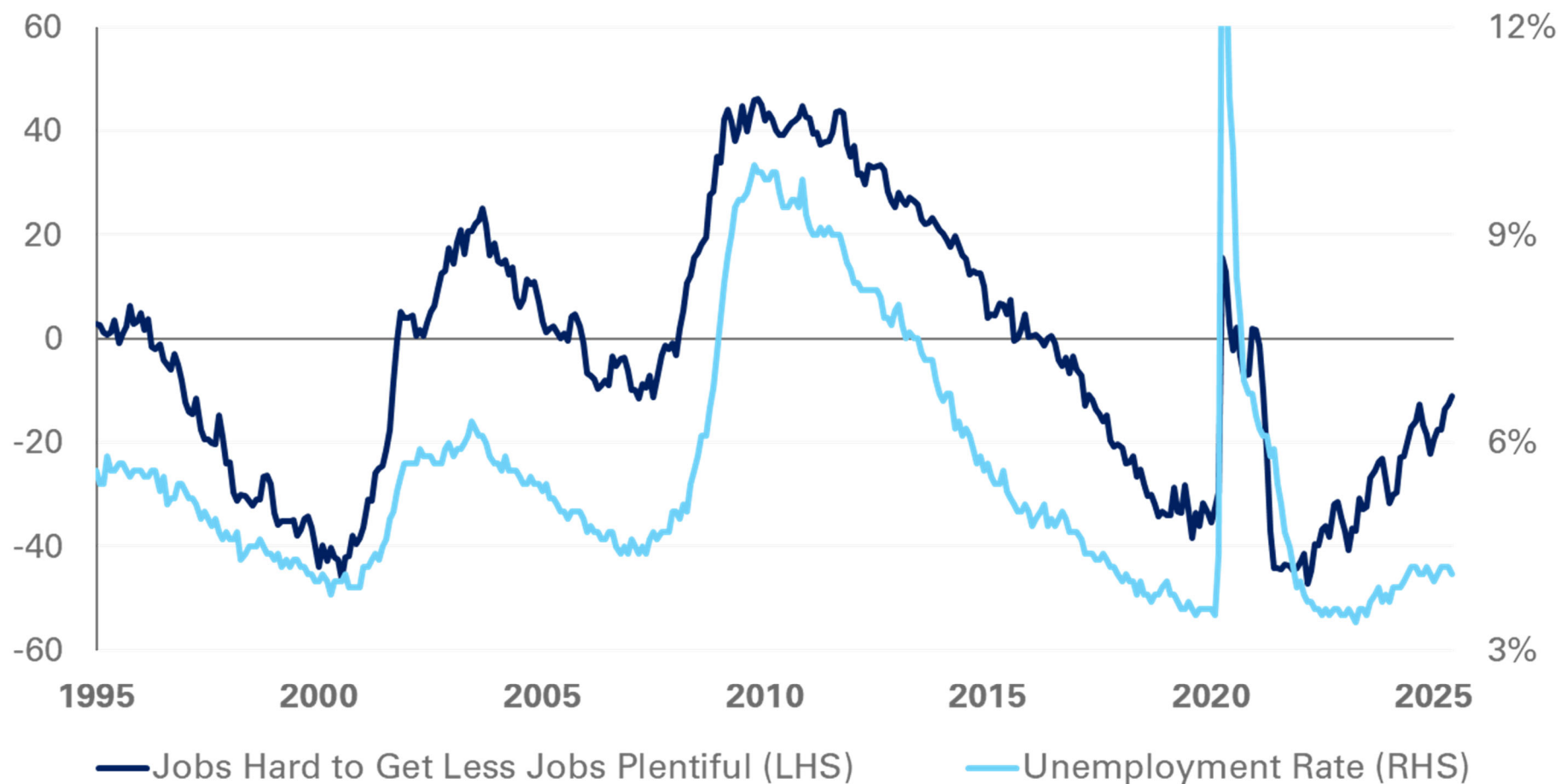
# RATES ARE DISCONNECTED FROM INFLATION

## HISTORICAL RELATIONSHIP BETWEEN FED FUNDS AND INFLATION



# JOBS DATA SHOWING SOME SIGNS OF SOFTNESS

## U.S. UNEMPLOYMENT RATE VS. LABOR MARKET DIFFERENTIAL



Note: "Jobs Hard to Get" less "Jobs Plentiful" reflects data from the Conference Board survey  
Sources: U.S. Department of Labor, Conference Board U.S., FactSet

# MARKETS HAD A LIMITED REACTION TO GEOPOLITICS

## SPOT WTI CRUDE OIL PRICES






# PERFORMANCE UPDATE

June 30, 2025



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# **SOUTH BROWARD HOSPITAL DISTRICT – OPERATING FUNDS**

June 30, 2025



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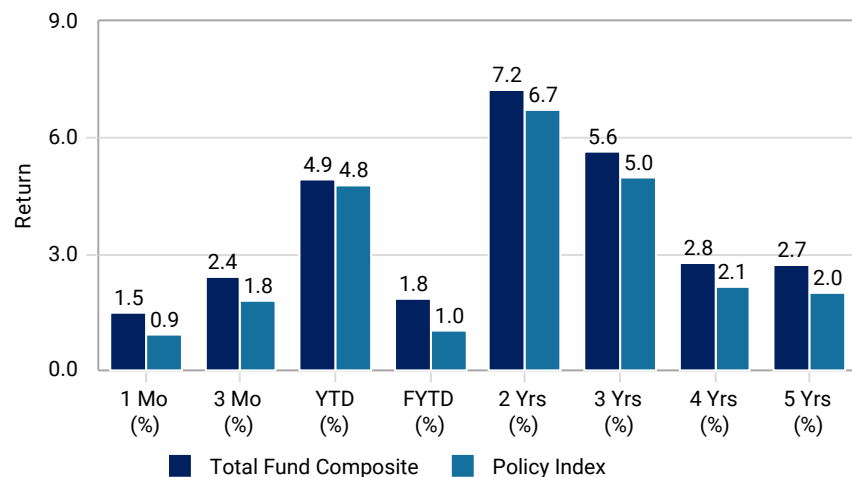


# MHS Operating Plan

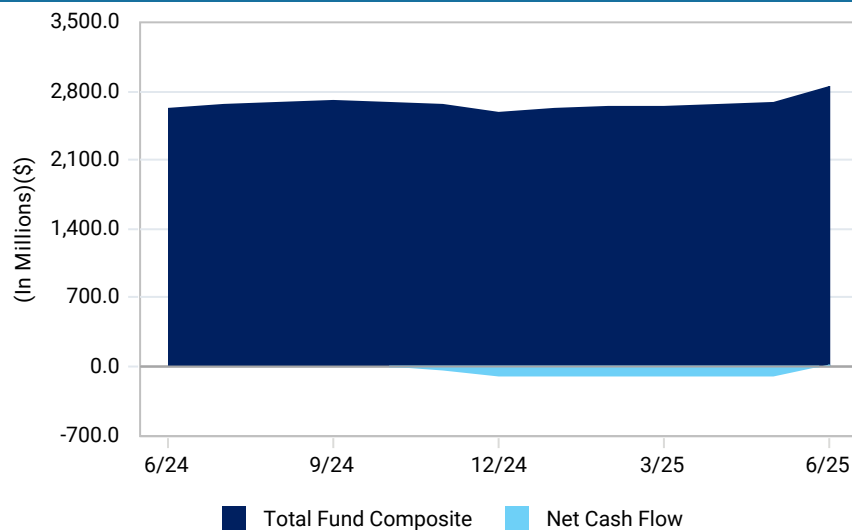
## EXECUTIVE SUMMARY

June 30, 2025

**Return Summary**  
Ending June 30, 2025

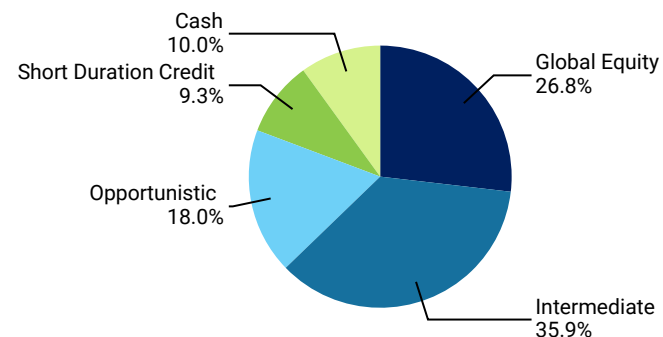


**Market Value History**  
1 Year Ending June 30, 2025



	Current (\$)	Current (%)	Policy (%)	Differences (%)
Global Equity	767,827,617	26.8	20.0	6.8
Intermediate	1,027,679,407	35.9	35.0	0.9
Opportunistic	514,458,580	18.0	20.0	-2.0
Short Duration Credit	266,028,211	9.3	10.0	-0.7
Cash	284,685,257	10.0	15.0	-5.0
<b>Total</b>	<b>2,860,679,072</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

**Current Allocation**

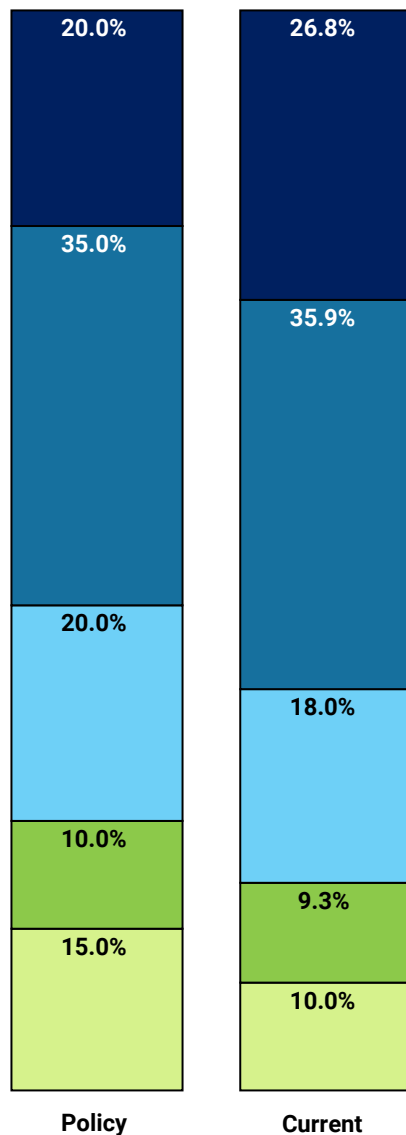


**Summary of Cash Flows**

	1 Month	FYTD	5 Years
Beginning Market Value	2,692,636,416	2,682,633,577	2,434,833,511
Net Cash Flow	127,977,994	127,952,009	76,702,200
Net Investment Change	40,064,662	50,093,486	349,143,361
<b>Ending Market Value</b>	<b>2,860,679,072</b>	<b>2,860,679,072</b>	<b>2,860,679,072</b>

# ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target



	Current Balance (\$)	Policy (%)	Current Allocation (%)	Differences (%)	Policy Range (%)	Within Range
<b>Global Equity</b>	<b>767,827,617</b>	<b>20.0</b>	<b>26.8</b>	<b>6.8</b>	<b>15.0 - 25.0</b>	<b>No</b>
Vanguard Global Minimum Volatility Equity	198,336,918		6.9			
Parametric Global Defensive Equity	332,396,361		11.6			
SSgA MSCI ACWI Index Fund	237,094,338		8.3			
<b>Intermediate</b>	<b>1,027,679,407</b>	<b>35.0</b>	<b>35.9</b>	<b>0.9</b>	<b>30.0 - 40.0</b>	<b>Yes</b>
Galliard Intermediate Government	249,805,157		8.7			
Merganser Intermediate Bond	242,202,214		8.5			
Fort Washington Intermediate Bond	207,322,012		7.2			
Lord Abbett Intermediate Bond	238,690,358		8.3			
PFM - Self Insurance Fund	49,756,717		1.7			
PFM - Disability Fund	22,026,210		0.8			
PFM - Workmen's Compensation Fund	11,990,608		0.4			
PFM - Health & Dental Fund	5,886,131		0.2			
<b>Opportunistic</b>	<b>514,458,580</b>	<b>20.0</b>	<b>18.0</b>	<b>-2.0</b>	<b>15.0 - 25.0</b>	<b>Yes</b>
Galliard Opportunistic	158,882,001		5.6			
Merganser Opportunistic	159,017,496		5.6			
Fort Washington Active Fixed Income	196,559,083		6.9			
<b>Short Duration Credit</b>	<b>266,028,211</b>	<b>10.0</b>	<b>9.3</b>	<b>-0.7</b>	<b>5.0 - 15.0</b>	<b>Yes</b>
Lord Abbett Short Duration	133,837,878		4.7			
Loop Capital Asset Management	132,190,332		4.6			
<b>Cash</b>	<b>284,685,257</b>	<b>15.0</b>	<b>10.0</b>	<b>-5.0</b>	<b>15.0 - 20.0</b>	<b>No</b>
PNC Treasury Management	284,680,927		10.0			
U.S. Bank Cash	4,330		0.0			
<b>Total</b>	<b>2,860,679,072</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		

\*Difference between Policy and Current Allocation

# TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
<b>Total Fund Composite</b>	<b>2,860,679,072</b>	<b>100.0</b>	<b>1.5</b>	<b>2.4</b>	<b>4.9</b>	<b>1.8</b>	<b>7.2</b>	<b>5.6</b>	<b>2.8</b>	<b>2.7</b>
Policy Index			0.9	1.8	4.8	1.0	6.7	5.0	2.1	2.0
<b>Fixed Income Composite</b>	<b>1,808,166,197</b>	<b>63.2</b>	<b>1.1</b>	<b>1.7</b>	<b>4.2</b>	<b>0.8</b>	<b>5.7</b>	<b>3.9</b>	<b>1.1</b>	<b>0.9</b>
<b>Short Term Composite</b>	<b>266,028,211</b>	<b>9.3</b>	<b>0.9</b>	<b>1.6</b>	<b>3.7</b>	<b>0.7</b>	<b>5.9</b>	<b>4.0</b>	<b>1.6</b>	<b>1.3</b>
Blmbg. 1-5 Year Gov/Credit			0.8	1.5	3.6	0.6	5.5	3.7	1.4	1.2
Lord Abbett Short Duration	133,837,878	4.7	0.8	1.6	3.7	0.6	5.8	4.0		
Blmbg. 1-5 Year Gov/Credit			0.8	1.5	3.6	0.6	5.5	3.7		
Loop Capital Asset Management	132,190,332	4.6	0.9	1.6	3.7	0.8	6.0	4.0	1.6	1.3
Blmbg. 1-5 Year Gov/Credit			0.8	1.5	3.6	0.6	5.5	3.7	1.4	1.2
<b>Intermediate Term Composite</b>	<b>1,027,679,407</b>	<b>35.9</b>	<b>1.1</b>	<b>1.7</b>	<b>4.2</b>	<b>0.8</b>	<b>5.8</b>	<b>3.9</b>	<b>1.1</b>	<b>1.0</b>
Blmbg. Intermed. U.S. Government/Credit			1.1	1.7	4.1	0.7	5.5	3.6	0.7	0.6
Galliard Intermediate Government	249,805,157	8.7	1.1	1.7	4.2	0.8	6.1	4.1	1.2	1.1
Blmbg. Intermed. U.S. Government/Credit			1.1	1.7	4.1	0.7	5.5	3.6	0.7	0.6
Merganser Intermediate Bond	242,202,214	8.5	1.1	1.7	4.3	0.8	5.7	3.9	1.1	1.0
Blmbg. Intermed. U.S. Government/Credit			1.1	1.7	4.1	0.7	5.5	3.6	0.7	0.6
Fort Washington Intermediate Bond	207,322,012	7.2	1.2	1.8	4.2	0.9	5.5	3.9		
Blmbg. Intermed. U.S. Government/Credit			1.1	1.7	4.1	0.7	5.5	3.6		
Lord Abbett Intermediate Bond	238,690,358	8.3	1.1	1.8	4.3	0.9	5.7	3.7		
Blmbg. Intermed. U.S. Government/Credit			1.1	1.7	4.1	0.7	5.5	3.6		
PFM - Self Insurance Fund	49,756,717	1.7	0.8	1.6	3.6	0.6	5.7	3.9	1.6	1.4
ICE BofA 1-5 Yr Treasury & Agency			0.7	1.4	3.4	0.4	5.1	3.2	1.2	0.9
PFM - Disability Fund	22,026,210	0.8	0.8	1.6	3.6	0.6	5.7	3.9	1.6	1.4
ICE BofA 1-5 Yr Treasury & Agency			0.7	1.4	3.4	0.4	5.1	3.2	1.2	0.9
PFM - Workmen's Compensation Fund	11,990,608	0.4	0.6	1.2	2.7	0.5	5.4	3.9	2.2	1.8
ICE BofA U.S. Agencies, 1-3yr			0.5	1.1	2.6	0.4	5.2	3.5	1.8	1.5
PFM - Health & Dental Fund	5,886,131	0.2	0.6	1.2	2.7	0.5	5.4	3.9	2.1	1.8
ICE BofA U.S. Agencies, 1-3yr			0.5	1.1	2.6	0.4	5.2	3.5	1.8	1.5

# TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
<b>Opportunistic Composite</b>	<b>514,458,580</b>	<b>18.0</b>	<b>1.3</b>	<b>1.6</b>	<b>4.4</b>	<b>0.8</b>	<b>5.7</b>	<b>3.8</b>	<b>0.9</b>	<b>0.7</b>
Blmbg. U.S. Intermediate Aggregate			1.3	1.5	4.2	0.8	5.1	3.2	0.3	0.2
Galliard Opportunistic	158,882,001	5.6	1.2	1.5	4.4	0.7	5.8	3.7	0.8	0.7
Blmbg. U.S. Intermediate Aggregate			1.3	1.5	4.2	0.8	5.1	3.2	0.3	0.2
Merganser Opportunistic	159,017,496	5.6	1.2	1.7	4.5	0.8	5.7	3.8	0.9	0.7
Blmbg. U.S. Intermediate Aggregate			1.3	1.5	4.2	0.8	5.1	3.2	0.3	0.2
Fort Washington Active Fixed Income	196,559,083	6.9	1.3	1.7	4.4	0.9	5.6	3.8		
Blmbg. U.S. Intermediate Aggregate			1.3	1.5	4.2	0.8	5.1	3.2		
<b>Global Equity Composite</b>	<b>767,827,617</b>	<b>26.8</b>	<b>3.0</b>	<b>5.2</b>	<b>8.4</b>	<b>5.3</b>	<b>13.0</b>	<b>11.8</b>	<b>7.5</b>	<b>10.0</b>
MSCI AC World Minimum Volatility Index (Net)			0.9	3.0	9.3	2.2	12.4	10.2	5.8	8.4
Vanguard Global Minimum Volatility Equity	198,336,918	6.9	0.6	2.3	8.5	2.5	13.3	11.3	7.3	9.2
MSCI AC World Minimum Volatility Index (Net)			0.9	3.0	9.3	2.2	12.4	10.2	5.8	8.4
Parametric Global Defensive Equity	332,396,361	11.6	2.8	5.4	5.8	5.5	11.6	11.6	7.2	10.1
50% MSCI ACWI / 50% 90 Day T-Bill			2.4	6.2	6.1	5.5	11.4	11.1	6.0	8.4
SSgA MSCI ACWI Index Fund	237,094,338	8.3	7.3							
MSCI AC World Index			4.5							
<b>Cash Composite</b>	<b>284,685,257</b>	<b>10.0</b>	<b>0.4</b>	<b>1.1</b>	<b>2.2</b>	<b>0.7</b>	<b>5.1</b>	<b>4.7</b>	<b>3.5</b>	<b>2.8</b>
90 Day U.S. Treasury Bill			0.3	1.0	2.1	0.7	5.0	4.6	3.4	2.8
PNC Treasury Management	284,680,927	10.0	0.4	1.1	2.2	0.7	5.1	4.7	3.5	2.8
90 Day U.S. Treasury Bill			0.3	1.0	2.1	0.7	5.0	4.6	3.4	2.8
U.S. Bank Cash	4,330	0.0								
90 Day U.S. Treasury Bill			0.3	1.0	2.1	0.7	5.0	4.6	3.4	2.8

\* 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	2,860,679,072	100.0	5.7	6.7	-5.9	1.1	3.9	5.3	1.2	1.3	1.1
Policy Index			5.0	5.7	-7.1	1.0	3.9	5.7	1.2	0.8	0.9
Short Term Composite	266,028,211	9.3	4.2	5.1	-5.2	-1.0	3.2	3.5	1.6	0.7	0.8
Blmbg. 1-5 Year Gov/Credit			3.8	4.9	-5.5	-1.0	4.7	5.0	1.4	1.3	1.6
Lord Abbett Short Duration	133,837,878	4.7	4.1	5.1	-4.9						
Blmbg. 1-5 Year Gov/Credit			3.8	4.9	-5.5						
Loop Capital Asset Management	132,190,332	4.6	4.2	5.1	-5.6	-0.9	3.2	3.5	1.6	0.7	1.0
Blmbg. 1-5 Year Gov/Credit			3.8	4.9	-5.5	-1.0	4.7	5.0	1.4	1.3	1.6
Intermediate Term Composite	1,027,679,407	35.9	3.6	5.5	-7.5	-1.0	4.8	4.6	1.5	1.3	1.2
Blmbg. Intermed. U.S. Government/Credit			3.0	5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1
Galliard Intermediate Government	249,805,157	8.7	3.9	5.8	-8.1	-0.6	5.1	4.6	1.5	1.4	1.3
Blmbg. Intermed. U.S. Government/Credit			3.0	5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1
Merganser Intermediate Bond	242,202,214	8.5	3.5	5.5	-7.6	-1.0	4.6	4.6	1.5	1.3	1.2
Blmbg. Intermed. U.S. Government/Credit			3.0	5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1
Fort Washington Intermediate Bond	207,322,012	7.2	3.2	5.6	-7.9						
Blmbg. Intermed. U.S. Government/Credit			3.0	5.2	-8.2						
Lord Abbett Intermediate Bond	238,690,358	8.3	3.3	5.5	-7.7						
Blmbg. Intermed. U.S. Government/Credit			3.0	5.2	-8.2						
PFM - Self Insurance Fund	49,756,717	1.7	4.1	5.0	-5.0	-0.9	4.6	4.6	1.4	1.1	1.3
ICE BofA 1-5 Yr Treasury & Agency			3.4	4.3	-5.2	-1.1	4.2	4.2	1.5	0.7	1.1
PFM - Disability Fund	22,026,210	0.8	4.0	5.0	-5.1	-0.9	4.6	4.6	1.3	1.1	1.3
ICE BofA 1-5 Yr Treasury & Agency			3.4	4.3	-5.2	-1.1	4.2	4.2	1.5	0.7	1.1
PFM - Workmen's Compensation Fund	11,990,608	0.4	4.5	5.1	-3.0	-0.5	2.8	3.5	1.6	0.7	1.0
ICE BofA U.S. Agencies, 1-3yr			4.3	4.7	-3.7	-0.4	2.7	3.5	1.8	0.7	1.0
PFM - Health & Dental Fund	5,886,131	0.2	4.6	5.0	-3.1	-0.5	2.8	3.5	1.7	0.7	1.0
ICE BofA U.S. Agencies, 1-3yr			4.3	4.7	-3.7	-0.4	2.7	3.5	1.8	0.7	1.0

# TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)									
	Market Value (\$)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016	
Opportunistic Composite	514,458,580	18.0	3.1	5.7	-8.5	-1.4	6.3	5.9	1.3	2.0	1.6	
Blmbg. U.S. Intermediate Aggregate			2.5	5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0	
Galliard Opportunistic	158,882,001	5.6	3.3	5.7	-9.2	-1.1	6.6	5.9	1.3	2.2	1.6	
Blmbg. U.S. Intermediate Aggregate			2.5	5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0	
Merganser Opportunistic	159,017,496	5.6	3.1	5.6	-8.3	-1.4	5.9	5.8	1.4	1.7	1.6	
Blmbg. U.S. Intermediate Aggregate			2.5	5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0	
Fort Washington Active Fixed Income	196,559,083	6.9	3.0	5.8	-8.2							
Blmbg. U.S. Intermediate Aggregate			2.5	5.2	-9.5							
Global Equity Composite	767,827,617	26.8	13.0	11.2	-6.0	12.7	1.4	17.0				
MSCI AC World Minimum Volatility Index (Net)			11.4	7.7	-10.3	13.9	2.7	21.1				
Vanguard Global Minimum Volatility Equity	198,336,918	6.9	13.5	8.0	-4.5	12.0	-3.9	22.7				
MSCI AC World Minimum Volatility Index (Net)			11.4	7.7	-10.3	13.9	2.7	21.1				
Parametric Global Defensive Equity	332,396,361	11.6	12.7	14.6	-7.5	13.1	2.6	14.1				
50% MSCI ACWI / 50% 90 Day T-Bill			11.3	13.6	-8.5	9.0	9.1	14.1				
SSgA MSCI ACWI Index Fund	237,094,338	8.3										
MSCI AC World Index												
Cash Composite	284,685,257	10.0	5.3	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5	
PNC Treasury Management	284,680,927	10.0	5.3	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5	
90 Day U.S. Treasury Bill			5.3	5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3	
U.S. Bank Cash	4,330	0.0										
90 Day U.S. Treasury Bill			5.3	5.0	1.5	0.0	0.7	2.3				


\* 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.



# CASH FLOW SUMMARY BY MANAGER

	1 Month Ending June 30, 2025					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/Loss	Ending Market Value
Lord Abbett Short Duration	\$132,747,467	-	-	-	\$1,090,411	\$133,837,878
Loop Capital Asset Management	\$131,032,546	-	-	-	\$1,157,786	\$132,190,332
Galliard Intermediate Government	\$247,012,962	-	-	-	\$2,792,195	\$249,805,157
Merganser Intermediate Bond	\$239,607,217	-	-	-	\$2,594,997	\$242,202,214
Fort Washington Intermediate Bond	\$204,931,727	-	-	-	\$2,390,285	\$207,322,012
Lord Abbett Intermediate Bond	\$236,101,505	-	-	-	\$2,588,854	\$238,690,358
PFM - Self Insurance Fund	\$49,364,433	-	-	-	\$392,284	\$49,756,717
PFM - Disability Fund	\$21,852,544	-	-	-	\$173,666	\$22,026,210
PFM - Workmen's Compensation Fund	\$11,923,680	-	-	-	\$66,927	\$11,990,608
PFM - Health & Dental Fund	\$5,853,241	-	-	-	\$32,890	\$5,886,131
Galliard Opportunistic	\$156,925,287	-	-	-	\$1,956,714	\$158,882,001
Merganser Opportunistic	\$157,116,003	-	-	-	\$1,901,493	\$159,017,496
Fort Washington Active Fixed Income	\$193,968,984	-	-	-	\$2,590,099	\$196,559,083
Vanguard Global Minimum Volatility Equity	\$197,208,655	-	-	-	\$1,128,264	\$198,336,918
Parametric Global Defensive Equity	\$323,384,417	-	-	-	\$9,011,944	\$332,396,361
SSgA MSCI ACWI Index Fund	\$99,907,778	\$128,000,000	-	\$128,000,000	\$9,186,560	\$237,094,338
PNC Treasury Management	\$283,693,654	-	-\$22,006	-\$22,006	\$1,009,279	\$284,680,927
U.S. Bank Cash	\$4,315	-	-	-	\$15	\$4,330
<b>Total</b>	<b>\$2,692,636,416</b>	<b>\$128,000,000</b>	<b>-\$22,006</b>	<b>\$127,977,994</b>	<b>\$40,064,662</b>	<b>\$2,860,679,072</b>



# **SOUTH BROWARD HOSPITAL DISTRICT – RETIREMENT PLAN**

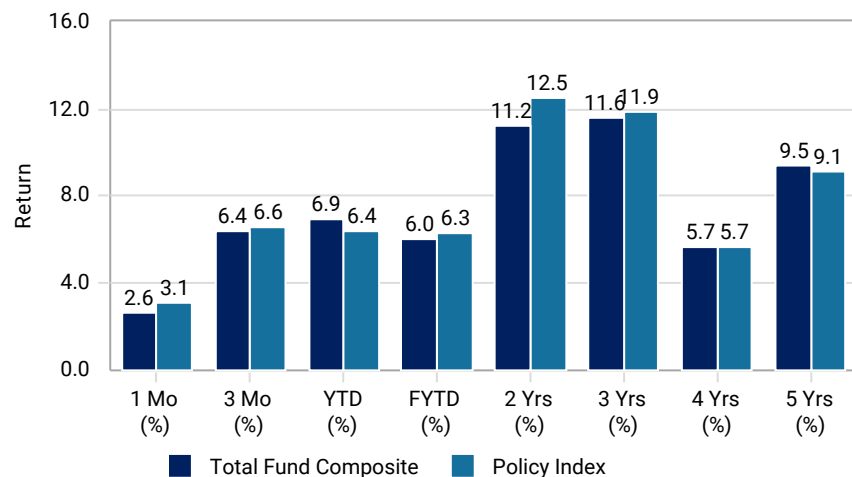
June 30, 2025



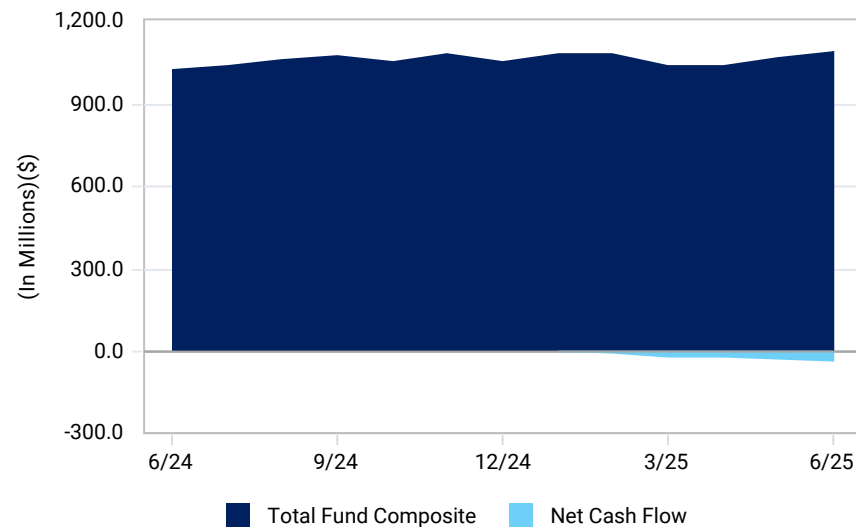
PROPRIETARY & CONFIDENTIAL

# EXECUTIVE SUMMARY

Return Summary  
Ending June 30, 2025

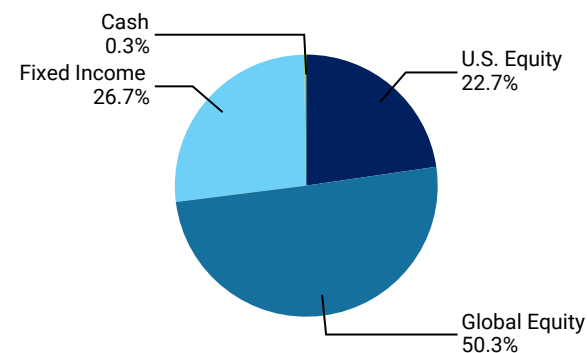


Market Value History  
1 Year Ending June 30, 2025



	Current (\$)	Current (%)	Policy (%)	Differences (%)
U.S. Equity	248,796,522	22.7	20.0	2.7
Global Equity	551,537,118	50.3	45.0	5.3
Fixed Income	292,826,856	26.7	35.0	-8.3
Cash	3,044,276	0.3	0.0	0.3
<b>Total</b>	<b>1,096,204,771</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>

Current Allocation

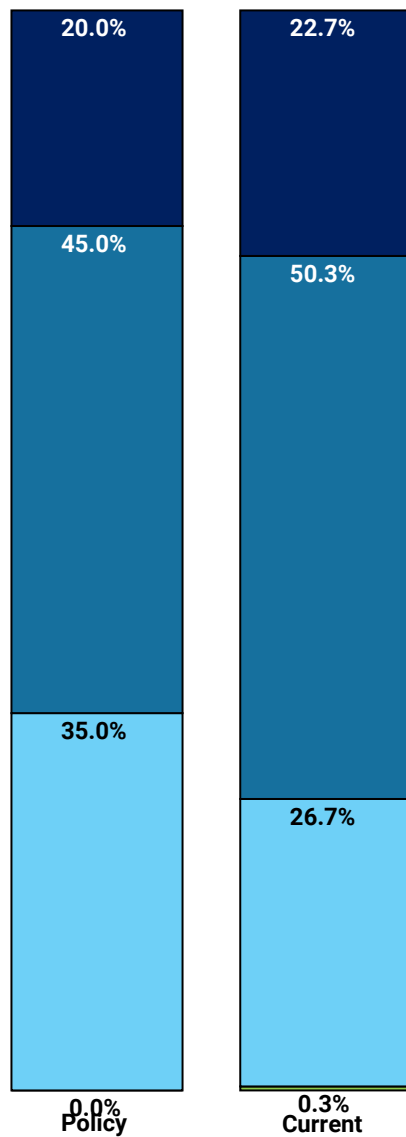


Summary of Cash Flows

	1 Month	FYTD	5 Years
Beginning Market Value	1,074,767,164	1,043,241,102	722,419,743
Net Cash Flow	-6,528,444	-9,353,882	-42,455,462
Net Investment Change	27,966,051	62,317,552	416,240,490
<b>Ending Market Value</b>	<b>1,096,204,771</b>	<b>1,096,204,771</b>	<b>1,096,204,771</b>

# ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target



	Current Balance (\$)	Policy (%)	Current Allocation (%)	Differences (%)	Policy Range (%)	Within Range
<b>U.S. Equity</b>	<b>248,796,522</b>	<b>20.0</b>	<b>22.7</b>	<b>2.7</b>	<b>15.0 - 25.0</b>	<b>Yes</b>
Vanguard Total Stock Market Fund	130,033,715		11.9			
Parametric Defensive Equity	118,762,807		10.8			
<b>Global Equity</b>	<b>551,537,118</b>	<b>45.0</b>	<b>50.3</b>	<b>5.3</b>	<b>40.0 - 50.0</b>	<b>No</b>
Dodge & Cox	231,394,980		21.1			
Walter Scott & Partners	259,807,062		23.7			
Vanguard Global Minimum Volatility	60,335,076		5.5			
<b>Fixed Income</b>	<b>292,826,856</b>	<b>35.0</b>	<b>26.7</b>	<b>-8.3</b>	<b>30.0 - 40.0</b>	<b>No</b>
C.S. McKee Aggregate Fixed Income	191,704,704		17.5			
Chartwell High Yield	43,474,458		4.0			
Aristotle Floating Rate Income	57,644,307		5.3			
Wellington LCP Legacy Portfolio	3,387		0.0			
<b>Cash</b>	<b>3,044,276</b>	<b>0.0</b>	<b>0.3</b>	<b>0.3</b>	<b>0.0 - 0.0</b>	<b>No</b>
Money Market	1,264,611		0.1			
Vanguard Treasury Money Market	1,779,665		0.2			
<b>Total</b>	<b>1,096,204,771</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		

\*Difference between Policy and Current Allocation

# TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
<b>Total Fund Composite</b>	<b>1,096,204,771</b>	<b>100.0</b>	<b>2.6</b>	<b>6.4</b>	<b>6.9</b>	<b>6.0</b>	<b>11.2</b>	<b>11.6</b>	<b>5.7</b>	<b>9.5</b>
Policy Index			3.1	6.6	6.4	6.3	12.5	11.9	5.7	9.1
<b>Fixed Income Composite</b>	<b>292,826,856</b>	<b>26.7</b>	<b>1.2</b>	<b>1.5</b>	<b>3.6</b>	<b>1.1</b>	<b>5.8</b>	<b>4.7</b>	<b>1.2</b>	<b>1.4</b>
Custom Index			1.4	1.6	3.9	1.2	5.6	4.3	0.9	1.3
C.S. McKee Aggregate Fixed Income	191,704,704	17.5	1.5	1.2	4.0	0.8	4.6	2.9	-0.6	-0.5
Blmbg. U.S. Aggregate Index			1.5	1.2	4.0	0.8	4.3	2.5	-0.8	-0.7
Chartwell High Yield	43,474,458	4.0	0.0	1.5	3.0	1.0	7.2	7.0	3.6	4.3
ICE BofA U.S. High Yield Cash Pay BB 1-3 Year			1.0	2.5	3.9	2.2	8.0	7.7	4.2	5.2
Aristotle Floating Rate Income	57,644,307	5.3	1.0	2.4	2.8	2.4	9.0	9.8	6.4	6.9
S&P UBS Leveraged Loan Index			0.8	2.3	3.0	2.4	9.3	9.5	6.3	7.4
Wellington LCP Legacy Portfolio	3,387	0.0								
<b>U.S. Equity Composite</b>	<b>248,796,522</b>	<b>22.7</b>	<b>4.2</b>	<b>8.3</b>	<b>4.8</b>	<b>9.0</b>	<b>15.7</b>	<b>16.2</b>	<b>9.1</b>	<b>13.9</b>
CRSP U.S. Total Market TR Index			5.1	11.0	5.6	11.7	19.1	19.0	9.7	15.9
Vanguard Total Stock Market Fund	130,033,715	11.9	5.2	10.9	5.6	11.7	19.1	19.0	9.7	15.9
CRSP U.S. Total Market TR Index			5.1	11.0	5.6	11.7	19.1	19.0	9.7	15.9
Parametric Defensive Equity	118,762,807	10.8	3.1	5.6	4.0	6.2	12.4	13.5	8.6	11.5
50% S&P 500/50% 90 Day T-Bill			2.7	5.9	4.2	6.1	12.4	12.2	7.7	9.9
<b>Global Equity Composite</b>	<b>551,537,118</b>	<b>50.3</b>	<b>2.7</b>	<b>8.3</b>	<b>9.8</b>	<b>7.5</b>	<b>12.5</b>	<b>14.0</b>	<b>7.0</b>	<b>12.9</b>
MSCI AC World Index (Net)			4.5	11.5	10.0	10.5	17.8	17.3	8.0	13.7
Dodge & Cox	231,394,980	21.1	3.8	8.1	14.7	8.8	14.3	14.0	8.1	16.1
MSCI AC World Index Value (Net)			3.8	5.8	10.9	7.1	14.8	13.1	7.4	13.0
Walter Scott & Partners	259,807,062	23.7	2.3	10.0	6.2	7.5	10.8	14.7	6.0	11.1
MSCI World Growth (Net)			4.9	17.7	8.6	14.0	21.4	23.0	9.6	15.1
Vanguard Global Minimum Volatility	60,335,076	5.5	0.6	2.3	8.5	2.5	13.2	11.3	7.3	9.2
MSCI AC World Minimum Volatility Index (Net)			0.9	3.0	9.3	2.2	12.4	10.2	5.8	8.4
<b>Cash Composite</b>	<b>3,044,276</b>	<b>0.3</b>	<b>0.3</b>	<b>1.0</b>	<b>2.1</b>	<b>0.7</b>	<b>5.0</b>	<b>4.0</b>	<b>3.0</b>	<b>2.4</b>
90 Day U.S. Treasury Bill			0.3	1.0	2.1	0.7	5.0	4.6	3.4	2.8


- All data is preliminary. Chartwell May value is rolled, June 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
<b>Total Fund Composite</b>	<b>1,096,204,771</b>	<b>100.0</b>	<b>9.5</b>	<b>16.3</b>	<b>-11.9</b>	<b>13.4</b>	<b>11.0</b>
Policy Index			12.7	15.7	-13.9	12.6	11.7
<b>Fixed Income Composite</b>	<b>292,826,856</b>	<b>26.7</b>	<b>3.8</b>	<b>7.6</b>	<b>-9.5</b>	<b>-0.2</b>	<b>6.3</b>
Custom Index			3.1	7.1	-10.0	0.1	6.7
C.S. McKee Aggregate Fixed Income	191,704,704	17.5	1.9	5.9	-12.9	-1.8	7.6
Blmbg. U.S. Aggregate Index			1.3	5.5	-13.0	-1.5	7.5
Chartwell High Yield	43,474,458	4.0	6.2	8.1	-3.0	2.3	4.2
ICE BofA U.S. High Yield Cash Pay BB 1-3 Year			6.7	8.9	-3.1	3.2	5.4
Aristotle Floating Rate Income	57,644,307	5.3	8.4	13.9	-0.8	4.6	1.6
S&P UBS Leveraged Loan Index			9.1	13.0	-1.1	5.4	2.8
Wellington LCP Legacy Portfolio	3,387	0.0					
<b>U.S. Equity Composite</b>	<b>248,796,522</b>	<b>22.7</b>	<b>19.8</b>	<b>21.2</b>	<b>-13.8</b>	<b>21.8</b>	<b>13.6</b>
CRSP U.S. Total Market TR Index			23.8	26.0	-19.5	25.7	21.0
Vanguard Total Stock Market Fund	130,033,715	11.9	23.8	26.0	-19.5	25.7	21.0
CRSP U.S. Total Market TR Index			23.8	26.0	-19.5	25.7	21.0
Parametric Defensive Equity	118,762,807	10.8	16.0	16.9	-7.7	17.2	5.0
50% S&P 500/50% 90 Day T-Bill			14.9	15.5	-8.2	13.7	10.1
<b>Global Equity Composite</b>	<b>551,537,118</b>	<b>50.3</b>	<b>8.4</b>	<b>20.2</b>	<b>-12.8</b>	<b>19.0</b>	<b>12.4</b>
MSCI AC World Index (Net)			17.5	22.2	-18.4	18.5	16.3
Dodge & Cox	231,394,980	21.1	5.1	20.3	-5.8	20.8	6.0
MSCI AC World Index Value (Net)			10.8	11.8	-7.5	19.6	-0.3
Walter Scott & Partners	259,807,062	23.7	10.1	23.1	-19.6	18.7	18.9
MSCI World Growth (Net)			25.9	37.0	-29.2	21.2	33.8
Vanguard Global Minimum Volatility	60,335,076	5.5	13.5	8.0	-4.5	12.0	-3.9
MSCI AC World Minimum Volatility Index (Net)			11.4	7.7	-10.3	13.9	2.7
<b>Cash Composite</b>	<b>3,044,276</b>	<b>0.3</b>	<b>5.1</b>	<b>4.2</b>	<b>0.7</b>	<b>0.0</b>	<b>0.4</b>
90 Day U.S. Treasury Bill			5.3	5.0	1.5	0.0	0.7

- All data is preliminary. Chartwell May value is rolled, June 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.





# MEMORIAL HEALTHCARE SYSTEM DEFINED CONTRIBUTION PLANS

June 30, 2025



PROPRIETARY & CONFIDENTIAL

# ASSET ALLOCATION VS. POLICY

## Current Allocation



Current

	Current (\$)	Current (%)
JPMorgan Target Date Funds	1,151,632,594	62.3
Transamerica Stable Value	1,323,410	0.1
Transamerica Guaranteed Investment Option	150,149,868	8.1
Dodge & Cox Income X (DOXIX)	34,711,629	1.9
Fidelity US Bond Index (FXNAX)	8,145,421	0.4
Fidelity Inflation Protected Bond Index (FIPDX)	21,939,459	1.2
American Beacon Large Cap Value Fund (AALRX)	31,662,834	1.7
Fidelity Spartan 500 Index (FXAIX)	144,298,566	7.8
Fidelity Large Cap Growth Index (FSPGX)	115,607,045	6.2
Fidelity Extended Market Index (FSMAX)	47,161,386	2.5
Dimensional US Targeted Value Strategy (DFFVX)	19,615,890	1.1
T. Rowe Price New Horizons (PRJIX)	33,749,123	1.8
Vanguard International-Growth (VWILX)	40,950,658	2.2
Fidelity Global ex US Index (FSGGX)	22,245,041	1.2
Charles Schwab Personal Choice	26,627,830	1.4
<b>Total Fund Composite</b>	<b>1,849,820,755</b>	<b>100.0</b>

# MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
<b>Total Fund Composite</b>	<b>1,522,470,507</b>	<b>100.0</b>
<b>JP Morgan Target Date Funds</b>	<b>934,035,635</b>	<b>61.3</b>
JPMorgan SmartRetirement Blend Income (JIYBX)	98,372,031	6.5
JPMorgan SmartRetirement Blend 2025 (JBYSX)	134,047,997	8.8
JPMorgan SmartRetirement Blend 2030 (JRBYX)	159,301,955	10.5
JPMorgan SmartRetirement Blend 2035 (JPYRX)	144,711,563	9.5
JPMorgan SmartRetirement Blend 2040 (JOBYX)	115,916,984	7.6
JPMorgan SmartRetirement Blend 2045 (JMYAX)	101,147,899	6.6
JPMorgan SmartRetirement Blend 2050 (JNYAX)	92,919,761	6.1
JPMorgan SmartRetirement Blend 2055 (JTYBX)	51,365,973	3.4
JPMorgan SmartRetirement Blend 2060 (JAAYX)	30,114,964	2.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)	6,136,507	0.4
<b>Core Funds</b>	<b>566,952,564</b>	<b>37.2</b>
Transamerica Stable Value	1,069,731	0.1
Transamerica Guaranteed Investment Option	138,017,944	9.1
Dodge & Cox Income X (DOXIX)	28,916,695	1.9
Fidelity US Bond Index (FXNAX)	7,155,336	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	17,574,414	1.2
American Beacon Large Cap Value Fund (AALRX)	27,461,583	1.8
Fidelity Spartan 500 Index (FXAIX)	117,010,066	7.7
Fidelity Large Cap Growth Index (FSPGX)	92,038,674	6.0
Fidelity Extended Market Index (FSMAX)	39,384,436	2.6
Dimensional US Targeted Value Strategy (DFFVX)	16,587,848	1.1
T. Rowe Price New Horizons (PRJIX)	28,166,205	1.9
Vanguard International-Growth (VWILX)	34,366,409	2.3
Fidelity Global ex US Index (FSGGX)	19,203,221	1.3
<b>Brokerage</b>	<b>21,482,308</b>	<b>1.4</b>
Charles Schwab Personal Choice	21,482,308	1.4

# MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
<b>Total Fund Composite</b>	<b>139,494,589</b>	<b>100.0</b>
<b>JPMorgan Target Date Funds</b>	<b>116,820,355</b>	<b>83.7</b>
JPMorgan SmartRetirement Blend Income (JIYBX)	3,790,159	2.7
JPMorgan SmartRetirement Blend 2025 (JBYSX)	7,659,586	5.5
JPMorgan SmartRetirement Blend 2030 (JRBYX)	10,606,360	7.6
JPMorgan SmartRetirement Blend 2035 (JPYRX)	14,632,527	10.5
JPMorgan SmartRetirement Blend 2040 (JOBYX)	15,254,752	10.9
JPMorgan SmartRetirement Blend 2045 (JMYAX)	18,502,571	13.3
JPMorgan SmartRetirement Blend 2050 (JNYAX)	20,231,176	14.5
JPMorgan SmartRetirement Blend 2055 (JTYBX)	15,405,981	11.0
JPMorgan SmartRetirement Blend 2060 (JAAYX)	8,762,424	6.3
JPMorgan SmartRetirement Blend 2065 (JSBYX)	1,974,820	1.4
<b>Core Funds</b>	<b>22,346,641</b>	<b>16.0</b>
Transamerica Stable Value	251,346	0.2
Transamerica Guaranteed Investment Option	1,677,132	1.2
Dodge & Cox Income X (DOXIX)	576,650	0.4
Fidelity US Bond Index (FXNAX)	661,973	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	805,694	0.6
American Beacon Large Cap Value Fund (AALRX)	1,528,256	1.1
Fidelity Spartan 500 Index (FXAIX)	5,486,033	3.9
Fidelity Large Cap Growth Index (FSPGX)	4,837,474	3.5
Fidelity Extended Market Index (FSMAX)	1,415,041	1.0
Dimensional US Targeted Value Strategy (DFFVX)	973,880	0.7
T. Rowe Price New Horizons (PRJIX)	899,969	0.6
Vanguard International-Growth (VWILX)	1,175,870	0.8
Fidelity Global ex US Index (FSGGX)	2,057,324	1.5
<b>Brokerage</b>	<b>327,592</b>	<b>0.2</b>
Charles Schwab Personal Choice	327,592	0.2

# MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
<b>Total Fund Composite</b>	<b>165,437,390</b>	<b>100.0</b>
<b>JPMorgan Target Date Funds</b>	<b>81,686,515</b>	<b>49.4</b>
JPMorgan SmartRetirement Blend Income (JIYBX)	8,829,248	5.3
JPMorgan SmartRetirement Blend 2025 (JBYSX)	12,994,796	7.9
JPMorgan SmartRetirement Blend 2030 (JRBYX)	14,396,157	8.7
JPMorgan SmartRetirement Blend 2035 (JPYRX)	12,028,238	7.3
JPMorgan SmartRetirement Blend 2040 (JOBYX)	10,781,474	6.5
JPMorgan SmartRetirement Blend 2045 (JMYAX)	10,249,004	6.2
JPMorgan SmartRetirement Blend 2050 (JNYAX)	8,305,933	5.0
JPMorgan SmartRetirement Blend 2055 (JTYBX)	2,692,862	1.6
JPMorgan SmartRetirement Blend 2060 (JAAYX)	1,166,696	0.7
JPMorgan SmartRetirement Blend 2065 (JSBYX)	242,107	0.1
<b>Core Funds</b>	<b>78,932,946</b>	<b>47.7</b>
Transamerica Stable Value	385	0.0
Transamerica Guaranteed Investment Option	10,348,415	6.3
Dodge & Cox Income X (DOXIX) - 457(b) Retirement Plan	5,217,225	3.2
Fidelity US Bond Index (FXNAX) - 457(b) Plan	310,452	0.2
Fidelity Inflation Protected Bond Index (FIPDX)	2,517,634	1.5
American Beacon Large Cap Value Fund (AALRX)	2,446,865	1.5
Fidelity Spartan 500 Index (FXAIX)	21,677,070	13.1
Fidelity Large Cap Growth Index (FSPGX)	17,595,984	10.6
Fidelity Extended Market Index (FSMAX)	6,226,769	3.8
Dimensional US Targeted Value Strategy (DFFVX)	2,054,163	1.2
T. Rowe Price New Horizons (PRJIX)	4,465,297	2.7
Vanguard International-Growth (VWILX)	5,317,725	3.2
Fidelity Global ex US Index (FSGGX)	754,964	0.5
<b>Brokerage</b>	<b>4,817,929</b>	<b>2.9</b>
Charles Schwab Personal Choice	4,817,929	2.9

# MULTI PERIOD ASSET ALLOCATION

	Total Fund	
	\$	%
<b>Total Fund Composite</b>	<b>22,418,269</b>	<b>100.0</b>
<b>JPMorgan Target Date Funds</b>	<b>19,090,088</b>	<b>85.2</b>
JPMorgan SmartRetirement Blend Income (JIYBX)	1,434,195	6.4
JPMorgan SmartRetirement Blend 2025 (JBYSX)	2,356,249	10.5
JPMorgan SmartRetirement Blend 2030 (JRBYX)	9,011,313	40.2
JPMorgan SmartRetirement Blend 2035 (JPYRX)	4,689,368	20.9
JPMorgan SmartRetirement Blend 2040 (JOBYX)	1,270,505	5.7
JPMorgan SmartRetirement Blend 2045 (JMYAX)	294,050	1.3
JPMorgan SmartRetirement Blend 2050 (JNYAX)	34,409	0.2
JPMorgan SmartRetirement Blend 2055 (JTYBX)		0.0
JPMorgan SmartRetirement Blend 2060 (JAAYX)		0.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)		0.0
<b>Core Funds</b>	<b>3,328,181</b>	<b>14.8</b>
Transamerica Stable Value	1,949	0.0
Transamerica Guaranteed Investment Option	106,378	0.5
Dodge & Cox Income X (DOXIX)	1,059	0.0
Fidelity US Bond Index (FXNAX)	17,660	0.1
Fidelity Inflation Protected Bond Index (FIPDX)	1,041,718	4.6
American Beacon Large Cap Value Fund (AALRX)	226,130	1.0
Fidelity Spartan 500 Index (FXAIX)	125,397	0.6
Fidelity Large Cap Growth Index (FSPGX)	1,134,913	5.1
Fidelity Extended Market Index (FSMAX)	135,140	0.6
Dimensional US Targeted Value Strategy (DFFVX)		0.0
T. Rowe Price New Horizons (PRJIX)	217,652	1.0
Vanguard International-Growth (VWILX)	90,654	0.4
Fidelity Global ex US Index (FSGGX)	229,532	1.0
<b>Brokerage</b>		<b>0.0</b>
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 (%)
<b>Total Fund Composite</b>	<b>1,849,820,755</b>	<b>100.0</b>								
<b>JPMorgan Target Date Funds</b>	<b>1,151,632,594</b>	<b>62.3</b>								
JPMorgan SmartRetirement Blend Income (JIYBX)	112,425,634	6.1	2.7	5.1	6.4	10.5	8.9	5.6	5.3	5.1
S&P Target Date Retirement Income Index			2.2	4.3	6.0	9.1	7.7	4.6	4.9	4.7
JPMorgan SmartRetirement Blend 2025 (JBYSX)	157,058,628	8.5	2.8	5.4	6.6	10.7	9.8	6.9	6.2	6.3
S&P Target Date 2025 Index			2.7	5.8	6.8	10.5	9.9	7.4	6.6	6.6
JPMorgan SmartRetirement Blend 2030 (JRBYX)	193,315,785	10.5	3.3	6.7	7.4	11.9	11.4	8.4	7.2	7.2
S&P Target Date 2030 Index			2.9	6.6	7.2	11.4	11.3	8.7	7.4	7.4
JPMorgan SmartRetirement Blend 2035 (JPYRX)	176,061,696	9.5	3.6	7.8	8.1	12.9	12.9	10.0	8.1	8.0
S&P Target Date 2035 Index			3.3	7.7	7.9	12.4	12.8	10.2	8.3	8.2
JPMorgan SmartRetirement Blend 2040 (JOBYX)	143,223,715	7.7	3.9	8.7	8.6	13.6	14.1	11.1	8.8	8.6
S&P Target Date 2040 Index			3.6	8.6	8.3	13.3	14.1	11.3	9.0	8.8
JPMorgan SmartRetirement Blend 2045 (JMYAX)	130,193,524	7.0	4.1	9.3	8.9	14.2	15.0	12.1	9.4	9.0
S&P Target Date 2045 Index			3.7	9.4	8.9	14.0	15.0	12.1	9.5	9.2
JPMorgan SmartRetirement Blend 2050 (JNYAX)	121,491,278	6.6	4.2	9.7	9.2	14.6	15.3	12.3	9.5	9.2
S&P Target Date 2050 Index			3.9	9.5	8.7	14.1	15.4	12.4	9.6	9.4
JPMorgan SmartRetirement Blend 2055 (JTYBX)	69,464,815	3.8	4.2	9.7	9.1	14.5	15.3	12.3	9.5	9.2
S&P Target Date 2055 Index			3.9	9.8	9.0	14.4	15.5	12.6	9.7	9.5
JPMorgan SmartRetirement Blend 2060 (JAAYX)	40,044,084	2.2	4.2	9.8	9.2	14.6	15.4			
S&P Target Date 2060 Index			4.0	9.8	8.9	14.4	15.5			
JPMorgan SmartRetirement Blend 2065 (JSBYX)	8,353,434	0.5	4.2	9.5	9.0	14.1				
S&P Target Date 2065+ Index			4.0	10.0	9.0	14.6				



# PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
<b>Core Funds</b>	<b>649,315,291</b>	<b>35.1</b>								
Transamerica Stable Value	1,323,410	0.1	0.2	0.6	1.3	2.6	2.5	1.9	1.8	1.6
90 Day U.S. Treasury Bill			0.3	1.0	2.1	4.7	4.6	2.8	2.5	2.0
Transamerica Guaranteed Investment Option	150,149,868	8.1	0.2	0.6	1.3	2.6	2.5	2.4	2.1	1.8
90 Day U.S. Treasury Bill			0.3	1.0	2.1	4.7	4.6	2.8	2.5	2.0
Dodge & Cox Income X (DOXIX)	34,711,629	1.9	1.8	1.4	4.4	6.6	4.4	1.1	3.0	2.9
Blmbg. U.S. Aggregate Index			1.5	1.2	4.0	6.1	2.5	-0.7	1.8	1.8
Fidelity US Bond Index (FXNAX)	8,145,421	0.4	1.6	1.2	4.0	6.0	2.5	-0.8	1.8	1.7
Blmbg. U.S. Aggregate Index			1.5	1.2	4.0	6.1	2.5	-0.7	1.8	1.8
Fidelity Inflation Protected Bond Index (FIPDX)	21,939,459	1.2	1.0	0.6	4.7	5.8	2.4	1.5	2.9	2.6
Blmbg. U.S. TIPS			1.0	0.5	4.7	5.8	2.3	1.6	3.0	2.7
American Beacon Large Cap Value Fund (AALRX)	31,662,834	1.7	3.8	4.0	5.5	12.3	14.3	16.0	10.3	9.5
Russell 1000 Value Index			3.4	3.8	6.0	13.7	12.8	13.9	9.6	9.2
Fidelity Spartan 500 Index (FXAIX)	144,298,566	7.8	5.1	10.9	6.2	15.1	19.7	16.6	14.4	13.6
S&P 500 Index			5.1	10.9	6.2	15.2	19.7	16.6	14.4	13.6
Fidelity Large Cap Growth Index (FSPGX)	115,607,045	6.2	6.4	17.8	6.1	17.2	25.7	18.1	17.9	
Russell 1000 Growth Index			6.4	17.8	6.1	17.2	25.8	18.1	17.9	
Fidelity Extended Market Index (FSMAX)	47,161,386	2.5	5.4	12.2	2.1	15.7	15.3	11.6	8.7	9.2
Dow Jones U.S. Completion Total Stock Market Indx			5.4	12.2	2.1	15.6	15.1	11.5	8.5	9.0
Dimensional US Targeted Value Strategy (DFFVX)	19,615,890	1.1	4.5	5.4	-2.0	6.6	11.9	18.5	8.2	8.5
Russell 2000 Value Index			4.9	5.0	-3.2	5.5	7.5	12.5	4.8	6.7
T. Rowe Price New Horizons (PRJIX)	33,749,123	1.8	3.5	6.4	-5.4	1.3	6.6	1.6	7.2	10.0
Russell 2000 Growth Index			5.9	12.0	-0.5	9.7	12.4	7.4	5.7	7.1
Vanguard International-Growth (VWILX)	40,950,658	2.2	4.1	14.5	16.1	17.9	13.9	7.3	8.5	9.6
MSCI AC World ex USA (Net)			3.4	12.0	17.9	17.7	14.0	10.1	6.6	6.1
Fidelity Global ex US Index (FSGGX)	22,245,041	1.2	3.8	12.0	18.9	18.4	14.1	10.2	6.7	6.2
MSCI AC World ex USA (Net)			3.4	12.0	17.9	17.7	14.0	10.1	6.6	6.1
<b>Brokerage</b>	<b>26,627,830</b>	<b>1.4</b>								
Charles Schwab Personal Choice	26,627,830	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" the bottom percentile.

# TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total Fund Composite</b>	<b>1,849,820,755</b>										
<b>JPMorgan SmartRetirement Blend Income (JIYBX)</b>	<b>112,425,634</b>		<b>8.4</b>	<b>11.8</b>	<b>-13.7</b>	<b>6.3</b>	<b>9.6</b>	<b>14.1</b>	<b>-3.8</b>	<b>10.7</b>	<b>5.8</b>
<i>S&amp;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
<b>JPMorgan SmartRetirement Blend 2025 (JBYSX)</b>	<b>157,058,628</b>		<b>9.0</b>	<b>13.4</b>	<b>-15.2</b>	<b>9.1</b>	<b>11.3</b>	<b>18.3</b>	<b>-5.7</b>	<b>15.6</b>	<b>7.2</b>
<i>S&amp;P Target Date 2025 Index</i>			8.4	13.0	-13.1	10.7	11.2	18.4	-5.0	14.6	7.8
<b>JPMorgan SmartRetirement Blend 2030 (JRBYX)</b>	<b>193,315,785</b>		<b>10.5</b>	<b>15.3</b>	<b>-16.1</b>	<b>11.3</b>	<b>12.2</b>	<b>20.4</b>	<b>-6.6</b>	<b>17.4</b>	<b>7.9</b>
<i>S&amp;P Target Date 2030 Index</i>			9.9	14.8	-14.0	12.6	11.9	20.4	-6.0	16.2	8.3
<b>JPMorgan SmartRetirement Blend 2035 (JPYRX)</b>	<b>176,061,696</b>		<b>12.1</b>	<b>17.1</b>	<b>-16.7</b>	<b>14.1</b>	<b>12.6</b>	<b>22.3</b>	<b>-7.4</b>	<b>18.9</b>	<b>8.3</b>
<i>S&amp;P Target Date 2035 Index</i>			11.4	16.6	-15.0	14.9	12.8	22.2	-6.9	17.8	8.9
<b>JPMorgan SmartRetirement Blend 2040 (JOBYX)</b>	<b>143,223,715</b>		<b>13.3</b>	<b>18.4</b>	<b>-17.2</b>	<b>15.9</b>	<b>13.0</b>	<b>23.8</b>	<b>-8.0</b>	<b>20.3</b>	<b>8.8</b>
<i>S&amp;P Target Date 2040 Index</i>			12.9	18.2	-15.6	16.5	13.4	23.4	-7.4	18.9	9.2
<b>JPMorgan SmartRetirement Blend 2045 (JMYAX)</b>	<b>130,193,524</b>		<b>14.2</b>	<b>19.5</b>	<b>-17.6</b>	<b>17.7</b>	<b>13.1</b>	<b>24.6</b>	<b>-8.3</b>	<b>20.5</b>	<b>8.8</b>
<i>S&amp;P Target Date 2045 Index</i>			13.6	19.1	-15.8	17.5	13.7	24.0	-7.7	19.6	9.5
<b>JPMorgan SmartRetirement Blend 2050 (JNYAX)</b>	<b>121,491,278</b>		<b>14.7</b>	<b>19.8</b>	<b>-17.6</b>	<b>17.8</b>	<b>13.4</b>	<b>24.6</b>	<b>-8.3</b>	<b>20.5</b>	<b>8.8</b>
<i>S&amp;P Target Date 2050 Index</i>			14.3	19.6	-16.0	18.0	13.9	24.4	-7.9	20.2	9.7
<b>JPMorgan SmartRetirement Blend 2055 (JTYBX)</b>	<b>69,464,815</b>		<b>14.7</b>	<b>19.7</b>	<b>-17.6</b>	<b>17.8</b>	<b>13.2</b>	<b>24.7</b>	<b>-8.4</b>	<b>20.4</b>	<b>8.8</b>
<i>S&amp;P Target Date 2055 Index</i>			14.3	19.6	-16.0	18.2	13.9	24.5	-8.0	20.5	9.9
<b>JPMorgan SmartRetirement Blend 2060 (JAAYX)</b>	<b>40,044,084</b>		<b>14.7</b>	<b>19.7</b>	<b>-17.4</b>	<b>17.8</b>					
<i>S&amp;P Target Date 2060 Index</i>			14.4	19.7	-16.0	18.0					
<b>JPMorgan SmartRetirement Blend 2065 (JSBYX)</b>	<b>8,353,434</b>		<b>14.6</b>	<b>19.1</b>							
<i>S&amp;P Target Date 2065+ Index</i>			14.8	19.8							
<b>Transamerica Stable Value</b>	<b>1,323,410</b>		<b>2.6</b>	<b>2.5</b>	<b>1.6</b>	<b>1.0</b>	<b>1.2</b>	<b>1.8</b>	<b>1.3</b>	<b>1.0</b>	<b>1.0</b>
<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
<b>Transamerica Guaranteed Investment Option</b>	<b>150,149,868</b>		<b>2.6</b>	<b>2.5</b>	<b>2.2</b>	<b>2.3</b>	<b>1.6</b>	<b>1.8</b>	<b>1.3</b>	<b>1.0</b>	<b>1.0</b>
<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
<b>Dodge &amp; Cox Income X (DOXIX)</b>	<b>34,711,629</b>		<b>2.3</b>	<b>7.8</b>	<b>-10.8</b>	<b>-0.9</b>	<b>9.5</b>	<b>9.7</b>	<b>-0.3</b>	<b>4.4</b>	<b>5.6</b>
<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
<b>Fidelity US Bond Index (FXNAX)</b>	<b>8,145,421</b>		<b>1.3</b>	<b>5.5</b>	<b>-13.0</b>	<b>-1.8</b>	<b>7.8</b>	<b>8.5</b>	<b>0.0</b>	<b>3.5</b>	<b>2.5</b>
<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
<b>Fidelity Inflation Protected Bond Index (FIPDX)</b>	<b>21,939,459</b>		<b>2.0</b>	<b>3.8</b>	<b>-12.0</b>	<b>5.9</b>	<b>10.9</b>	<b>8.3</b>	<b>-1.4</b>	<b>3.0</b>	<b>4.9</b>
<i>Blmbg. U.S. TIPS</i>			1.8	3.9	-11.8	6.0	11.0	8.4	-1.3	3.0	4.7
<b>American Beacon Large Cap Value Fund (AALRX)</b>	<b>31,662,834</b>		<b>15.2</b>	<b>13.5</b>	<b>-5.2</b>	<b>28.0</b>	<b>3.4</b>	<b>29.7</b>	<b>-12.0</b>	<b>17.1</b>	<b>16.0</b>
<i>Russell 1000 Value Index</i>			14.4	11.5	-7.5	25.2	2.8	26.5	-8.3	13.7	17.3
<b>Fidelity Spartan 500 Index (FXAIX)</b>	<b>144,298,566</b>		<b>25.0</b>	<b>26.3</b>	<b>-18.1</b>	<b>28.7</b>	<b>18.4</b>	<b>31.5</b>	<b>-4.4</b>	<b>21.8</b>	<b>12.0</b>
<i>S&amp;P 500 Index</i>			25.0	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0
<b>Fidelity Large Cap Growth Index (FSPGX)</b>	<b>115,607,045</b>		<b>33.3</b>	<b>42.8</b>	<b>-29.2</b>	<b>27.6</b>	<b>38.4</b>	<b>36.4</b>	<b>-1.6</b>	<b>30.1</b>	
<i>Russell 1000 Growth Index</i>			33.4	42.7	-29.1	27.6	38.5	36.4	-1.5	30.2	
<b>Fidelity Extended Market Index (FSMAX)</b>	<b>47,161,386</b>		<b>17.0</b>	<b>25.4</b>	<b>-26.4</b>	<b>12.4</b>	<b>32.2</b>	<b>28.0</b>	<b>-9.4</b>	<b>18.2</b>	<b>16.1</b>
<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
<b>Dimensional US Targeted Value Strategy (DFFVX)</b>	<b>19,615,890</b>		<b>9.3</b>	<b>19.3</b>	<b>-4.6</b>	<b>38.8</b>	<b>3.8</b>	<b>21.5</b>	<b>-15.8</b>	<b>9.6</b>	<b>26.9</b>
<i>Russell 2000 Value Index</i>			8.1	14.6	-14.5	28.3	4.6	22.4	-12.9	7.8	31.7
<b>T. Rowe Price New Horizons (PRJIX)</b>	<b>33,749,123</b>		<b>4.0</b>	<b>21.5</b>	<b>-36.9</b>	<b>9.8</b>	<b>57.9</b>	<b>37.8</b>	<b>4.2</b>	<b>31.7</b>	<b>7.9</b>
<i>Russell 2000 Growth Index</i>			15.2	18.7	-26.4	2.8	34.6	28.5	-9.3	22.2	11.3
<b>Vanguard International-Growth (VWILX)</b>	<b>40,950,658</b>		<b>9.5</b>	<b>14.8</b>	<b>-30.8</b>	<b>-0.7</b>	<b>59.7</b>	<b>31.5</b>	<b>-12.6</b>	<b>43.2</b>	<b>1.8</b>
<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
<b>Fidelity Global ex US Index (FSGGX)</b>	<b>22,245,041</b>		<b>5.3</b>	<b>15.6</b>	<b>-15.7</b>	<b>7.8</b>	<b>10.7</b>	<b>21.3</b>	<b>-13.9</b>	<b>27.4</b>	<b>4.6</b>
<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
<b>Charles Schwab Personal Choice</b>	<b>26,627,830</b>										

- 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.



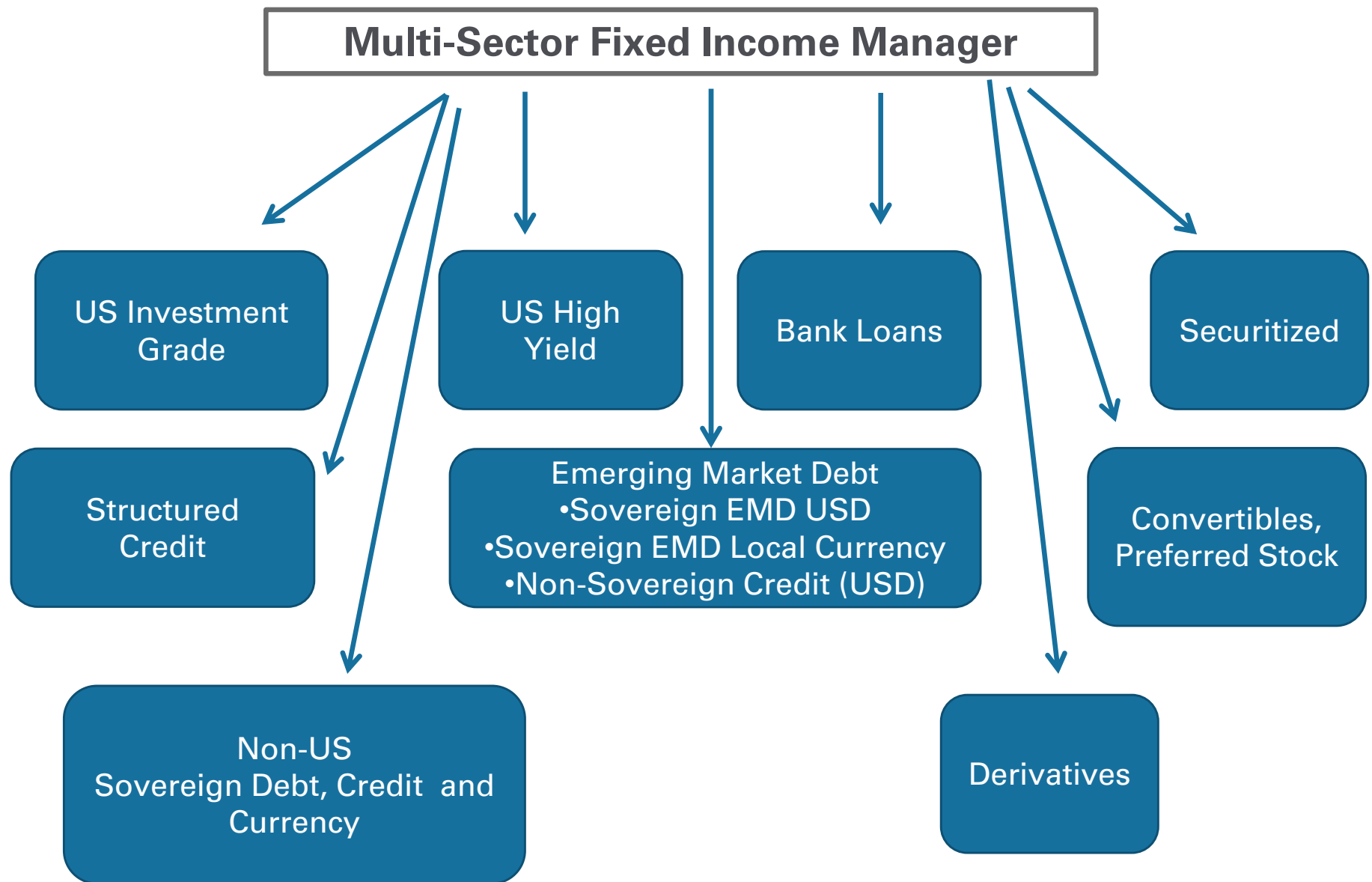
# APPENDIX

PROPRIETARY & CONFIDENTIAL

# WHAT IS MULTI-SECTOR FIXED INCOME?

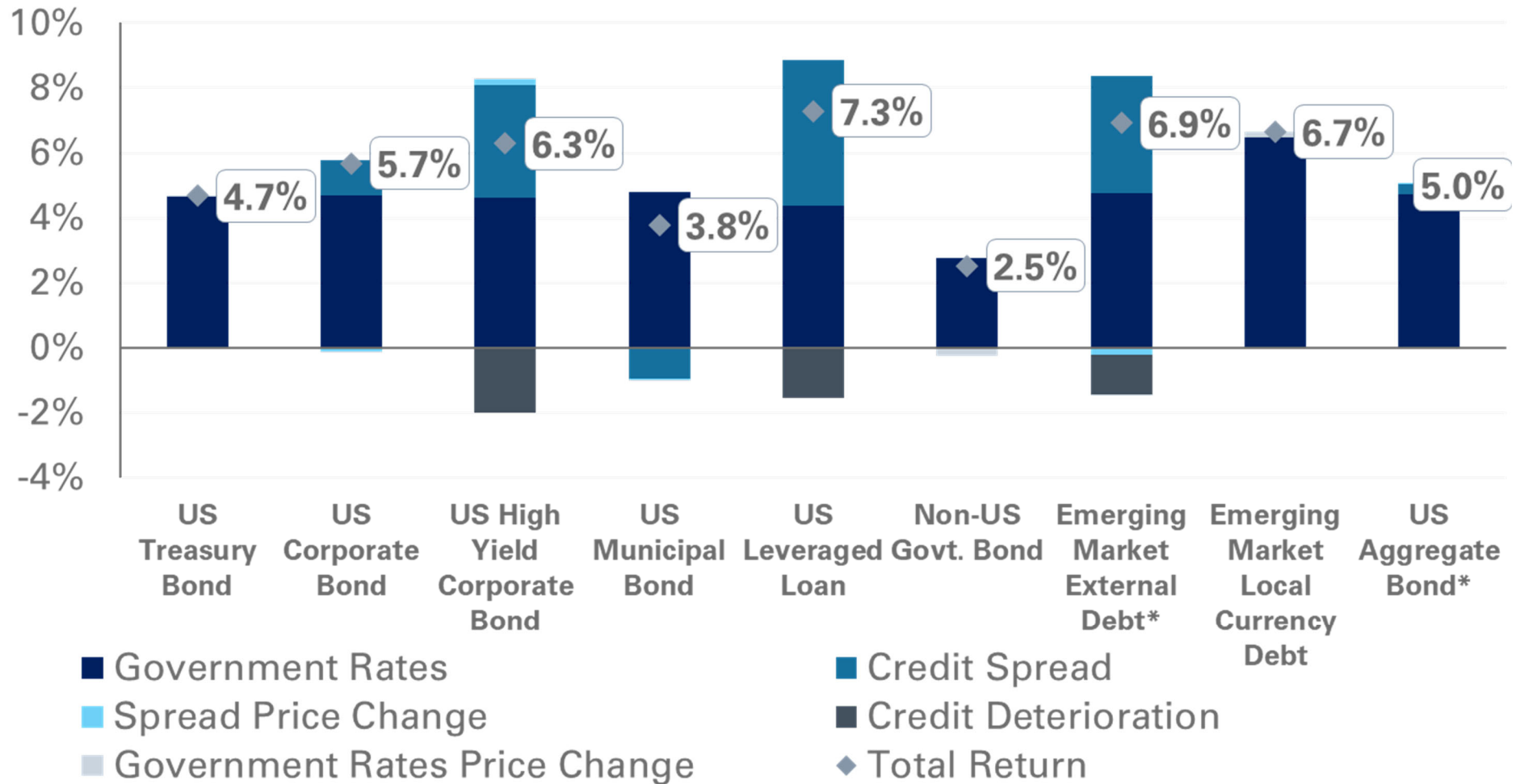
- **Multi-Sector Fixed Income (MSFI):**
  - Global opportunity set – rates, credit, securitized, currencies
  - Strategies range from benchmark-aware to benchmark-unconstrained
  - Primarily long-only with limited use of credit hedging
  - Generally have moderate duration range (i.e. 1-5 years or +/- index)
- **Gives investors greater access to “plus” sectors of the market**
  - Advantage for those investors without scale
  - Strategies will have high allocations to spread product
  - Over time, high yielding sectors such as high yield bonds, structured credit and EMD should outperform core fixed income to compensate for the higher levels of risk
- **Most managers have broad resources across global fixed income markets**
  - Expect higher levels of dispersion across managers based on differing approaches and allocations to fixed sectors
  - While managers will shift sector allocations, the common thread will be exposure to spread sensitive areas of the fixed income markets.

# MULTI-SECTOR OPPORTUNITY SET



# FIXED INCOME

## BUILDING BLOCKS: 10-YEAR EXPECTED RETURN



Note: NEPC's capital market assumptions reflect proprietary forecasts for expected returns, volatility, and correlations. Return expectations may differ from an investor's realized returns after accounting for fees, taxes, or other aspects that can influence actual returns. Return forecasts and methodology are reviewed on an ongoing basis and are subject to change over time.

Source: NEPC



# FIXED INCOME: ACTIVE VS PASSIVE

Strategy	Dispersion	Performance	Passive Options?	NEPC View
Definition	Wide range of strategy returns	Median strategy outperforms benchmark net of fees	Efficient passive options available	Active / Passive Recommendation
Short Duration				<b>Active</b>
TIPS				<b>Passive</b>
US Core				<b>Neutral</b>
US Core Plus				<b>Active</b>
Municipals				<b>Active</b>
Non-Traditional		NA		<b>Active</b>
Global Multi-Sector		NA		<b>Active</b>
Multi-Sector Credit		NA		<b>Active</b>
Bank Loans				<b>Active</b>
High Yield Corporate				<b>Active</b>
High Yield Municipal				<b>Active</b>
Emerging Markets Debt				<b>Active</b>
Structured Credit/CLO		NA		<b>Active</b>

 Yes

 Mixed

 No

# SECTOR ROTATION

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
IG Corporate Bonds 7.5%	Securitized 1.5%	HY Corporate Bonds 17.1%	EMD Local 15.2%	Securitized 1.0%	EMD Hard 15.0%	IG Corporate Bonds 9.9%	HY Corporate Bonds 5.3%	Leveraged Loans -0.6%	EMD Local 14.0%	Leveraged Loans 9.0%
EMD Hard 7.4%	EMD Hard 1.2%	Leveraged Loans 10.9%	EMD Hard 10.3%	Leveraged Loans -6%	IG Corporate Bonds 14.5%	HY Corporate Bonds 7.1%	Leveraged Loans 3.5%	HY Corporate Bonds -11.2%	HY Corporate Bonds 13.5%	HY Corporate Bonds 8.2%
Securitized 5.9%	IG Corporate Bonds -7%	EMD Hard 10.2%	HY Corporate Bonds 7.5%	HY Corporate Bonds -2.1%	HY Corporate Bonds 14.3%	EMD Hard 5.3%	IG Corporate Bonds -1.0%	Securitized -11.7%	Leveraged Loans 13.3%	EMD Hard 6.5%
HY Corporate Bonds 2.5%	Leveraged Loans -2.8%	EMD Local 9.9%	IG Corporate Bonds 6.4%	IG Corporate Bonds -2.5%	EMD Local 13.5%	Securitized 4.2%	Securitized -1.0%	EMD Local -11.7%	EMD Hard 11.1%	IG Corporate Bonds 2.1%
Leveraged Loans 1.0%	HY Corporate Bonds -4.5%	IG Corporate Bonds 6.1%	Leveraged Loans 3.3%	EMD Hard -4.3%	Leveraged Loans 10.7%	Leveraged Loans 2.8%	EMD Hard -1.8%	IG Corporate Bonds -15.8%	IG Corporate Bonds 8.5%	Securitized 1.5%
EMD Local -5.7%	EMD Local -14.9%	Securitized 1.8%	Securitized 2.5%	EMD Local -6.2%	Securitized 6.4%	EMD Local 2.7%	EMD Local -8.7%	EMD Hard -17.8%	Securitized 5.1%	EMD Local -3.0%

- **Fixed income sector returns vary widely from period to period, highlighting potential for active multisector managers to add value**

# UNDERSTANDING RISK IN FIXED INCOME

Strategy	Credit Risk	Spread Risk	Duration Risk	Liquidity Risk
Definition	Risk of default restructuring, etc.	Market risk of wider credit spreads	Exposure to changes in interest rates	Risk of inability to sell into an orderly market
Treasury				
TIPS				
US Aggregate				
Municipals				
Non-Traditional FI				
Multi-Sector Fixed				
Multi-Asset Credit				
Bank Loans				
HY Credit				
HY Municipals				
EMD				
Private Debt				

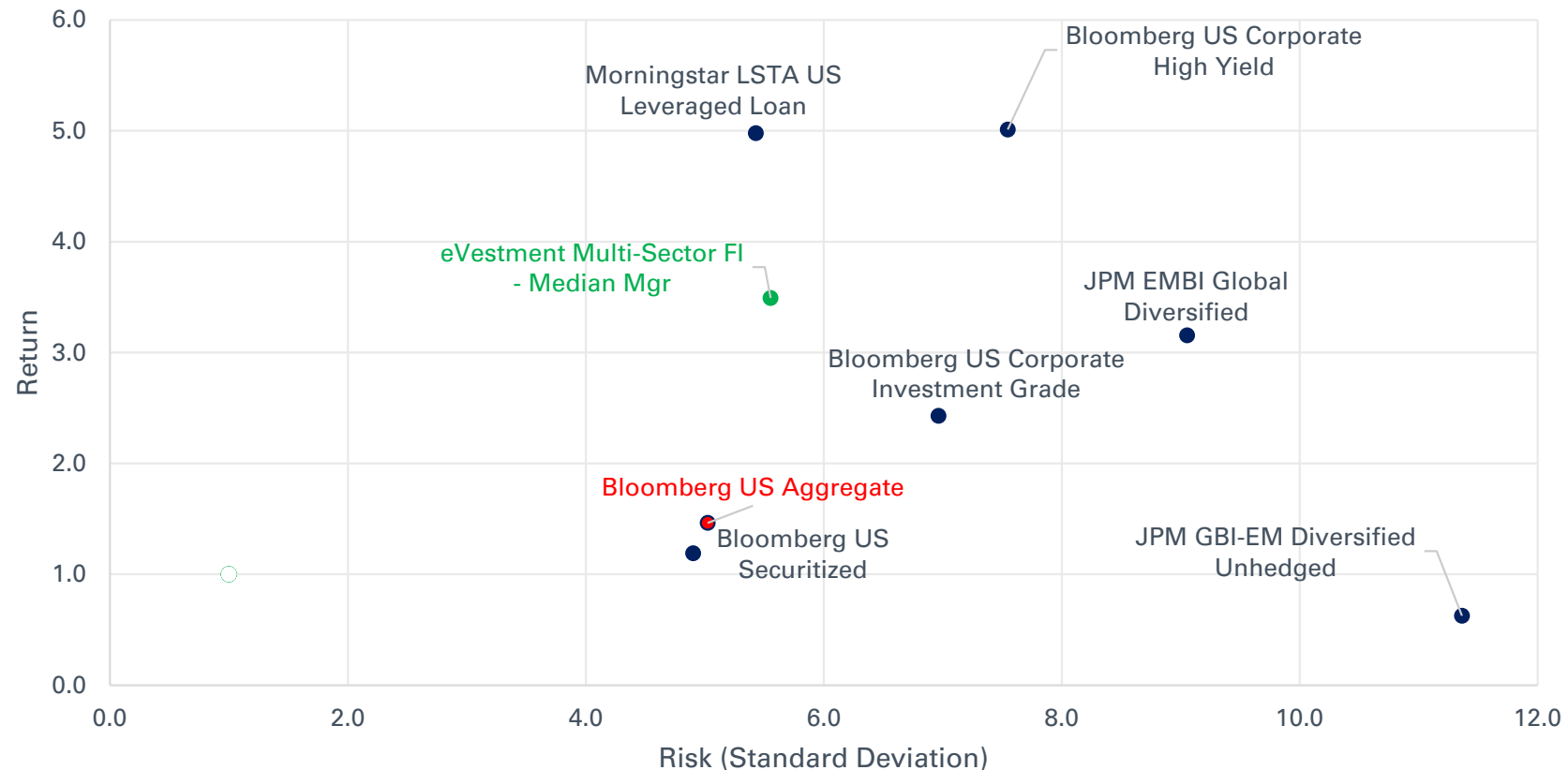
LOW

MODERATE

ELEVATED

HIGH

# 10-YEAR RETURNS AND STANDARD DEVIATION



**Over the longer term, Multi-Sector Fixed Income should lend to more return opportunity with an incremental amount of added risk relative to Core Fixed Income (Bloomberg US Aggregate)**

As of 03/31/2025  
Source: eVestment

# CORE PLUS VS. MULTI-SECTOR FI

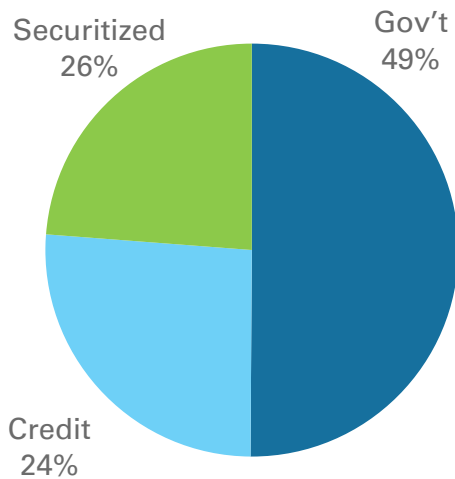
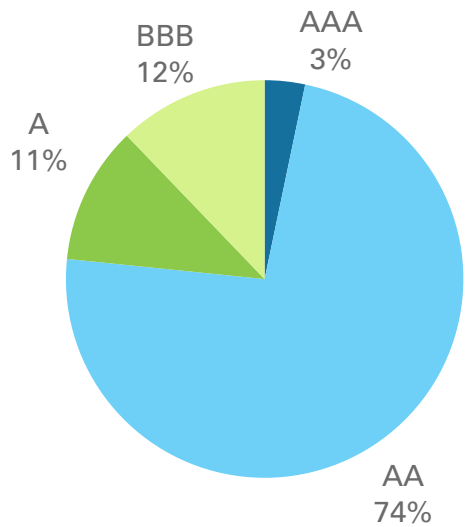
	Core Plus	Conservative Multi-Sector FI	Aggressive Multi-Sector FI
Government	20%	10%	0%
Securitized	25%	15%	10%
IG Corporate	25%	25%	25%
Structured Credit	5%	10%	15%
Emerging Debt	5%	10%	20%
High Yield	5%	20%	20%
Leveraged Loans	5%	10%	10%

- **Core Plus:** mostly invested in core bond sectors, with 15% to 25% in below investment grade
- **Conservative MS FI:** Lower core bond allocation, greater diversification across sectors
- **Aggressive MS FI:** Very little core bonds, higher amounts of below investment grade

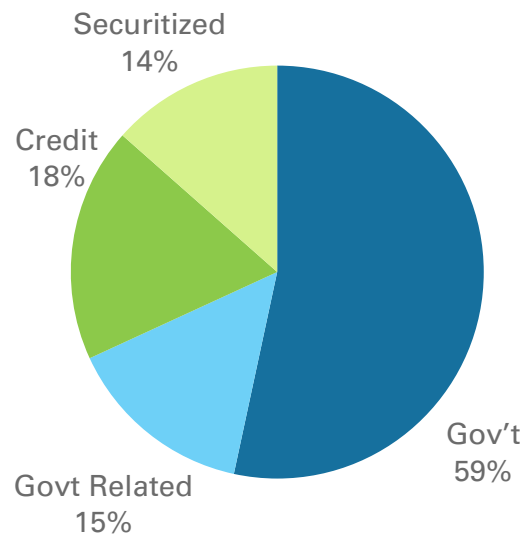
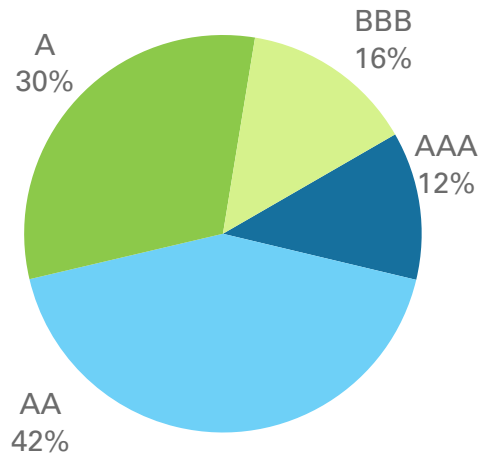
# FIXED INCOME

## BENCHMARKS

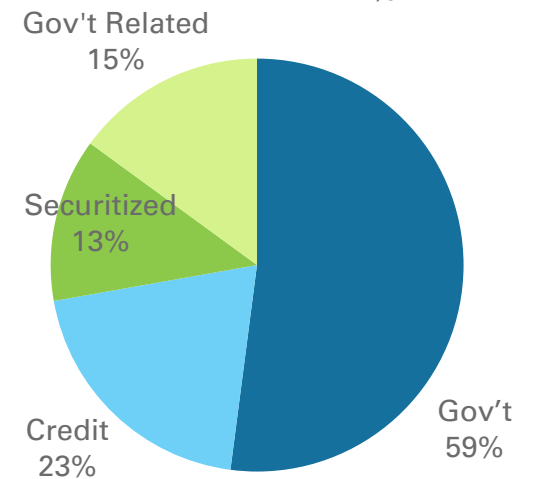
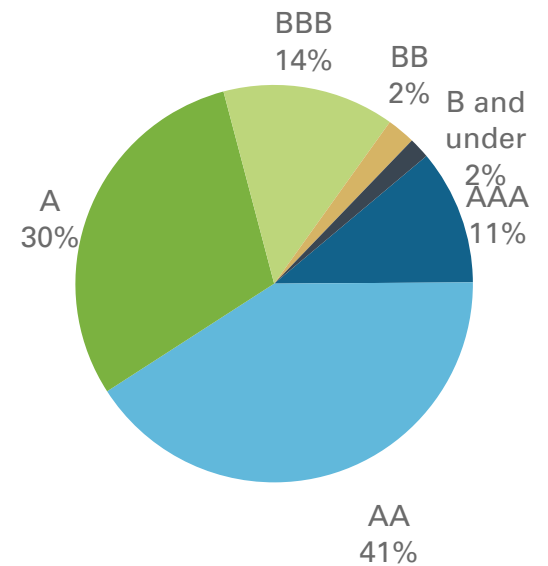
**Bloomberg U.S. Aggregate Bond Index**



**Bloomberg Global Aggregate Bond Index**



**Bloomberg Multiverse Index**



Investment Grade Only  
Includes Non-Investment Grade

# 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:*

*(Annualized Return of Portfolio - Annualized Return of Benchmark) / Annualized Standard Deviation (Period Portfolio Return - 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:*

*Calculation Average (X-Y) / Downside Deviation (X-Y) \* 2  
Where X = Return Series X 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:*

*(Annualized Return of Portfolio - Annualized Return of Risk Free) / 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:*

*Tracking Error = 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:*

*(Portfolio Average Return - Average Return of Risk-Free Rate) / 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.

*Upside Capture = TotalReturn(FundReturns) / TotalReturns(BMReturn) when Period Benchmark Return is > = 0*

*Downside Capture = TotalReturn(FundReturns) / TotalReturns(BMReturn) 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.

# **INVESTMENT POLICY**

**for**

**OPERATING FUND INVESTMENTS**

**for the**

**SOUTH BROWARD HOSPITAL DISTRICT**

**d/b/a**

**MEMORIAL HEALTHCARE SYSTEM**

Revised

July~~June~~ 2025

# STATEMENT OF INVESTMENT OBJECTIVES AND POLICIES FOR THE SOUTH BROWARD HOSPITAL DISTRICT

## I. AUTHORIZATION AND SCOPE FOR THIS INVESTMENT POLICY

This investment policy reflects the 2016 amendment to Section 37 of section 3 chapter 2004-37, Laws of Florida relating to South Broward Hospital District (“District”) and its Charter (“Charter”) which revised the authority of the District’s Board of Commissioners (“Board”) to invest funds listed in an investment policy (“Policy”) adopted by the Board. Per the 2016 amendment to the District’s Charter, the investment policy shall be designed to maximize the financial return to the South Broward Hospital District consistent with the risks incumbent in each investment and shall be designed to preserve the appropriate diversification of the portfolio.

In addition to any investments authorized by general law, including Section 218.415, Florida Statutes, and to the extent created by the State Constitution, the Board is authorized and empowered to invest any funds in its control or possession in accordance with an investment policy approved by the board which mandates prudent investment practices which shall include, among other items, the investment objectives and permitted securities described in the policy.

## II. INVESTMENT OBJECTIVES

The foremost objective of this investment program is the safety of the principal of the Operating Fund Investments with secondary objectives being liquidity and return generation. These investment objectives are broadly labeled in three categories to which asset allocation targets are applied. The three categories are: Principal Protection (safety of principal), Liquidity (liquidity), and Return and Growth (return generation).

## III. STRATEGIC ALLOCATION TARGETS

As a result of asset allocation studies, analyses and discussions involving the Investment Consultant, District Management and the Finance Committee the following asset allocation Policy Targets and implementation timeline were approved by the Board of Commissioners.

Implementation Plan for Operating Portfolios Asset Allocation – Policy Targets		
		<u>Long-term</u>
Principal Protection		<del>60</del> 55.0%
Liquidity		<del>10</del> 15.0%
Return and Growth		30.0%
<b>Total Portfolio</b>		<b>100%</b>

The Policy Targets represent midpoints within a +/-5% Policy Range. The Policy Range allows for fluctuations due to market conditions. District Management with input from the investment consultant may rebalance between and within the categories as market circumstances and/or

asset weightings dictate. Additionally, Policy Targets may be adjusted based on liquidity needs, strategy implementation and/or economic forecasts.

## A. Principal Protection

**General Description.** The Principal Protection category of investments consists of assets that are exposed and/or are susceptible to changes in interest rates. Such investments typically contain relatively low levels of risk and exhibit lower volatility. Investments within the Principal Protection category are expected to produce relatively low levels of returns commensurate with their relatively lower risk profile. In addition, periodic income will be a material portion of this category's investment return.

**Purpose.** The Principal Protection assets provide the bulk of the of the total investment return for the Operating Funds due to the significant over-weighting relative to the Liquidity and Return and Growth categories. The Principal Protection category is expected to maintain its purchasing power and produce nominal returns that are near, or slightly exceed the rate of inflation.

**Risk Factor Exposures.** The major risk factor is interest rate risk. The minor risk factors are inflation risk and liquidity risk.

**Components.** There are three portfolio components, or pools, that comprise Principal Protection assets. The pools are: Short Term, Intermediate Term and Opportunistic pools.

Components and Weightings for Principal Protection Assets – Policy Targets		
		<u>Long-term</u>
Short Term Pool		10.0%
Intermediate Term Pool		<del>30.0%</del> 25.0%
Opportunistic Pool		20.0%
<b>Category Total</b>		<del>60.0%</del> 55.0%

The Policy Targets represent midpoints within a +/-5% Policy Range. The Policy Range allows for fluctuations due to market conditions. District Management with input from the investment consultant may rebalance between and within the sub-categories or pools as market circumstances and/or asset weightings dictate.

### **Principal Protection Return Benchmarks and Duration Objectives.**

	Benchmark	Duration Objective
Short Term Pool	<i>Bloomberg 1-5 Yr Gov't/Credit</i>	+ / - 20% of Benchmark
Intermediate Term Pool	<i>Bloomberg US Intermediate Gov't/Credit</i>	+ / - 20% of Benchmark
Opportunistic Pool	<i>Bloomberg Intermediate Aggregate</i>	+ / - 20% of Benchmark

Specific investment mandates within the Principal Protection category components may utilize benchmarks that more accurately reflect the mandate, i.e. self-insurance and disability funds. Duration objectives for these category component mandates are the same as the Intermediate Term Pool.

## B. Liquidity

**General Description.** The Liquidity category of investments consists of assets that are only minimally exposed or susceptible to changes in interest rates. Such investments contain very low levels of risk and exhibit minimal volatility. Investments within the Liquidity category are expected to produce returns and risk commensurate with investments in high quality cash equivalent securities.

**Purpose.** The Liquidity category assets are available to support immediate liquidity needs, i.e. natural disaster and/or support for self-liquidity bond financing programs. Return generation is a secondary objective to the ability to achieve 100% cash position within 7 days without incurring a material realized loss.

**Risk Factor Exposures.** The major risk factor is a systemic issue facing the short term capital markets which would impede the ability to liquidate these assets at par or without incurring material realized losses with a 7 day period.

**Components.** None.

Components and Weightings for Principal Protection Assets – Policy Targets		
		<u>Long-term</u>
Liquidity		<del>1015.0%</del>
<b>Category Total</b>		<del>1015.0%</del>

### **Liquidity Category Benchmark and Duration Objective.**

	Benchmark	Duration Objective
Liquidity	US Treasury 91-Day T Bill Return	+ / - 20% of Benchmark

## C. Return and Growth

**General Description.** The Return and Growth category of investments consists of assets that are largely exposed and/or are susceptible to changes in global economic growth and corporate profitability. Such investments typically contain relatively high degrees of risk and exhibit more volatility than other categories. Investments within the Return and Growth category utilize liquid structures to add returns and long-term growth potential and to diversify the overall risk profile of the Operating Fund Investments.

**Purpose.** Return and Growth assets provide enhanced return opportunity and risk diversification at the portfolio level for the Operating Funds. This return opportunity is due to the equity risk premium. While volatile, it is the reward associated with bearing economic and corporate risk. To mitigate some of this volatility, strategies employed will be within the portfolio's overall risk tolerance. Over longer term investment horizons, the equity risk premium is generally significantly positive after accounting for inflation.

All rebates or credits from commissions paid by the investment portfolio's Managers to the commission recapture brokers will be realized in cash and used exclusively to reduce the normal operating expenses of the investment portfolio

***Transition Management.*** During periods of large scale asset movements as a result of manager terminations, manager hiring, or other significant liquidations, the Finance Committee may elect to use a transition manager to seek the lowest cost, best execution possible. Due to the time sensitive nature surrounding the transition of assets, the Finance Committee may delegate authority to District Management in consultation with the investment consultant to select the transition manager.

## **XV. POLICY AMENDMENTS**

This investment policy may be amended by presentation of such amendments to the Finance Committee who will make its recommendations for amendment to the District's Board of Commissioners at its next regularly scheduled meeting. The current policy will remain in effect until the new or amended policy is approved by the Board.

## **XVI. POLICY ADOPTION**

This Investment Policy was approved by the Board of Commissioners at its meeting held on

| July 23~~June 25~~, 2025.

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Secretary/Treasurer, Board of Commissioners

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Chair, Board of Commissioners