

**MEETING AGENDA**  
**INVESTMENT COMMITTEE OF THE**  
**EL CAMINO HOSPITAL BOARD OF DIRECTORS**

**Monday, August 11, 2025 – 5:30 pm**

El Camino Health | 2500 Grant Road Mountain View, CA 94040 | Sobrato Board Room 1

THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION PORTION OF THE MEETING LIVE AT THE ADDRESS ABOVE OR VIA TELECONFERENCE AT: **1-669-900-9128, MEETING CODE: 937 3326 3311#**. **No participant code.**

**Just press #**

To watch the meeting, please visit: [Investment Committee Meeting Link](#)

Please note that the livestream is for meeting viewing only and there is a slight delay; to provide public comment, please use the phone number listed above.

**NOTE:** In the event that there are technical problems or disruptions that prevent remote public participation, the Chair has the discretion to continue the meeting without remote public participation options, provided that no Board member is participating in the meeting via teleconference.

A copy of the agenda for the Regular Board Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at **(650) 988-3218** prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
1.	<b>CALL TO ORDER / ROLL CALL</b>	Brooks Nelson, Chair	Information	<b>5:30 pm</b>
2.	<b>CONSIDER APPROVAL OF AB 2449 REQUEST</b>	Brooks Nelson, Chair	<b>Possible Motion</b>	<b>5:30 pm</b>
3.	<b>POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Brooks Nelson, Chair	Information	<b>5:30 pm</b>
4.	<b>PUBLIC COMMUNICATION</b> a. Oral Comments <i>This opportunity is provided for persons to address the Committee on any matter within the subject matter jurisdiction of the Committee that is not on this agenda. Speakers are limited to three (3) minutes each.</i> b. Written Correspondence <i>Comments may be submitted by mail to the Investment Committee of the El Camino Hospital Board of Directors at 2500 Grant Avenue, Mountain View, CA 94040. Written comments will be distributed to the Board as quickly as possible. Please note it may take up to 24 hours for documents to be posted on the agenda.</i>	Brooks Nelson, Chair	Information	<b>5:30 pm</b>
5.	<b>CONSENT CALENDAR</b> <i>Items removed from the consent calendar will be considered separately.</i> a. <a href="#">Approve Minutes of the Open Session of the Investment Committee Meeting (05/12/2025)</a> b. <a href="#">Receive Committee Governance Policy – Approved by ECHB on June 11, 2025</a> c. <a href="#">Receive Community Member Class Assignments</a> d. <a href="#">Receive FY2026 Pacing Plan</a> e. <a href="#">Receive Article(s) of Interest</a>	Brooks Nelson, Chair	<b>Motion Required</b>	<b>5:30 – 5:41</b>

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
6.	<b><u>CFO REPORT OUT</u></b>	Carlos Bohorquez, CFO	Information	5:41 – 5:46
7.	<b><u>INVESTMENT ADVISOR UPDATE</u></b> <ul style="list-style-type: none"> <li>Capital Markets Review, Tactical Asset Allocation Positioning and Market Outlook</li> <li>Surplus Cash and Cash Balance Portfolio Performance</li> </ul>	Laura Wirick, Managing Principal Consultant, Meketa Mika Malone, Managing Principal Consultant, Meketa	Information	5:46 – 6:11
8.	<b>RECESS TO CLOSED SESSION</b>	Brooks Nelson, Chair	<b>Motion Required</b>	6:11 – 6:12
9.	<b>APPROVE MINUTES OF THE CLOSED SESSION OF THE INVESTMENT COMMITTEE (05/12/2025)</b> <i>Report involving Gov't Code Section 54957.2 for closed session minutes</i>	Brooks Nelson, Chair	<b>Motion Required</b>	6:12 – 6:13
10.	<b>PRIVATE MARKETS IMPLEMENTATION</b> <i>Health and Safety Code Section 32106(b) – for a report and discussion involving healthcare facility trade secrets.</i>	Carlos Bohorquez, CFO Laura Wirick, Managing Principal Consultant, Meketa Mika Malone, Managing Principal Consultant, Meketa	Discussion	6:13 – 6:33
11.	<b>RECONVENE TO OPEN SESSION</b>	Brooks Nelson, Chair	<b>Motion Required</b>	6:33 – 6:34
12.	<b>CLOSED SESSION REPORT OUT</b> To report any required disclosures regarding permissible actions taken during Closed Session.	Gabe Fernandez, Governance Services Coordinator		6:34 – 6:35
13.	<b>CLOSING COMMENTS</b>	Brooks Nelson, Chair	Information	6:35 – 6:39
14.	<b>ADJOURNMENT</b>	Brooks Nelson, Chair	<b>Motion Required</b>	6:40 pm

**Upcoming Meetings:** November 10, 2025, February 9, 2026, Joint FC-IC March 9, 2026, May 11, 2026

**Minutes of the Open Session of the  
Investment Committee of the  
El Camino Hospital Board of Directors**

**Monday, May 12, 2025**

**El Camino Hospital, 2500 Grant Road, Mountain View, California**

**Members Present**

**Brooks Nelson**, Chair  
**Nicola Boone**  
**John Conover**  
**Robin Driscoll**  
**Ken Frier**  
**John Zoglin**

**Members Absent**

**Peter Fung**, MD, MBA

**Staff Present**

**Carlos Bohorquez**, Chief  
Financial Officer  
**Dan Woods**, Chief  
Executive Officer  
**Michael Walsh**, Controller  
**Anne Yang**, Executive  
Director, Governance  
Services  
**Gabriel Fernandez**,  
Governance Services  
Coordinator

**Guest(s) Presenters**

**Pierre Zamorano**, Managing Partner,  
Veloz Partners  
**Laura Wirick**, Managing Principal  
Consultant, Meketa  
**Mika Malone**, Managing Principal  
Consultant, Meketa  
**Ethan Samson**, Managing Principal  
Consultant, Meketa \*\*  
**Ryan Lobdell**, Meketa

\*\*via teleconference

<b>Agenda Item</b>	<b>Comments/Discussion</b>	<b>Approvals/Action</b>
<b>1. CALL TO ORDER</b>	The open session meeting of the Investment Committee of the El Camino Hospital Board of Directors (the "Committee") was called to order at 5:30 p.m. by Chair Brooks Nelson. A verbal roll call was taken. Committee Members were present at the roll call, constituting a quorum. Director Fung was absent.	<b><i>Meeting called to order at 5:30 p.m.</i></b>
<b>2. CONSIDER APPROVAL OF AB 2449 REQUEST</b>	No action regarding AB-2449 requests was needed.	
<b>3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Chair Nelson asked if any Committee members had a conflict of interest regarding any of the agenda items. No conflicts were noted.	
<b>4. PUBLIC COMMUNICATION</b>	There were no comments from the public and no written correspondence.	
<b>5. CONSENT CALENDAR</b>	<p>Chair Nelson asked if any Committee members wished to remove any items from the consent calendar for discussion. Director Zoglin removed item c) FY2026 Committee Goals, Pacing Plan, Dates for further discussion.</p> <p>Director Zoglin inquired whether a discussion around cryptocurrency would be beneficial to the Committee. The Meketa team shared that they could provide education on cryptocurrency to allow the Committee to understand the space better.</p> <p><b>Motion:</b> To approve the consent calendar: (a) Minutes of the Open Session of the Investment Committee Meeting on (2/10/2025) (b) Minutes of the Open Session of the Joint Investment &amp; Finance Committee Meeting (02/24/2025), and for information; (d) Progress against FY2025 IC Goals (e) FY2025 Pacing Plan and (f) Article(s) of Interest.</p>	<p><b>Consent Calendar Approved</b></p> <p><b>Consent Calendar Item C approved with the inclusion of education on Cryptocurrency</b></p>

	<p><b>Movant:</b> Boone  <b>Second:</b> Frier  <b>Ayes:</b> Boone, Conover, Driscoll, Frier, Nelson, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Fung  <b>Recused:</b> None</p> <p><b>Motion:</b> To approve the consent calendar item (c) FY2026 Committee Goals, Pacing Plan, Dates with the inclusion of cryptocurrency education</p> <p><b>Movant:</b> Zoglin  <b>Second:</b> Driscoll  <b>Ayes:</b> Boone, Conover, Driscoll, Frier, Nelson, Zoglin  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> Fung  <b>Recused:</b> None</p>	
<b>6. CFO REPORT OUT</b>	<p>Mr. Bohorquez presented the YTD FY2025 operational / financial results (as of 03/31/2025), and highlighted the following:</p> <p><b><u>YTD FY2025 Results</u></b></p> <ul style="list-style-type: none"> <li>• Total operating revenue of \$1,273M is \$41M / 3.3% favorable to budget and \$111M / 9.6% higher than the same period last fiscal year.</li> <li>• Operating EBIDA of \$203M is \$28M / 16.1% favorable to budget and \$16M / 8.5% higher than the same period last fiscal year.</li> <li>• Net income of \$208M is \$64M / 44.3% favorable to budget and \$29M / 12.1% higher than the same period last fiscal year. Favorable net income is attributed to stable financial performance and gains on the investment portfolio.</li> </ul>	
<b>7. INVESTMENT ADVISOR UPDATE</b>	<p>Laura Wirick, Managing Principal Consultant, Meketa; Mika Malone, Managing Principal Consultant, Meketa; Ryan Lobdell, Managing Principal Consultant, Meketa; and Ethan Samson, Managing Principal Consultant, Meketa presented the Capital Markets Review and Portfolio Performance and highlighted the following as further detailed in the materials:</p> <p><b>Capital Markets Review:</b></p> <ul style="list-style-type: none"> <li>• The first quarter of 2025 was marked by significant market volatility and uncertainty, primarily due to evolving global trade policies and the announcement of reciprocal tariffs. While some sectors, such as technology, experienced challenges, other areas, including bonds and emerging markets, performed relatively well. The potential for future inflation and ongoing stress in credit markets were also noted. Despite these factors, the Hospital's investment portfolios remain in good condition.</li> </ul> <p><b><u>ECH Portfolio Performance Update:</u></b></p> <p><b>Surplus Cash:</b></p>	



	<ul style="list-style-type: none"> <li>The Total Surplus (Reserve Cash) portfolio had a total market value of \$1.8 billion as of March 31, 2025.</li> <li>The portfolio delivered positive performance during the first quarter and achieved a 5.1% gain over the trailing one-year period.</li> </ul> <p><b>Cash Balance Plan:</b></p> <ul style="list-style-type: none"> <li>The Cash Balance Plan was valued at \$387 million at the end of March 2025.</li> <li>The plan experienced slightly negative performance for the quarter, while the trailing one-year return remained comparable at 4.6%.</li> <li>The underperformance during the quarter was primarily attributed to the small cap equity composite.</li> </ul>	
<b>8. RECESS TO CLOSED SESSION</b>	<p><b>Motion:</b> To recess to closed session at 6:12 p.m.</p> <p><b>Movant:</b> Zoglin</p> <p><b>Second:</b> Boone</p> <p><b>Ayes:</b> Boone, Conover, Driscoll, Frier, Nelson, Zoglin</p> <p><b>Noes:</b> None</p> <p><b>Abstentions:</b> None</p> <p><b>Absent:</b> Fung</p> <p><b>Recused:</b> None</p>	<b><i>Recessed to Closed Session at 6:12 p.m.</i></b>
<b>9. AGENDA ITEM 12: CLOSED SESSION REPORT OUT</b>	Mr. Fernandez reported that during the closed session the Investment Committee approved the closed session minutes of the February 10 <sup>th</sup> regular meeting and the February 24 <sup>th</sup> joint Finance and Investment Committee Meeting.	<b><i>Reconvened at 7:19 p.m.</i></b>
<b>10. AGENDA ITEM 13: CLOSING COMMENTS</b>	The Committee did not have any additional comments.	
<b>11. AGENDA ITEM 14: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 7:20 p.m.</p> <p><b>Movant:</b> Boone</p> <p><b>Second:</b> Driscoll</p> <p><b>Ayes:</b> Boone, Conover, Driscoll, Frier, Nelson, Zoglin</p> <p><b>Noes:</b> None</p> <p><b>Abstentions:</b> None</p> <p><b>Absent:</b> Fung</p> <p><b>Recused:</b> None</p>	<b><i>Meeting adjourned at 7:20 p.m.</i></b>

**Attest as to the approval of the foregoing minutes by the Investment Committee of the Board of Directors of El Camino Hospital:**

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**Brooks Nelson**  
Chair, Investment Committee

Prepared by: Gabriel Fernandez, Governance Services Coordinator  
Reviewed by: Carlos Bohorquez, Chief Financial Officer

**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
INVESTMENT COMMITTEE MEETING MEMO**

**To:** El Camino Hospital, Investment Committee  
**From:** Anne Yang, Executive Director, Governance Services  
**Date:** August 11, 2025  
**Subject:** Committee Governance Policy

**Recommendation:** To receive the revised El Camino Hospital Committee Governance Policy (“Committee Governance Policy”).

**Authority:** The Board of Directors approved the revised Committee Governance Policy on June 11, 2025. The marked and clean versions are included in this packet to be received by the Investment Committee.

**Summary:** The updates below were made to the Committee Governance Policy and approved by the Board in June 2025.

1. Director Member Advisory Committee terms updated to 1 year from 3 years. This allows for greater flexibility for Director Members to move to different assignments for a given year.
2. Community Member terms will remain 3 years. Both Director Member and Community Member terms are renewable.

We also consolidated the Committee Governance Policy with the Nomination & Selection Policy and the Nomination & Selection Procedures, and these policies were sunset by the Board on June 11, 2025. The revised Committee Governance Policy now captures all relevant points from the nomination and selection process. The remaining items in the Nomination and Selection procedures were not currently used in practice or no longer relevant/needed.

- Each Advisory Committee determines minimum qualifications and competencies for members
- Nominations may be received from any source
- A candidate shall submit an application stating reasons, qualifications, and disclosures
- Ad Hoc Committee will interview candidates and either select the final candidates for Committee interviews or recommend for Board appointment in accordance with the Bylaws
- Community Members may also be reassigned to another Committee at the recommendation of the CEO, Board Chair and the receiving Committee Chair. The appointment would be subject to Committee and Board approval in accordance with the Bylaws.

**List of Attachments:**

- El Camino Hospital Board Committee Governance Policy as Approved by the El Camino Health Board on June 11, 2025 (Redline and Clean)

**TITLE:** El Camino Hospital Board Committee Governance Policy

**CATEGORY:** Administrative

**FIRST APPROVAL:** ECHB August 14, 2024

**Coverage:**

All Members of the El Camino Hospital Board of Directors (“Board”) and Board Advisory Committees (“Committees”). The Governance Committee shall review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

**Authority:**

The Board has established the following standing Advisory Committees pursuant to ~~Article 7.6 of~~ the El Camino Hospital Bylaws: Compliance and Audit Committee; Executive Compensation Committee; Finance Committee, Governance Committee, Investment Committee; and Quality, Patient Care, and Patient Experience Committee. The Committees have the authority granted to them per the Hospital Bylaws, the Committee Charter, and majority action of the Board. Committees may study, advise and make recommendations to the Board on matters within the committee’s area of responsibility as stated in the Committee Charter. The authority of committees is limited to advisory recommendations except in responsibilities directly delegated by the Board. Committees may provide recommendations for the Board to consider, which recommendations may be considered, adopted, amended or rejected by the Board in the Board’s sole discretion. Committees shall have no authority to take action or otherwise render decisions that are binding upon the Board or staff except as otherwise stated in the Bylaws, the Committee’s Charter, or majority action of the Board. To the extent of any conflict with the Committee Charter, this policy controls.

**Membership:**

Each committee shall have the membership as stated in the Committee Charter but must be composed of at least two members of the Board (“Director Members”), as well as people who are not members of the Board (“Community Members”). Director membership on any single Committee shall not constitute a quorum of either Board or Healthcare District Board membership. The Chair of a committee is its presiding officer. In the absence of the Chair, the Vice-Chair (or if no Vice-Chair, any member of the Committee as determined by the Chair or the Board) shall perform the duties of the Chair.

**Nomination and Selection of Community Members:**

Each Advisory Committee shall determine minimum qualifications and competencies for its Members. Committees may fill Community Member vacancies through an open recruitment process coordinated by Governance Services. Candidates may be nominated by any source and must submit an application with reasons to serve, relevant qualifications, and disclosures. An Ad Hoc Committee appointed by the Committee Chair, in consultation with the Executive Sponsor and Governance Services, shall review applications, interview initial candidates, and may recommend finalists. The full Committee may choose to interview finalists or proceed based on the Ad Hoc Committee’s report. Final appointments are made by the Committee and submitted to the Board for approval in accordance with the Bylaws.

**Reassignment of Existing Community Members:**

In some cases, an existing Community Member may be reassigned from one Committee to another at the recommendation of the CEO, Board Chair, and the receiving Committee Chair. This reassignment shall be made in consultation with the Committee’s Executive Sponsor, with notice to Governance

**TITLE:** El Camino Hospital Board Committee Governance Policy

**CATEGORY:** Administrative

**FIRST APPROVAL:** ECHB August 14, 2024

Services. The reassigned Community Member must be formally appointed to the new Committee by a majority vote of that Committee, and submitted for Board approval in accordance with the Bylaws.

**Appointment and Removal:**

The Board Chair (or Board Chair-elect in Board officer election years) shall appoint the Director Members and Committee Chairs, subject to approval of the Board. Community Members shall be appointed by the Committee, subject to approval of the Board. All Board Chair appointments shall be reviewed by the Governance Committee before submission to the Board.

Committee Chairs may appoint and remove a Vice-Chair at the Committee Chair's discretion. However, if the Committee Chair is not a Director Member, a Vice Chair must be appointed who is a Director, in which case the Director Vice-Chair shall be appointed the same as any other Director Member.

The Board has the authority to remove Director Members and Community Members at any time either with or without the Committee's recommendation, in the Board's sole discretion.

**Term:**

~~Director Members and~~ Community Members serve a term of *three* full or partial fiscal years depending on date of appointment and eligibility to serve. ~~Director and~~ Community Members shall be divided into three appointment categories, as nearly equal in number as possible, as follows: (a) Class 1, the initial term of which shall expire June 30, 2025, and subsequent terms shall be three years each; (b) Class 2, the initial term of which shall expire June 30, 2026, and subsequent terms shall be three years each; (c) Class 3, the initial term of which shall expire June 30, 2027, and subsequent terms shall be three years each. Each class shall hold committee membership until successors are appointed.

Director Members serve a term of one year or partial fiscal years depending on date of appointment and eligibility to serve. Director Member appointments shall be reviewed annually by the Board Chair (or Chair Elect).

Committee Chair and Vice Chair appointments shall be reviewed annually by the Board Chair (or Chair-Elect). Chair and Vice Chair appointments may be changed at any time without effecting the term of that person's membership on the Committee.

Director Members, Community Members, Chairs, and Vice Chairs may serve consecutive terms.

If a community member wishes to vacate a position, the committee member shall submit a written resignation letter addressed to the Chair of the Committee and the Chair of the Board, with a copy to the CEO and Governance Services.

**Attendance:**

**TITLE:** El Camino Hospital Board Committee Governance Policy

**CATEGORY:** Administrative

**FIRST APPROVAL:** ECHB August 14, 2024

Committee members are expected to attend in person and meaningfully participate in all committee meetings absent extenuating circumstances. Remote virtual participation is generally only allowed for just cause or emergency situations such as physical or family medical emergency, childcare, illness, disability, or Board or Committee related travel. Remote virtual participation must comply with the requirements of the Ralph M. Brown Act. Committee members may be removed from the Committee for repeated failure to satisfy attendance requirements.

If a member is physically not present for more than two meetings in a calendar year, the Committee Chair shall contact that member and remind the member of this policy. If the member continues to be physically absent despite the warning, the Committee shall consider a recommendation to the Board for removal.

### **Meetings:**

All Committees shall have a Committee Charter approved by the Board.

Committee meetings shall be open to the public except for items permitted to be discussed in closed session and held in accordance with the provisions of the Ralph M. Brown Act. At least 72 hours before a committee meeting, Governance Services shall post an agenda containing a brief, general description of each item of business to be discussed at the committee meeting. The posting shall be accessible to the public.

The minutes of each committee meeting, including any recommendation of a committee, shall include a summary of the information presented and the recommended actions. ECHB staff will prepare minutes for each meeting. Draft minutes will be provided to the committee at the next available committee meeting for committee member review and approval. Once approved, minutes will be made a part of the Board's permanent records.

A majority of the members of each committee shall constitute a quorum for the transaction of business.

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All committee communications must go through the designated committee Chair.

The specific committees and their respective responsibilities are as stated in the Charter for each Committee.

**TITLE:** El Camino Hospital Board Committee Governance Policy

**CATEGORY:** Administrative

**FIRST APPROVAL:** ECHB August 14, 2024

**CURRENT APPROVAL:** ECHB June 11, 2025

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**TITLE:** El Camino Hospital Board Committee Governance Policy

**CATEGORY:** Administrative

**FIRST APPROVAL:** ECHB August 14, 2024

**CURRENT APPROVAL:** ECHB June 11, 2025

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**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
INVESTMENT COMMITTEE MEETING MEMO**

**To:** El Camino Hospital, Investment Committee  
**From:** Anne Yang, Executive Director, Governance Services  
**Date:** August 11, 2025  
**Subject:** Receive Class Assignments for Community Members of Investment Committee

**Recommendation:** Receive Class Assignments for Community Members of Investment Committee.

**Authority:** In alignment with the Committee Governance Policy, we are implementing Class Assignments for Community Members of each Advisory Committee. These are reviewed and approved by each Committee Chair and received by each respective Committee at the subsequent meeting.

**Summary:** In June 2024, the Governance Committee initiated standardization across all Advisory Committees to streamline membership appointments, terms, attendance, and meeting standards, resulting in the Committee Governance Policy. The policy states that Community Members serve for 3-year renewable terms. The Governance Committee also recommended staggered terms for Community Members. The reason behind the staggered terms was to implement best governance practices, and to alleviate the potential need to recruit multiple new members in a given year. The policy was approved by the Board in FY25, and now being implemented for the first time for FY26.

The Class assignment tenure dates are as follows:

1. Class 1: Current term expires June 30, 2025; new term is July 1, 2025 through June 30, 2028
2. Class 2: Current term expires June 30, 2026; new term is July 1, 2026 through June 30, 2029
3. Class 3: Current term expires June 30, 2027; new term is July 1, 2027 through June 30, 2030

In general, the methodology for assigning a Class year was based on the following prioritization:

1. Member's tenure
2. Alphabetical order with the purpose of staggering the terms
3. Class 1 was assigned to new members of a Committee for FY26 (Quality and Finance)
4. Class 2 was assigned for a potential new recruit for Governance and Finance, to allow time for the Committee's search efforts

**List of Attachments:**

1. Class Assignments for Community Members

## Community Member Class Assignments

Name	Member	Chair/Vice Chair	Officer Start Date	Committee	Date Appointed	Class Assignment*	3Y Committee Term Expires	Committee Reappointment Term Expires
Brooks Nelson	Community Member	Chair		Investment	13-Jun-12	Class 1	30-Jun-25	30-Jun-28
Nicola Boone	Community Member			Investment	13-Jun-12	Class 1	30-Jun-25	30-Jun-28
John Conover	Community Member			Investment	13-May-15	Class 2	30-Jun-26	30-Jun-29
Ken Frier	Community Member			Investment	8-Mar-23	Class 3	30-Jun-27	30-Jun-30
Robin Driscoll	Community Member			Investment	8-Mar-23	Class 3	30-Jun-27	30-Jun-30

\*Note that Class Assignments are to be approved by the Committee Chair and received by each Committee.

The purpose is to stagger all committee member terms (Class 1 expires June 30, 2025, Class 2 expires June 30, 2026, Class 3 expires June 30, 2027).

**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
INVESTMENT COMMITTEE MEETING MEMO**

**To:** El Camino Hospital, Investment Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** August 11, 2025  
**Subject:** FY2026 Pacing Plan

**Purpose:**

To provide the Investment Committee ('IC') with an update on YTD progress vs. the FY2026 pacing plan.

**Executive Summary – Progress on FY2026 Pacing Plan:**

The agenda for this IC meeting is consistent with the FY2026 pacing plan approved by IC / Board:

- Standing Consent Agenda Items
- Open / Closed Session Minutes
- Capital Markets & Portfolio Performance Updates
- Tactical Asset Allocation – Private Markets Implementation Plan

**Recommendation:**

- None

**List of Attachments:**

- FY2026 Pacing Plan

**Suggested Investment Committee Discussion Questions:**

- None

## FY2026 Investment Committee Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/11	SEP	OCT	11/10	DEC	2/9	3/9	MAR	APR	5/11	JUN
<b>STANDING AGENDA ITEMS</b>												
Standing Consent Agenda Items		✓			✓		✓				✓	
Minutes		✓			✓		✓				✓	
CFO Report Out		✓			✓		✓				✓	
<b>APPROVAL ITEMS</b>												
Next FY Committee Goals, Dates, Plan							✓				✓	
Next FY Org. Goals											✓	
Progress Against Committee Goals					✓		✓				✓	
Review/Approval of Updated Investment Policy											✓	
<b>DISCUSSION ITEMS</b>												
Capital Markets Review & Portfolio Performance		✓			✓		✓				✓	
Tactical Asset Allocation Positioning & Market Outlook		✓			✓		✓				✓	
Long-Range Financial Forecast								✓				
Asset Allocation & Enterprise Risk Framework							✓					
403 (b) Investment Performance					✓							
<b>Education Topic:</b> <ul style="list-style-type: none"> <li>AI Impact Investment Strategies and Crypto Currencies</li> <li>Legislative Impact on HC organizations and Investment Portfolios</li> </ul>					✓						✓	



**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
INVESTMENT COMMITTEE MEETING MEMO**

**To:** El Camino Hospital, Investment Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** August 11, 2025  
**Subject:** Articles of Interest

**Purpose:**

To share with the Investment Committee relevant article(s) of interest related to current healthcare trends or issues which may impact El Camino Health.

**Articles of Interest:**

1. *'Research Insights: Tariffs, Trade Wars, Valuations, Infrastructure, Stagflation, Endowments and Foundations, Asset Class Performance, AI, Mercantilism'*, Meketa; Second Quarter 2025
2. *'How will the One Big Beautiful Bill Act impact hospitals?'*, Advisory Board; July 2025
3. *'How does medical inflation compare to inflation in the rest of the economy?'*, Kaiser Health Foundation; August 2, 2024
4. *'Morgan Stanley Public Finance: Weekly Healthcare Update'*, Morgan Stanley; July 25, 2025

**Recommendation:**

- None

**List of Attachments:**

- Meketa: *'Research Insights: Tariffs, Trade Wars, Valuations, Infrastructure, Stagflation, Endowments and Foundations, Asset Class Performance, AI, Mercantilism'*
- Advisory Board: *'How will the One Big Beautiful Bill Act impact hospitals?'*
- Kaiser Health Foundation: *'How does medical inflation compare to inflation in the rest of the economy?'*
- Morgan Stanley: *'Morgan Stanley Public Finance: Weekly Healthcare Update'*

**Suggested Investment Committee Discussion Questions:**

- None



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<https://meketa.com/thought-leadership/>

Tariffs | Trade Wars | Valuations | Infrastructure | Stagflation |  
Endowments and Foundations | Asset Class Performance | AI | Mercantilism

**SECOND QUARTER 2025**

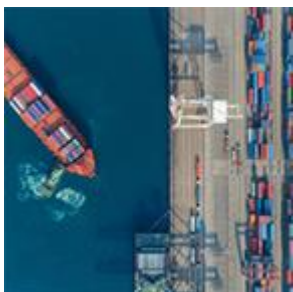
Meketa Investment Group is excited to share its latest edition of Research Insights. In this publication, we provide some of our most recent thinking and research on topical and timely subjects.



#### Markets in Motion | The Tariff Tipping Point

Trade tensions are rising—and with them, questions about the future of global supply chains, inflationary pressures, and investment strategy. We explored tariff developments, their implications for markets, and how institutional investors can remain grounded amid global uncertainty.

Webinar replay: <https://vimeo.com/1074110217>



#### Trading Blows | The Trade Wars Have Arrived

In the week following the Trump administration's announcement of a new tariff regime on April 2, global markets fell sharply, with volatility hitting a level not seen since the COVID shock in 2020. In this article, we explore some of the events during those weeks and delve into the theme of deglobalization.

<https://meketa.com/news/meketa-connectives-trading-blows-the-trade-wars-have-arrived/>



#### Converging Paths or Persistent Gaps? | Understanding Valuations Across Public and Private Equity

An area that has drawn attention in recent years is the comparison of valuations for the stock market and private equity, as both public and private equity valuations are near all-time highs. In this research note, we aim to evaluate where private equity valuations are relative to public markets, with a focus on North American buyout strategies and US equities, and what implications this may have.

<https://meketa.com/leadership/converging-paths-or-persistent-gaps-understanding-valuations-across-public-and-private-equity/>

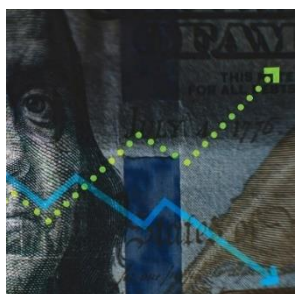




#### **Durable by Design | Infrastructure's Long-Run Resilience and Outlook**

The private infrastructure sector has demonstrated remarkable resilience despite facing significant macroeconomic and policy challenges in recent years. In this white paper, we explain why the outlook for private infrastructure remains positive, examining potential tailwinds and headwinds, trends in key sub-sectors, and more.

<https://meketa.com/leadership/durable-by-design-infrastructures-long-run-resilience-and-outlook/>



#### **Stagflation Nation? | Preparing for the Uncomfortable Middle Ground: An OCIO Perspective**

The summary of economic projections combined downgrade of growth with higher inflation marks a shift from last year's "Goldilocks" economic path of resilient growth and falling inflation. The sweeping global tariffs announced in the Liberation Day schedule have roiled global markets as investors repriced lower growth, compressed margins, and goods-price inflation.

<https://meketa.com/news/meketa-connectives-stagflation-nation-preparing-for-the-uncomfortable-middle-ground-an-ocio-perspective/>



#### **Locked In | How Private Equity Is Reshaping Liquidity for Higher Education Endowments and Foundations**

As spending demands rise and liquidity becomes harder to access, how can higher education endowment and foundation (E&F) portfolios keep up with cash demands as liquidity comes increasingly into focus? Many colleges and universities are experiencing tensions among declining enrollment, rising operating costs, and an uncertain policy landscape, which has strained the level of liquidity these institutions are accustomed to.

<https://meketa.com/news/meketa-connectives-locked-in-how-private-equity-is-reshaping-liquidity-for-higher-education-endowments-and-foundations/>



### **Sustaining Missions and Navigating Markets | Frameworks for Endowments and Foundation Spending Policies**

Our focus in this paper is on endowments and foundations that aim to maintain intergenerational equity, and how best to maintain this goal through spending policy development.

<https://meketa.com/leadership/sustaining-missions-and-navigating-markets-frameworks-for-endowment-and-foundation-spending-policies/>



### **The Price of Protection | A Deep Dive Into Tariffs**

In the course of history, tariffs have played a significant role in the formation of nations, industry, and trade, and were once a primary source of federal revenue for the United States. This paper provides an overview of what tariffs are and how they function, then analyzes their economic pros and cons, including effects on growth, inflation, jobs, productivity, and financial markets.

<https://meketa.com/leadership/the-price-of-protection-a-deep-dive-into-tariffs/>



### **Is the Worst of Both Worlds Returning? | Understanding Stagflation Risk - A Stagflation Primer**

Few things scare economists like the prospect of stagflation, given its potential to do lasting harm to the economy and living standards. Many investors likewise fear stagflation, as it has historically led to losses for most major asset classes. In this research note, we describe stagflation, provide historical context and discuss its causes. We focus on the impact stagflation has had on capital markets, and we analyze the asset classes that may serve as a hedge during a stagflationary period.

<https://meketa.com/leadership/is-the-worst-of-both-worlds-returning-understanding-stagflation-risk-a-stagflation-primer/>



### Expectations vs. Reality | A Five Year Retrospective on Asset Class Performance

In early 2020, few could have predicted the scale of disruption that COVID-19 would bring to markets, economies, and everyday life. As we look back on the last five years, it is worth asking: how did our expectations for major asset classes hold up in the face of such unprecedented events? In this piece, we revisit our pre-pandemic return assumptions and compare them with actual outcomes from 2020 to 2024.

<https://meketa.com/leadership/expectations-vs-reality-a-five-year-retrospective-on-asset-class-performance/>



### From Trade Wars to Wildfires | with MALTS

From escalating trade tensions and “Liberation Day” tariff shocks, to the emergence of DeepSeek’s low-cost AI model and devastating wildfires across California, the landscape for Marketable Alternatives has been defined by dispersion, volatility, and uncertainty. In this edition of Meeting of the Minds, our Marketable Alternatives (MALTS) research team unpacks these events and explores how hedge fund strategies, insurance-linked investments, and global macro themes have evolved.

<https://meketa.com/leadership/from-trade-wars-to-wildfires-with-malts/>

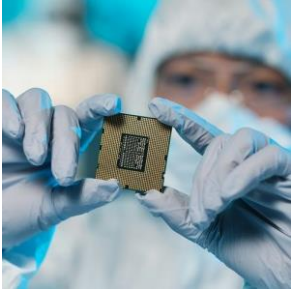


### Trade Wars | Rough Seas Ahead

This primer provides an overview of what trade wars are, how they operate, and their historical and economic context, with a focus on the United States. It examines major US-involved trade conflicts (from the infamous Smoot-Hawley Tariff of 1930 to recent US-China tensions), discusses key protectionist policy tools, and analyzes the economic impacts of trade wars on GDP, jobs, inflation, trade balances, and specific industries.

<https://meketa.com/leadership/trade-wars-rough-seas-ahead/>





### AI Infrastructure Investment

This note is focused on the investment needed to meet AI-computing demand, from domestic production of advanced semiconductor chips to a massive expansion of server farms and their networks, as well as an increase in power generation capacity to power the servers and chip fabs.

<https://meketa.com/leadership/ai-infrastructure-investment/>



### Modern Mercantilism | Trade, Technology, and Strategic Power in the 21st Century

In a shift reminiscent of mercantilist doctrines of the past, many nations, including the United States, are increasingly adopting policies that prioritize self-sufficiency, safeguard strategic industries, and build resilient supply chains.

<https://meketa.com/leadership/modern-mercantilism-trade-technology-and-strategic-power-in-the-21st-century/>

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## How will the One Big Beautiful Bill Act impact hospitals?

July 1, 2025

The One Big Beautiful Bill Act, a budget bill [passed](#) by the House in May, would significantly impact hospital finances, rapidly pushing hundreds of rural hospitals toward a fiscal cliff, according to two reports released last week.

[The House just passed 'One Big Beautiful Bill.' Here are the healthcare issues in it.](#)

### How the budget bill will impact hospital finances

The first report, released by the **Urban Institute** and the **Robert Wood Johnson Foundation**, found that Medicaid provisions in the budget bill would reduce Medicaid payments to hospitals by \$321 billion over 10 years. As a result, hospitals would see a \$63 billion increase in uncompensated care.

The report also said healthcare providers may increase costs for insured patients to make up for losses in uncompensated care. However, according to TJ Burdine, a senior director at **Optum Advisory\***, "this cost shift strategy is not a feasible short-term tactic. The ability of most small hospitals, or even large health systems, to rapidly respond in this manner is handcuffed due to multiyear payer agreements with defined fee schedules that cannot be unilaterally changed and instead take time to renegotiate."

The first report also found that doctors would see an \$81 billion cut in Medicaid funding and a \$24 billion increase in uncompensated care. Meanwhile, spending on prescription drugs would decrease by \$191 billion and there would be a \$205 billion spending reduction coming from the rest of healthcare services. The **Congressional Budget Office** (CBO) has [estimated](#) that the bill would lead to nearly 11 million Americans losing their health insurance.

Federal healthcare spending would drop the most in California, by \$100 billion, while Texas would experience a \$67.5 billion cut in federal spending, New York a \$61.6 billion cut, and Florida a \$55.8 billion cut.

The report also detailed the impact of expiring enhanced premium subsidies for insurance purchased on the Affordable Care Act (ACA) marketplaces. Those tax credits are slated to expire at the end of the year and Congressional Republicans likely won't extend them in the tax bill.



If those subsidies aren't extended, CBO has estimated that around 5 million more people would lose their insurance. The report said those estimates would translate to an additional \$103 billion loss to hospitals, a \$39 billion cut to doctors, and a \$50 billion reduction in prescription drug spending. Funding for all other healthcare services would be reduced by \$70 billion.

A [version](#) of the budget bill released by the Senate Finance Committee makes even further cuts that could impact hospitals.

In the House bill, provider taxes, which are used by 49 states, would be frozen at current levels and new approvals would be barred. However, in the Senate version, provider taxes would only be frozen in states that have not expanded Medicaid. Expansion states would see their threshold amounts drop by 0.5% each year until they hit 3.5% in 2031. The Senate's version of the bill would also eliminate a type of provider tax that some states impose on private insurers who administer Medicaid benefits.

**Advisory Board's** Sebastian Beckmann noted that Advisory Board modeling has also found a "significant policy impact on health system finances" resulting from the budget bill.

"We've modeled the margin impact based on increased expenses from a range of policies including increased uncompensated care and tariffs as well as reduced revenue from Medicaid cuts, Medicaid sequestration, and sunseting ACA subsidies," he said. "Based on our current modeling, we expect a 16-percentage point impact on operating margins for health systems with between \$1 billion and \$2 billion in revenue. Since the median operating margin in that cohort today is just 1%, without changes, this set of policies could place a majority of health systems in the red."

Beckmann said that health systems need to "prioritize their response based on the magnitude and timing of individual policies. For example, health systems with greater Medicaid exposure should prioritize enrollment efforts to reduce uninsurance in their markets."

Regarding timing, Beckmann said that federal cuts to Medicaid "will have the largest impact on health system finances but grant funding and ACA enrollment changes are happening sooner."

"There are smart hospital operational and finance leaders all over the country, but the financial impacts of these proposed changes are not solvable through operational ingenuity. Larger strategic solutions would be required to address this wave of uncompensated care — better jobs and shifting individuals to employer-subsidized insurance plans, improved care



delivery mechanisms to support patients in lower-cost sites of care, and reducing overall prices of basic services — but these are not necessarily short-term fixes," Burdine added.

"The right mix of priorities will depend on each health system's individual modeling," Beckmann added. "Advisory Board members can contact their account managers for a head start with access to our model."

### **How the bill would impact rural hospitals and access to care**

Meanwhile, a second report from the **Cecil G. Sheps Center for Health Services Research** found that the budget bill would cause hundreds of rural hospitals to risk closure, service reductions, or ending inpatient care. Many of these hospitals are located in Kentucky, Louisiana, California, and Oklahoma.

"It's very clear that Medicaid cuts will result in rural hospital closures," said Alan Morgan, CEO of the **National Rural Health Association**.

Many rural hospitals operate on very thin, if not negative, margins, and proposed cuts to Medicaid in the bill would further erode hospitals' ability to maintain services and stay open. According to a report from **Chartis**, a health analytics and consulting firm, Medicaid brings in \$12.2 billion or nearly 10% of rural hospital net revenue.

A 15% cut to Medicaid would lead rural hospitals to collectively lose more than \$1.8 billion, which is roughly equivalent to 21,000 full-time hospital employees' salaries.

Hospitals that can stay afloat amid cuts would likely do so by cutting services especially dependent on Medicaid reimbursements like labor and delivery units, mental healthcare, and EDs.

Adam Gaffney, a critical care physician and assistant professor at **Harvard Medical School**, said that under the Senate's proposed version of the bill, rural hospitals would likely be forced to reduce their services, cut staff, or close entirely. In addition, many patients would likely die as they will no longer have a hospital nearby.

A report from the **Pew Research Center** found that rural Americans live an average of 10.5 miles or 17 minutes from the nearest hospital, which is around twice as far and five to seven minutes longer than people in suburban and urban areas.

"There's no way around it. It's just basic math," Gaffney said. "It means more harm, and more people will die from lack of care."

Kevin Stansbury, CEO of the **Lincoln Community Hospital**, a 25-bed rural hospital in Hugo, Colorado, said his hospital is unlikely to survive under the proposed bill. Stansbury said his



hospital serves an area roughly the size of Connecticut but only has around two providers per square mile. Around 25% of his patients are on Medicaid.

Stansbury added that his hospital receives around \$300,000 a month in provider tax reimbursements, which he said are "essential for us to keep our doors open" and still just enough to break even. Without the 6% provider tax rate, Stansbury said he'll likely have to start cutting services for patients, including long-term care.

Rural hospitals' margins have been declining for 10 to 15 years, according to Michael Topchik, executive director for the **Chartis Center for Rural Health**. A decade ago, around a third of rural hospitals were operating in the red. That number is closer to 50% now, Topchik said, and it's even higher in the 10 states that didn't expand Medicaid eligibility under the ACA, with 53% of rural hospitals in those states operating in the red and more than 200 vulnerable to closure.

Some rural hospitals have responded to financial pressures by joining larger networks like **Intermountain Health** or **Sanford Health**, which are connected to facilities throughout the Midwest and Mountain West. However, around half of rural hospitals are still independent, Topchik said, and they struggle with the collision of low patient volume and high fixed costs.

"We can't Henry Ford our way out of this by increasing volumes to dilute costs and reduce prices," Topchik said. "It's expensive, and that's the reason the federal government, for a long time, has reimbursed rural hospitals in a variety of manners to help keep them whole."

*\*Advisory Board is a subsidiary of **Optum**. All Advisory Board research, expert perspectives, and recommendations remain independent.*

(Wilkerson, [STAT+](#) [subscription required], 6/14; Rodriguez, [KFF Health News](#), 6/12; Kirzinger et al., [KFF Health Tracking Poll: Views of the One Big Beautiful Bill](#), 6/17; Mills-Gregg et al., [Inside Health Policy](#) [subscription required], 6/16; Kliff/Sanger-Katz, "[The Upshot](#)," *New York Times*, 6/17; Lovelace Jr., [NBC News](#), 6/17)



Health Spending

# How does medical inflation compare to inflation in the rest of the economy?

By Shameek Rakshit, Emma Wager , Paul Hughes-Cromwick, Cynthia Cox , and Krutika Amin 

August 2, 2024

*Note: This analysis was updated on August 2, 2024 to include new data.*

Medical care prices and overall health spending typically outpace growth in the rest of the economy. Health costs represent a growing share of gross domestic product and many American families have seen the [costs](#) of health services and premiums grow faster than their wages.

This brief analyzes prices for medical care compared to other goods and services using consumer price index (CPI) and producer price index (PPI) data from the Bureau of Labor Statistics (BLS) and personal consumption expenditures (PCE) price index data from the Bureau of Economic Analysis (BEA).

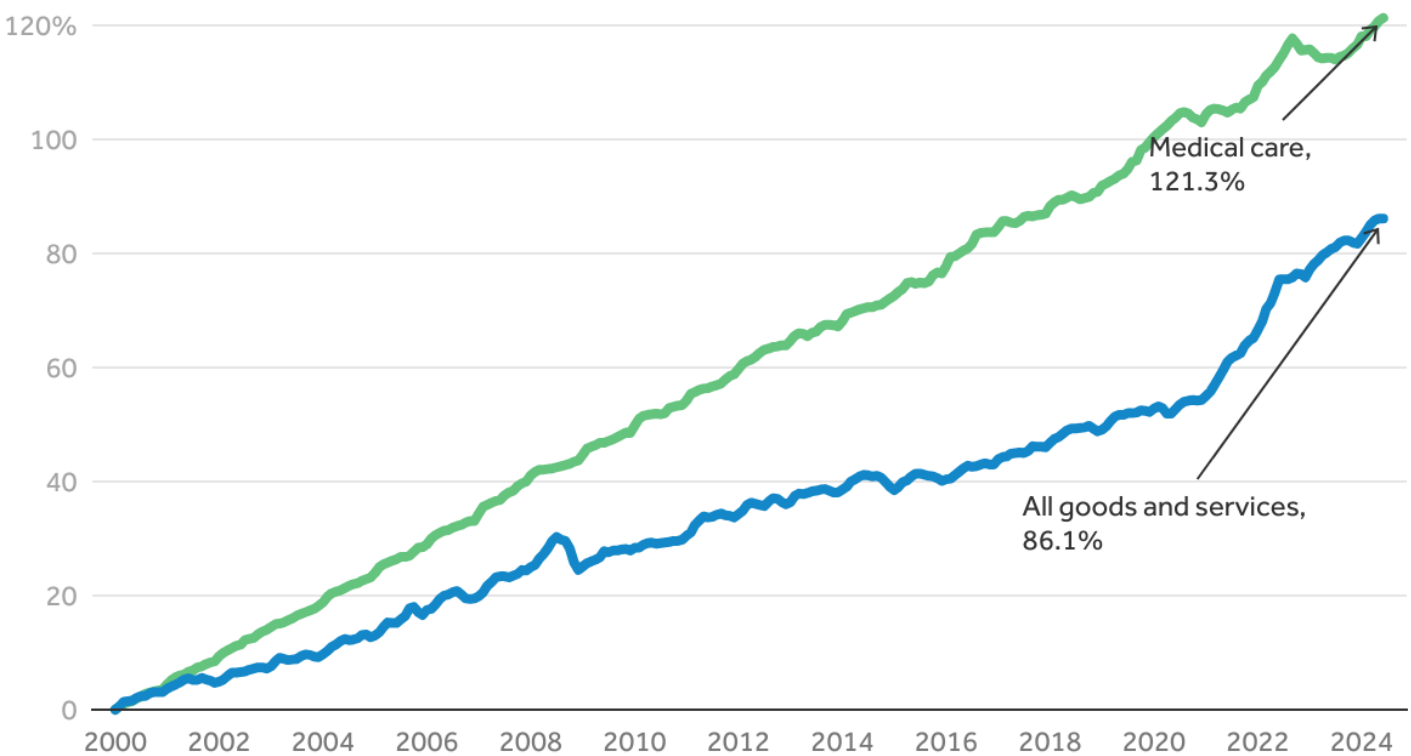
Using the CPI, overall prices grew by 3.0% in June 2024 from the previous year, while prices for medical care increased by 3.3%. Overall prices excluding medical care grew by 2.9%. This marks the first month since early 2021 that prices for medical care had grown faster than overall inflation.

In June 2024, medical prices grew by 3.3% from the previous year, higher than the 3.0% overall annual inflation rate.

SHARE ON X

**Medical care prices have generally grown faster than overall consumer prices**

Cumulative percent change in Consumer Price Index for All Urban Consumers (CPI-U) for medical care and for all goods and services, January 2000 - June 2024



Note: Data are not seasonally adjusted. Medical care includes medical services as well as commodities such as equipment and drugs.

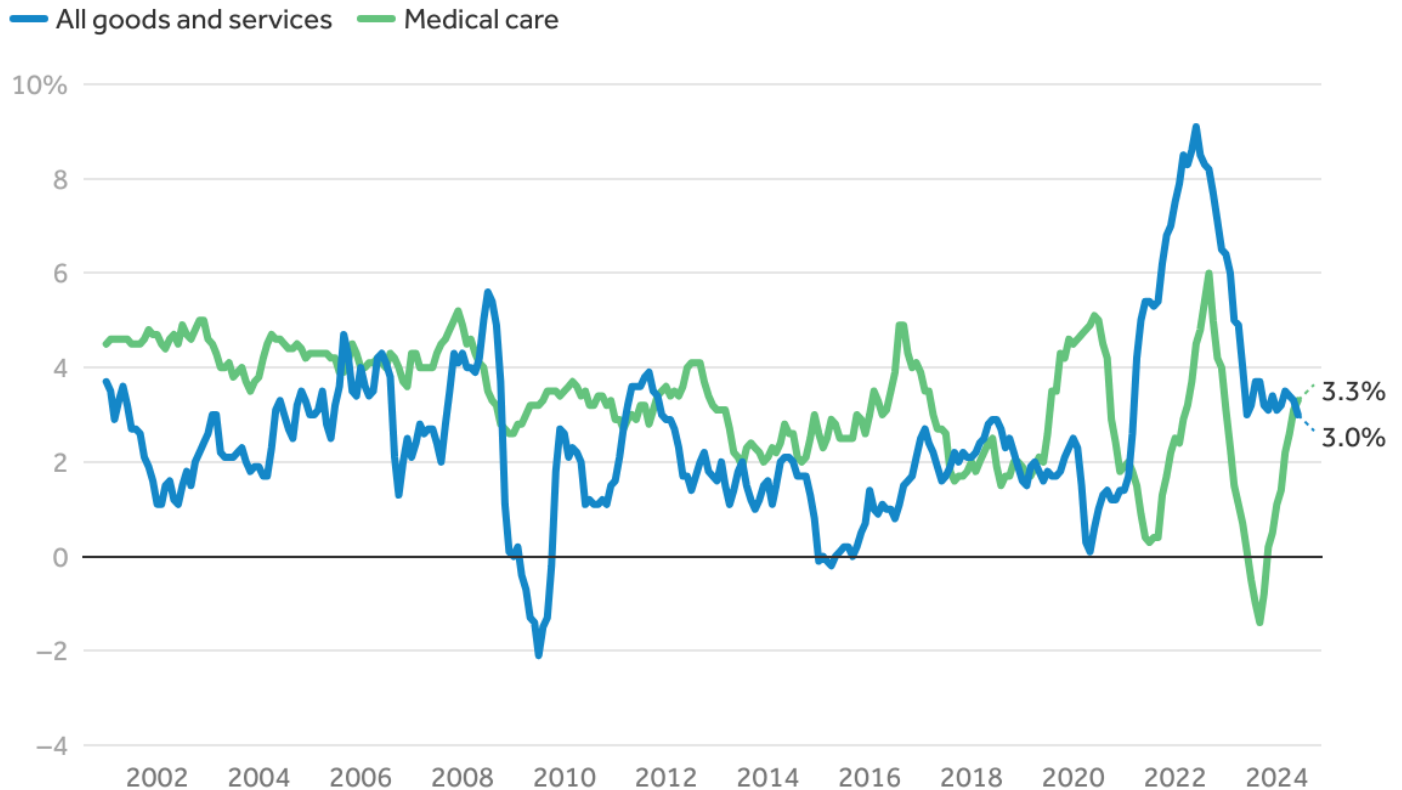
Source: KFF analysis of Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) data

Peterson-KFF  
**Health System Tracker**

Since 2000, the price of medical care, **including** services provided as well as insurance, drugs, and medical equipment, has increased by 121.3%. In contrast, prices for all consumer goods and services rose by 86.1% in the same period.

**In June 2024, prices rose 3.0% across the economy from the previous year, compared to 3.3% for medical care**

## Annual percent change in Consumer Price Index for All Urban Consumers (CPI-U), January 2001 - June 2024



Note: Data are not seasonally adjusted. Medical care includes medical services as well as commodities such as equipment and drugs.

Source: KFF analysis of Bureau of Labor Statistics (BLS)  
Consumer Price Index (CPI) data

Peterson-KFF  
**Health System Tracker**

Medical care prices typically outpace growth of prices in the rest of the economy. However, starting in 2021, prices for many non-medical goods and services began increasing rapidly, outpacing the growth in medical prices. As general economic inflation has begun to cool more recently, though, medical prices are once again outpacing growth in other prices. Using the CPI, overall prices grew by 3.0% in June 2024 from the previous year, while prices for medical care increased by 3.3%. Overall prices excluding medical care grew by 2.9%.

As general economic inflation pushes wages upward, health worker [wage increases](#) also put upward pressure on medical prices, unless hospitals and other providers can find ways to operate with fewer staff or cut other expenses. However, many health prices are set in advance, administratively or via private insurance contracting, so there is a delay in observable price increases. Public payer prices are set by the federal and state governments annually. Medicare uses indexing measures to update payment rates

annually, reflecting increases in operating costs and wage growth, among other factors. Some commercial rates are negotiated throughout the year, but most are tied to the plan or calendar year.

### **The Consumer Price Index (CPI)**

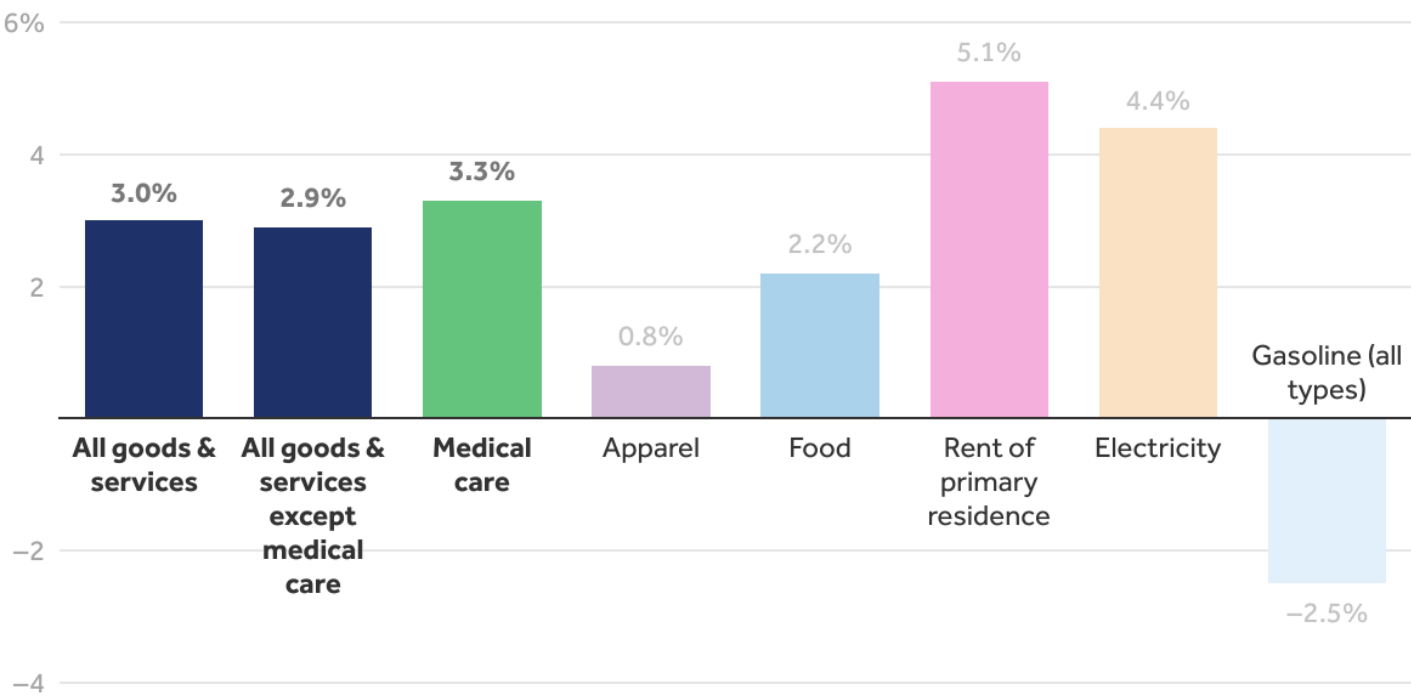
*The consumer price index for all urban consumers (CPI-U) measures the U.S city average change in prices consumers pay for goods and services. For medical care, CPI measures total price changes, including both the costs consumers pay out-of-pocket and those insurers (public and private payers) pay to providers and pharmacies. While CPI measures total price changes, the index weights spending to match consumers' out-of-pocket costs, including consumers' spending at the point of care and on health insurance premiums. For example, physician and hospital services are [47%](#) of the medical care index.*

*BLS used [new expenditure weights](#) to calculate the CPI starting from January 2023 and will continue to update the weights annually. Previously, BLS updated CPI weights once every two years using two consecutive years of consumer spending data. CPI weights will now be calculated each year using one year of spending data for greater accuracy.*

**Medical care prices increased somewhat faster than prices for other consumer goods and services in the past year**

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# Annual percent change in Consumer Price Index for All Urban Consumers (CPI-U), June 2023 - June 2024



Note: Data are not seasonally adjusted. Medical care includes medical services as well as commodities such as equipment and drugs.

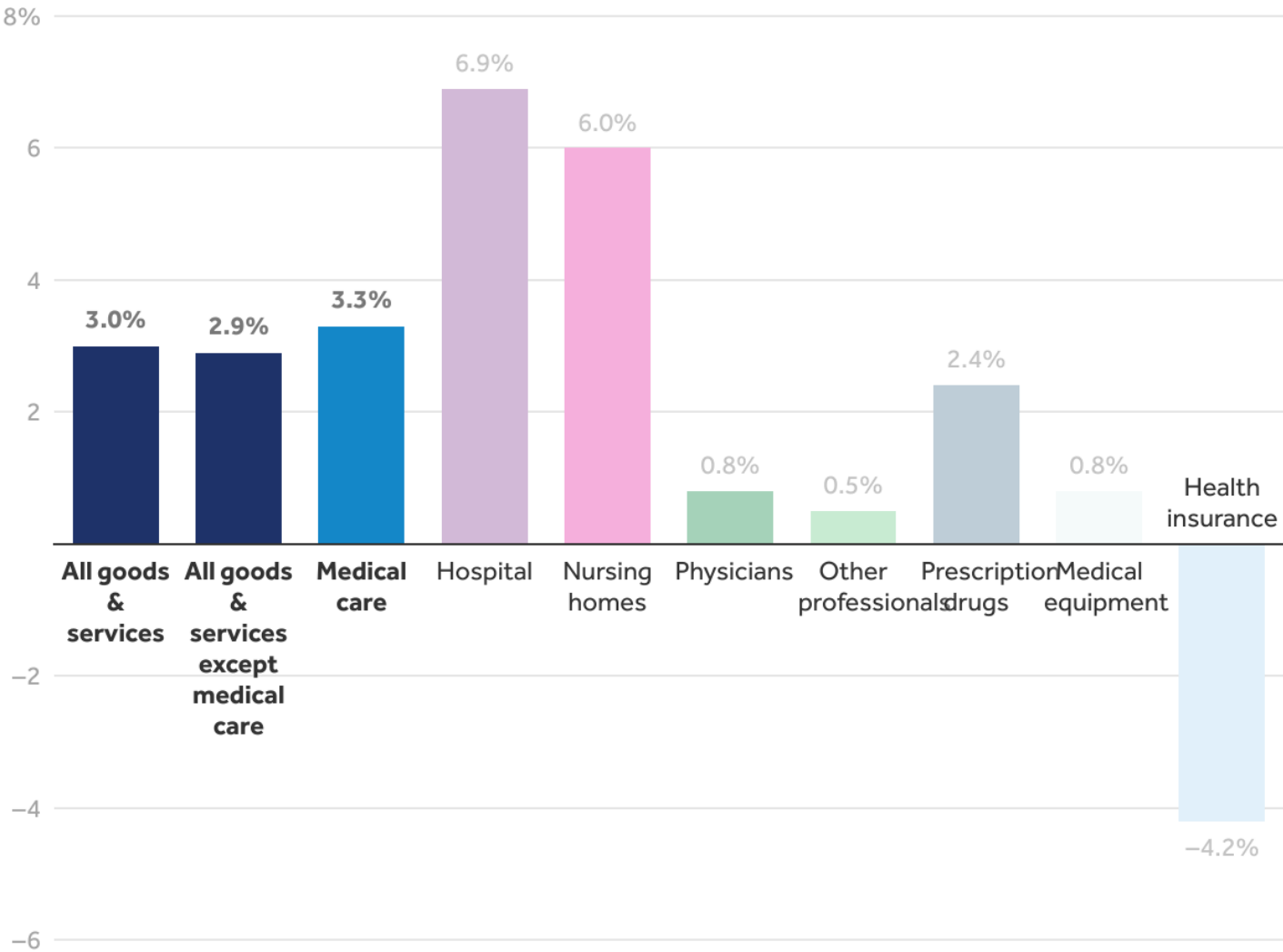
Source: KFF analysis of Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) data

Peterson-KFF  
**Health System Tracker**

While the annual growth in medical prices is once again outpacing the growth in non-medical prices (3.3% vs. 2.9% in June) on average, some non-medical goods and services saw larger increases. Residential rents grew by 5.1% and electricity costs grew by 4.4%. Other household budget items, such as food and apparel, have seen smaller price increases in the past year than medical care. Gasoline was the fastest-growing essential household expense in 2022, reaching a peak inflation rate of 59.9% in June 2022. More recently, as of June 2023, gasoline prices have declined by -2.5% from the same month last year.

## Some health prices increased faster than others in the past year

# Annual percent change in Consumer Price Index for All Urban Consumers (CPI-U) for medical care, by category, June 2023 - June 2024



Note: Data are not seasonally adjusted. "All medical care" includes medical services as well as commodities such as equipment and drugs. CPI for medical care is generally lagged farther than other categories. Health insurance CPI represents health administration costs and profits; this measure is at least one-year lagged.

Source: KFF analysis of Bureau of Labor Statistics (BLS) Consumer Price Index (CPI) data

Peterson-KFF  
**Health System Tracker**

Prices for hospital services (6.9%) as well as for nursing homes (6.0%) rose faster than for prescription drugs and physicians’ services (2.4% and 0.8%, respectively). The medical CPI is generally based on lagged data even more so than other CPI categories. For example, the prescription drug CPI does not immediately reflect the introduction of new, high-priced drugs.

The medical care CPI also includes a price index for health insurance. This index measures [retained earnings](#) of health insurers – it is not a reflection of the premiums they set. The health insurance CPI fell from an annual increase of 28.2% in September 2022 (the all-time high) to a decrease of -4.2% in June 2024. However, the health insurance CPI presents data that is almost one-year lagged, so it is not representative of current price changes. In fact, the health insurance CPI through September 2022 reflects [insurers' margins](#) in 2020, as they paid lower medical claims than in a typical year. Nevertheless, insurers likely saw lower [margins](#), on average, in 2021 and 2022 than they had been in the first year of the pandemic due to returning utilization.

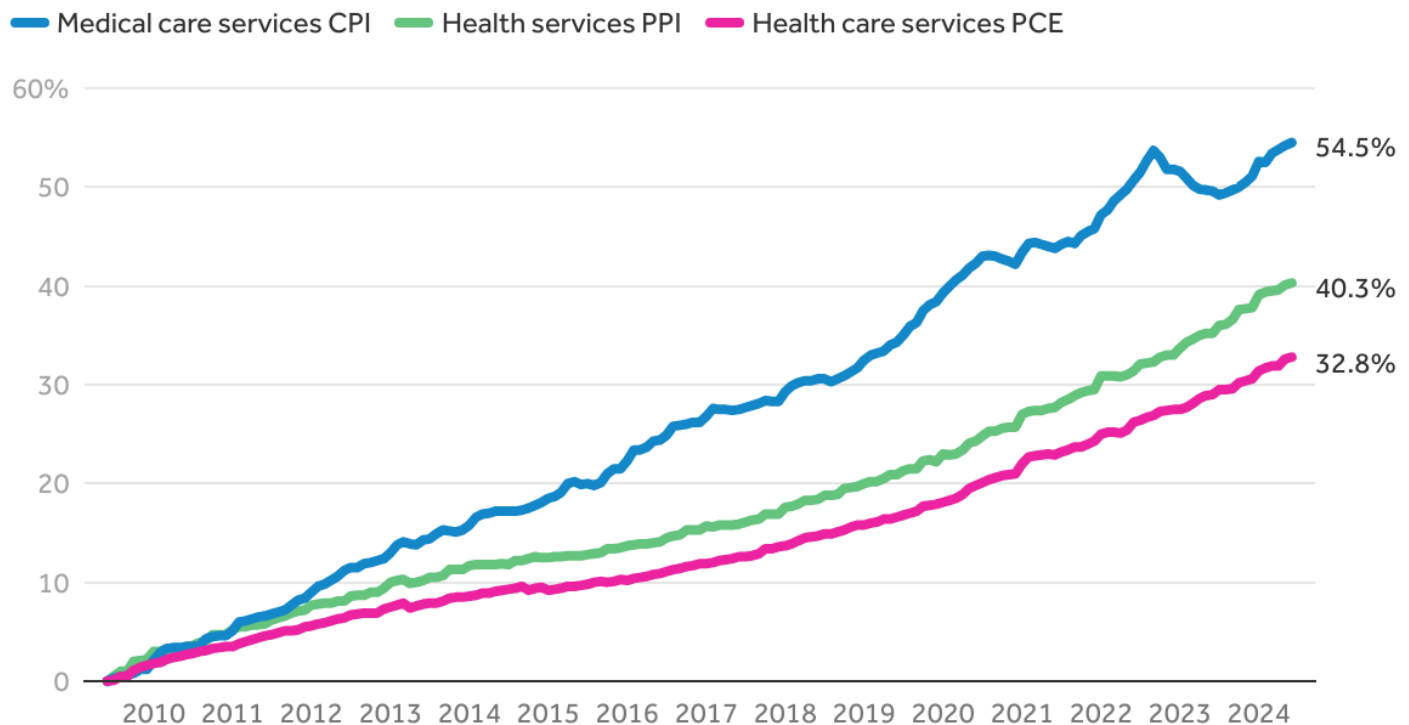
Regardless, with a 9% weight of the total medical consumer price index, health insurance brought the overall medical CPI up during most of 2022 and is now exerting downward pressure.

## **Different measures of medical inflation produce different estimates of price growth**

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## Cumulative percent change in selected health care price indices, June 2009 - June 2024



Note: CPI and PPI data are not seasonally adjusted. Producer Price Index (PPI) data measures health care services as a commodity for all payers. Consumer Price Index for All Urban Consumers (CPI-U) data measures medical care services only, including hospital and other health facility services (excluding drugs and equipment). Personal consumption expenditures (PCE) data measure total personal health care expenses.

Source: KFF analysis of Bureau of Labor Statistics (BLS) and Bureau of Economic Analysis (BEA) data

Peterson-KFF

**Health System Tracker**

While the CPI covers inflation in prices paid directly by consumers, another measure of inflation, the personal consumption expenditures (PCE) price index, also tracks changes in prices paid on behalf of consumers. For example, the health care services PCE price index covers payments by employers, private insurers, and government programs to providers in addition to premiums and out-of-pocket expenses paid by consumers. The PCE price index also accounts for shifts in consumer spending patterns in response to price changes. CPI, by contrast, assumes consumers buy a similar bundle of goods and services and does not account for trade-offs consumers may be making in response to price changes.

A third measure of inflation, the producer price index (PPI), represents inflation from the producers' perspective in both the public and private sector. The PPI for health services includes medical services (provided by physicians or other care providers) paid for by third parties, such as employers or the federal

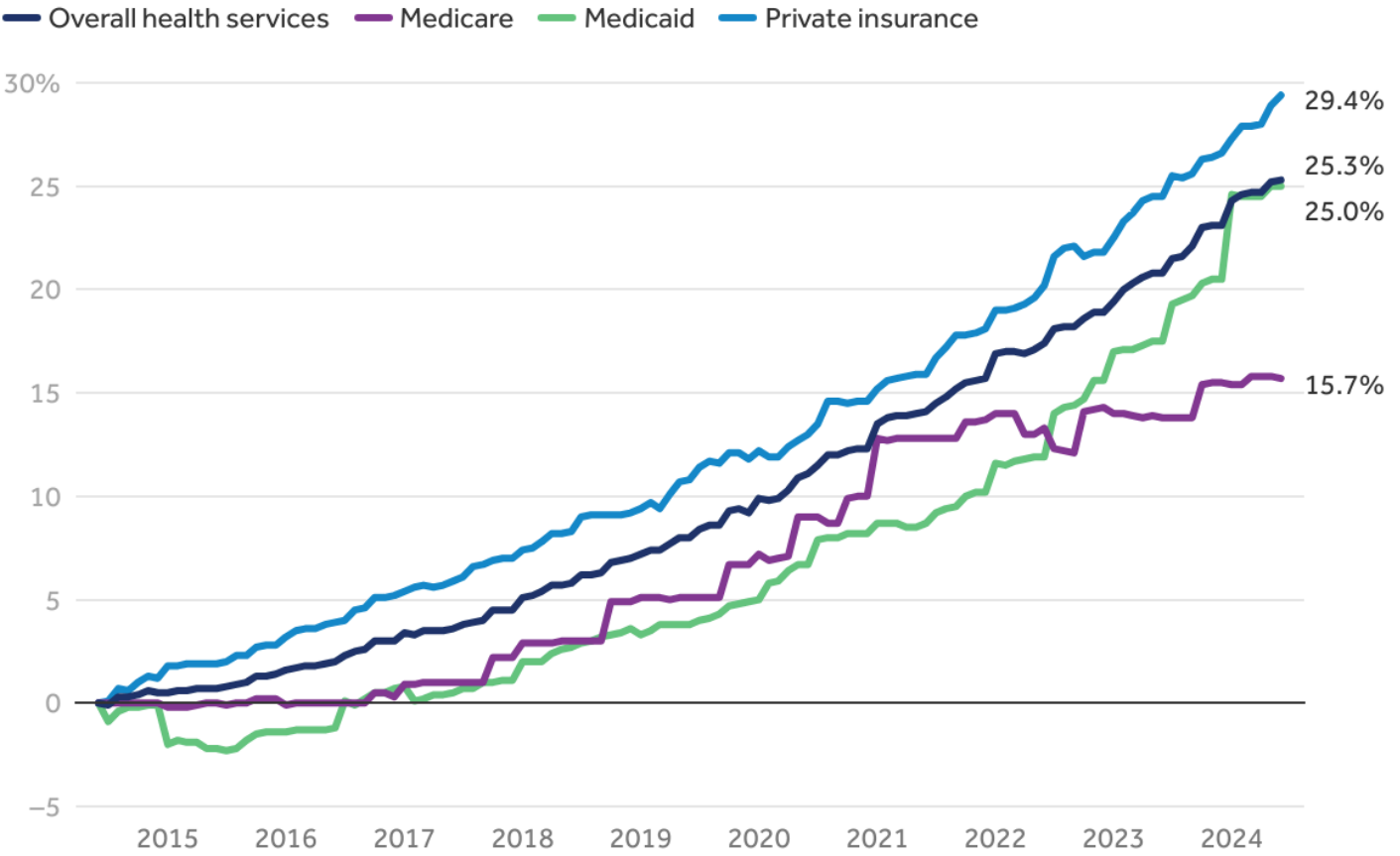
government. Unlike the CPI, the PPI considers changes in industry output costs with a focus on the actual transaction prices.

Since June 2009, the CPI-U for medical care services has risen by 54.5%, while the PPI for health care services has increased by 40.3% and the PCE price index for health care services has increased by 32.8%. Services included in this chart include hospital, physician, and other professional and facility care prices. While drugs and medical equipment are included in previous CPI-U charts in this analysis, this chart measures CPI-U of medical care services specifically and excludes drugs and medical equipment in both PPI and CPI-U measures.

## **Prices paid by private insurance generally outpace those paid by public programs**

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# Cumulative percent change in Producer Price Index (PPI) for health care services, June 2014 - June 2024



Note: Data are not seasonally adjusted.

Source: KFF analysis of Bureau of Labor Statistics (BLS) Producer Price Index (PPI) data

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**Health System Tracker**

Generally, prices paid by private insurance are higher and rise more quickly than prices paid by public payers. Prices for private insurers are the result of negotiations between health systems and the insurance companies, while public payer prices are set administratively. In 2024, healthcare prices paid for by private insurance and Medicaid are rising faster than those paid for by Medicare. The private insurance health services PPI has risen by 29.4% since June of 2014, compared to 15.7% for Medicare and 25.0% for Medicaid in the same period. The overall health services PPI increased by 25.3% since June 2014.

During the public health emergency, Medicare provider reimbursement for COVID-19 treatment was boosted by 20.0%, which explains part of the reason for the increase in the Medicare PPI in 2020.

## About this site

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*The Peterson Center on Healthcare and KFF are partnering to monitor how well the U.S. healthcare system is performing in terms of quality and cost.*

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## Morgan Stanley

# Morgan Stanley Public Finance: Weekly Healthcare Update

Week Ended July 25<sup>th</sup>, 2025

**Contact:** Morgan Stanley Not-for-Profit Healthcare | [MS.Healthcare@morganstanley.com](mailto:MS.Healthcare@morganstanley.com)

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# Morgan Stanley Public Finance: Weekly Market Update

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## Upcoming Economic Calendar

- Dallas Fed Manuf. (7/28, 10:30am)
- FOMC Meeting (7/29)
- Trade Def. in Goods (7/29, 8:30am)
- Wholesale Inventory (7/29, 8:30am)
- House Price Indexes (7/29, 9:00am)
- Conf. Bd. Consumer Confidence (7/29, 10:00am)
- JOLTS (7/29, 10:00am)
- ADP Survey (7/30, 8:15am)
- GDP (7/30, 8:30am)
- Treasury Quarterly Refunding Announcement (7/30, 8:30am)
- Pending Home Sales (7/30, 10:00am)
- FOMC Decision (7/30, 2:00pm)
- Challenger Survey (7/31, 7:30am)
- Employment Cost Index (7/31, 8:30am)
- Personal Income and Outlays (7/31, 8:30am)
- Chicago PMI (7/31, 9:45am)
- Employment Report (8/1, 8:30am)
- S&P Manufacturing (8/1, 9:45am)
- Construction Spending (8/1, 10:00am)
- ISM Manufacturing (8/1, 10:00am)
- Uni. of Mich. Consumer Sentiment (8/1, 10:00am)
- Motor Vehicle Sales (8/1)

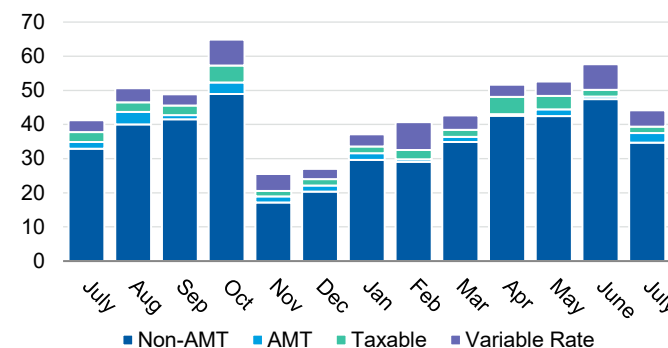
## Market Snapshot

	7/25/2025	7/18/2025	Change	% Change
<b>U.S. Treasury Rates</b>				
5 Year	3.95%	3.96%	-0.01%	-0.28%
10 Year	4.44%	4.43%	0.01%	0.19%
30 Year	4.93%	5.00%	-0.07%	-1.41%
<b>MMD Index (Municipals)</b>				
5 Year	2.57%	2.60%	-0.03%	-1.15%
10 Year	3.34%	3.35%	-0.01%	-0.30%
30 Year	4.71%	4.77%	-0.06%	-1.26%
<b>SIFMA</b>	2.73%	2.46%	0.27%	10.98%
<b>Equities</b>				
DJIA	44,901.92	44,342.19	559.73	1.26%
S&P 500	6,388.64	6,296.79	91.85	1.46%

Source: Morgan Stanley Matrix

## Long-Term Municipal Issuance

2025 YTD = \$326.486 BN  
Monthly Issuance (\$BN)



Source: Refinitiv SDC Platinum

## Interest Rate Outlook: Morgan Stanley vs. Consensus

	Morgan Stanley					Market Consensus		
	Treasury Yield Curve					Treasury Yield Curve		
	Fed Funds Mid-Point	2y	5y	10y	30y	5y	10y	30y
July 25	4.375%	3.92%	3.95%	4.44%	4.93%	3.95%	4.44%	4.93%
4Q25	4.375%	3.45%	3.60%	4.00%	4.60%	3.90%	4.29%	4.74%
2Q26	3.625%	2.60%	2.95%	3.45%	4.15%	3.83%	4.22%	4.68%

### Sources:

1. Bloomberg, Morgan Stanley
2. Morgan Stanley Research, May 20, 2025, "All Eyes on US," Serena W Tang, Vishwanath Tirupattur, et al Research, <https://ny.matrix.ms.com/eqr/article/webapp/8e056d38-1ed4-11f0-8409-614200cb0fb5?ch=rp&sch=ar>

### Notes:

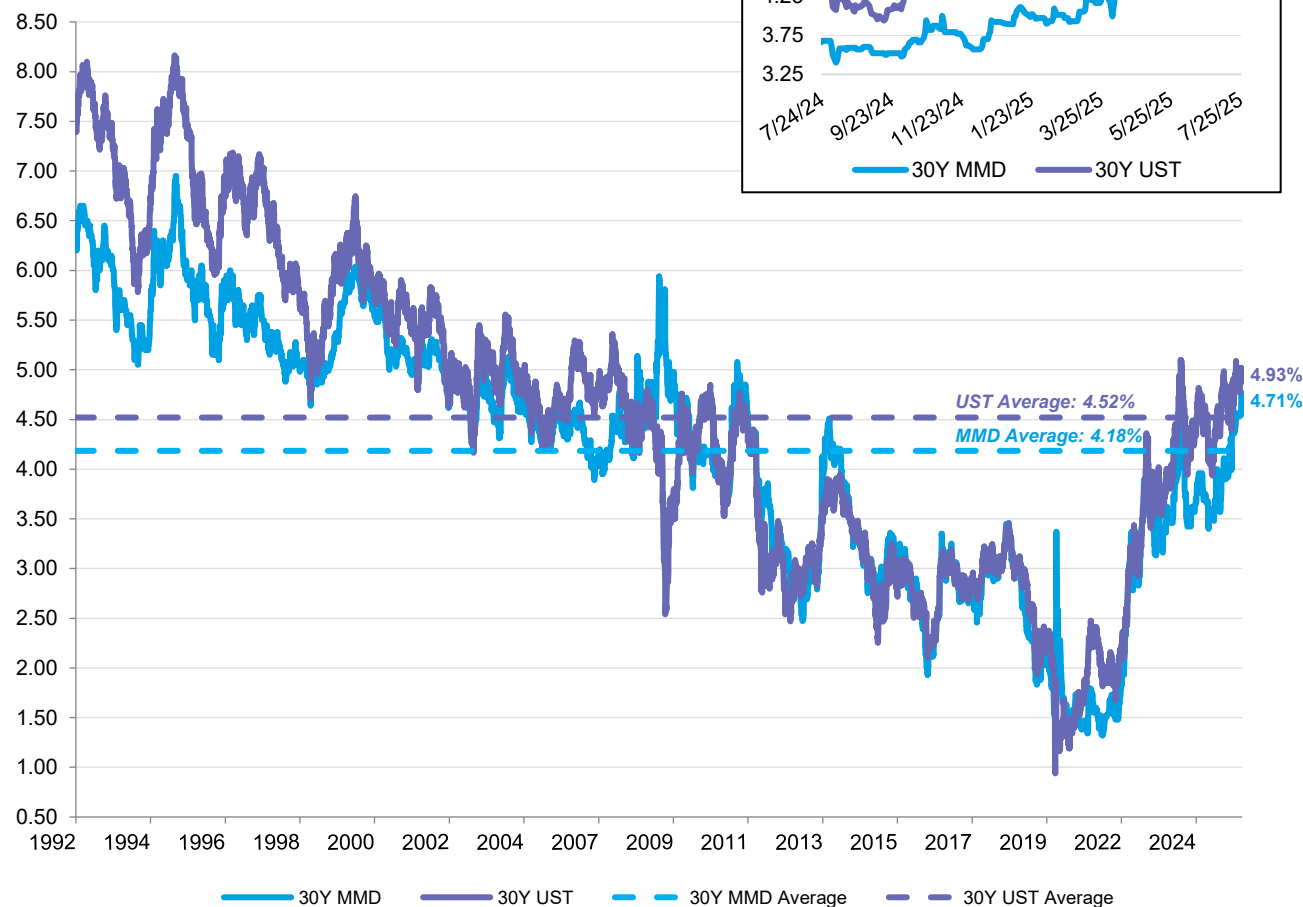
1. Please see additional important information and qualifications at the end of this material.



## Market Driving Themes

- US and Japan reach a trade agreement as global negotiations continue ahead of the August deadline
  - On Tuesday, after eight rounds of negotiations, the White House announced a trade agreement with Japan that sets a reciprocal tariff rate of 15% on Japanese goods and Japan is also expected to invest \$550 billion into the US economy, with the President noting that the US would receive “90% of the profits” from these investments
  - Meanwhile, the US and EU are reportedly close to a deal that would include a reciprocal tariff rate of 15% on European imports
- The muni bond market saw \$572.0 MM of inflows this week, bringing YTD net inflows to \$14.7 BN
  - During the week of July 28<sup>th</sup>, \$7.9 BN of new negotiated muni issuance is expected, \$657.0 MM of which is new healthcare supply
- Investment grade new issue supply this week saw \$23.0 BN price across 14 transactions:
  - Orderbooks were 4.7x oversubscribed
  - New issue concession was 2.0 bps
  - Tightening from initial price talk was ~26 bps

January 1, 1992 – July 25, 2025



1. Source: Morgan Stanley Matrix  
2. Please see additional important information and qualifications at the end of this material.

# Morgan Stanley Public Finance: Weekly Healthcare Issuance Update

Week Ended July 25<sup>th</sup>, 2025

## Healthcare Rating Updates

July 21 to July 25, 2025

### Moody's

- Beth Israel Lahey Health (MA): Assigned/Affirmed A3; Outlook Stable
- Genesis Healthcare System (OH): Upgraded to Ba1 from Ba2; Outlook Revised to Stable from Positive

### S&P

- Auxilio Mutuo (PR): Downgraded to BBB from BBB+; Outlook Negative
- Beth Israel Lahey Health (MA): Assigned/Affirmed A; Outlook Negative
- Intermountain Health (CO): Affirmed AA+; Outlook Stable
- Kaiser Permanente (CA): Assigned/Affirmed AA-; Outlook Stable
- Roswell Park Cancer Institute (NY): Assigned A-; Outlook Stable
- Samaritan Health Services (OR): Downgraded to BBB from BBB+; Outlook Negative
- St. Luke's (MO): Affirmed A; Outlook Negative
- TidalHealth (MD): Assigned A-/Downgraded to A- from A; Outlook Stable

### Fitch

- Henry Ford Health (MI): Assigned A+; Outlook Stable
- Kaiser Permanente (CA): Assigned/Affirmed AA-; Outlook Stable
- Sanford Health (SD): Assigned/Affirmed AA-; Outlook Stable
- Virginia Hospital Center (VA): Affirmed AA-; Outlook Stable

## Select Fixed Rate Healthcare New Issuance

Sale Date	Obligor (State)	Par (\$MM)	Ratings (M/S/F)	Maturity <sup>(1)</sup>	Coupon / Yield / Spread
7/24/25	Texas Health Resources (TX)	311.470	Aa2 / AA / NR	2055	5.000% / 5.160% / +45
7/22/25	Phelps Health (MO)	64.135	NR / BBB+ / NR	2055	6.000% / 5.530% / +82
7/22/25	Nash Health Care Systems (NC)	153.575	NR / BBB+ / A-	2055	5.250% / 5.480% / +77
7/16/25	Renown Regional Medical Center (WI)	192.400	NR / A / A+	2055	5.000% / 5.320% / +67
7/9/25	Jupiter Medical Center (FL)	153.480	NR / BBB- / BBB	2055	5.250% / 5.510% / +96
6/26/25	University of Pennsylvania Health System (PA)	318.525	Aa3 / AA / NR	2055	5.000% / 5.070% / +53
6/25/25	Froedtert ThedaCare Health (WI)	207.895	NR / AA / AA	2044	5.250% / 4.730% / +48
6/18/25	Methodist Le Bonheur Healthcare (TN) <sup>(2)</sup>	194.420	A1 / AA / NR	2035	5.000% / 4.170% / +87
6/17/25	El Paso County Hospital District (TX) <sup>(2)</sup>	268.255	NR / AA / A-	2055	5.500% / 5.150% / +61
6/17/25	Nebraska Methodist Health (NE)	143.010	NR / A / A+	2049	5.000% / 5.150% / +70
6/10/25	Providence St. Joseph Health (CA) – Corporate	400.000	NR / A / A	2032	5.369% / 5.369% / +110
6/10/25	West Virginia University Health System (WV)	300.655	A2 / A / NR	2053	5.000% / 5.170% / +63
6/9/25	Duke University Health System (NC)	324.450	Aa3 / AA- / AA-	2042	5.000% / 4.580% / +48
6/4/25	Stanford Health Care (CA)	416.120	Aa2 / AA- / AA	2054	5.250% / 4.790% / +24
6/4/25	Pella Regional Health Center (IA)	40.325	NR / NR / BBB+	2055	5.750% / 5.520% / +96
6/3/25	Indiana University Health (IN)	482.025	Aa2 / AA / AA	2047	5.250% / 4.810% / +42
5/29/25	Meritus Health (MD) <sup>(2)</sup>	361.030	NR / AA / A	2050	5.000% / 5.090% / +57

### Notes:

- Reflects spread to reference rate and pricing data at the shown maturity.
- Insured bonds; rating reflects insured bond rating.
- Morgan Stanley underwritten transactions, if any, highlighted in blue.
- Ratings reports from Moody's, S&P RatingsDirect, and Fitch. New Issuance from Refinitiv SDC Platinum and Bloomberg.
- Please see additional important information and qualifications at the end of this material.

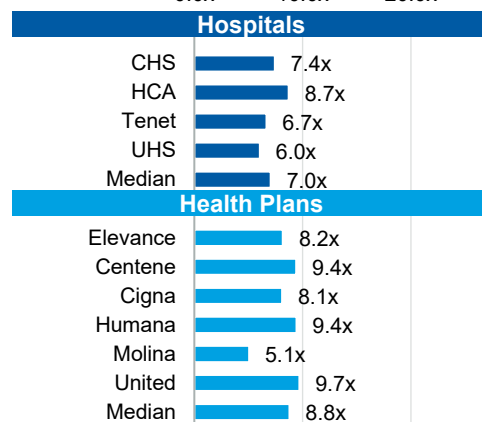
# Morgan Stanley Public Finance: Weekly Healthcare M&A Update

Week Ended July 25<sup>th</sup>, 2025

## Selected Valuation Multiples

EV/EBITDA (per trading data)

0.0x 10.0x 20.0x



Source: Morgan Stanley analysis using CapitalIQ

## Select Announced Not-for-Profit Hospital M&A Transactions<sup>(1)(2)</sup>

Date Announced	Party A	Revenue (\$MM) <sup>(3)</sup>	Party B	Revenue (\$MM) <sup>(3)</sup>
7/16/2025	Virtua Health (NJ)	3,241	ChristianaCare (DE)	3,081
6/16/2025	TriHealth (OH)	2,019	Clinton Memorial Health (OH)	102
6/11/2025	Heart of Mary Medical Center (IL)	101	Sacred Heart Medical Center (IL)	90
5/29/2025	UnityPoint (IA)	4,481	MercyOne Siouxland Medical Center (IA)	181
5/7/2025	Baptist Memorial Health Care (TN)	4,436	OCH Regional Medical Center (MS)	71
4/22/2025	Baptist Memorial Health Care (TN)	4,436	Arkansas Methodist Medical Center (AK)	75
4/15/2025	Ascension (MO)	27,031	Cedar Park Regional Medical Center (TX)	183
4/3/2025	Beacon Health System (IN)	1,390	4 Ascension Hospitals (MI)	493
2/24/2025	Parkview Health (IN)	3,073	Logansport Memorial Hospital (IN)	110
1/3/2025	St. Luke's University Health Network (PA)	3,610	Grand View Health (PA)	279
12/26/2024	BradenHealth (FL)	38	Perry Community Hospital (TN) <sup>(5)</sup>	--
12/12/2024	TidalHealth (MD)	856	Atlantic General Hospital (MD)	162
12/12/2024	Quorum Health (TN)	686	Bay Area Hospital (OR)	178
12/11/2024	Duke University Health System	6,822	Lake Norman Regional Medical Center (NC)	144
11/22/2024	AdventHealth (FL)	16,794	2 CHS Hospitals (FL)	252

### Notes:

1. Includes selected publicly disclosed transactions
2. Certain transactions may involve a merger, and as such the parties are listed as "Party A" and "Party B", with the entity with lower consolidated revenues listed as "Party B"
3. Represents consolidated system revenue or hospital revenue, as applicable, as reported in publicly available financials; if not available, revenues from CMS cost reports, as reported by Definitive Healthcare
4. Perry Community Hospital closed in 2020, so no recent revenues are available
5. Please see additional important information and qualifications at the end of this material

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**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
INVESTMENT COMMITTEE MEETING MEMO**

**To:** El Camino Hospital, Investment Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** August 11, 2025  
**Subject:** CFO Financial Report

**Purpose:**

To provide the Investment Committee with an update on YTD FY2025 financial results (as of 5/31/2025).

**Executive Summary – YTD FY2025 (as of 5/31/2025):**

Patient activity / volumes remain consistent across the enterprise.

- **Average Daily Census:** 313 is 0 / 0.1% favorable to budget and 5 / 1.6% higher than the same period last year.
- **Adjusted Discharges:** 41,253 are 192 / 0.5% favorable to budget and 992 / 2.5% higher than the same period last year.
- **Emergency Room Visits:** 75,251 are 1,020 / 1.4% favorable to budget and 91 / 0.0% higher than the same period last fiscal year.
- **Outpatient Visits / Procedures:** 142,327 are 16,552 / 13.2% favorable to budget and 15,649 / 12.4% higher than the same period last fiscal year.

**Total Operating Revenue (\$):** \$1,572M is \$60M / 4.0% favorable to budget and \$138M / 9.6% higher than the same period last fiscal year.

**Operating EBIDA (\$):** \$251M is \$37M / 17.1% favorable to budget and \$24M / 10.7% higher than the same period last fiscal year.

**Net Income (\$):** \$254M is \$76M / 42.9% favorable to budget, but \$15M / 5.5% lower than the same period last fiscal year. Lower year-over-year net income is attributed to unstable capital markets.

**Operating Margin (%):** 10.0% (actual) vs. 8.0% (budget)

**Operating EBIDA Margin (%):** 15.9% (actual) vs. 14.2% (budget)

**Recommendation:**

- None

**List of Attachments:**

- CFO Financial Report – FY2025 YTD (as of 5/31/2025)

**Suggested Investment Committee Discussion Questions:**

- None



## **CFO Report**

# **YTD Fiscal Year 2025 Financials (7/1/2024 – 5/31/2025)**

*Carlos Bohorquez, Chief Financial Officer*

*August 11, 2025*



# Operational / Financial Results: YTD FY2025 (as of 05/31/2025)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Year over Year change	YoY % Change	Moody's	S&P	Fitch	Performance to Rating Agency Medians
Activity / Volume	ADC	313	312	0	0.1%	308	5	1.6%	---	---	---	---
	Adjusted Discharges	41,253	41,061	192	0.5%	40,261	992	2.5%	---	---	---	---
	OP Visits / OP Procedural Cases	142,327	125,775	16,552	13.2%	126,678	15,649	12.4%	---	---	---	---
	Percent Government (%)	59.5%	58.7%	0.8%	1.3%	59.2%	0.3%	0.5%	---	---	---	---
	Gross Charges (\$)	6,700,320	6,353,067	347,254	5.5%	5,818,841	881,479	15.1%	---	---	---	---
Operations	Cost Per CMI AD	20,403	20,032	371	1.9%	18,834	1,569	8.3%	---	---	---	---
	Net Days in A/R	50.3	54.0	(3.7)	(6.9%)	50.2	0.1	0.2%	48.1	48.1	47.5	
Financial Performance	Net Patient Revenue (\$)	1,500,850	1,450,005	50,846	3.5%	1,359,667	141,184	10.4%	3,273,141	6,212,080	---	
	Total Operating Revenue (\$)	1,572,185	1,512,125	60,059	4.0%	1,434,165	138,019	9.6%	4,284,479	6,716,521	3,224,864	
	Operating Margin (\$)	157,180	121,715	35,465	29.1%	134,173	23,007	17.1%	81,405	127,614	99,971	
	Operating EBIDA (\$)	250,753	214,153	36,600	17.1%	226,582	24,171	10.7%	290,404	436,574	270,889	
	Net Income (\$)	254,231	177,966	76,264	42.9%	268,998	(14,768)	(5.5%)	209,939	382,842	180,592	
	Operating Margin (%)	10.0%	8.0%	1.9%	24.2%	9.4%	0.6%	6.9%	1.9%	1.9%	3.1%	
	Operating EBIDA (%)	15.9%	14.2%	1.8%	12.6%	15.8%	0.2%	1.0%	6.8%	6.5%	8.4%	
	DCOH (days)	287	275	12	4.2%	266	20	7.7%	258	304	311	

**Moody's Medians:** Not-for-profit and public healthcare annual report; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Fitch Ratings:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; July 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Notes:** DCOH total includes cash, short-term and long-term investments.  
OP Visits / Procedural Cases includes Covid Vaccinations / Testing.



Unfavorable Variance < 3.49%
Unfavorable Variance 3.50% - 6.49%
Unfavorable Variance > 6.50%

# Consolidated Balance Sheet (as of 05/31/2025)

(\$000s)

## ASSETS

	May 31, 2025	Audited June 30, 2024
<b>CURRENT ASSETS</b>		
Cash	294,722	202,980
Short Term Investments	94,242	100,316
Patient Accounts Receivable, net	229,428	211,960
Other Accounts and Notes Receivable	23,546	25,065
Intercompany Receivables	25,385	17,770
Inventories and Prepays	46,537	55,556
<b>Total Current Assets</b>	<b>713,860</b>	<b>613,647</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	17,385	23,309
Plant & Equipment Fund	540,429	503,081
Women's Hospital Expansion	45,669	31,740
Operational Reserve Fund	210,693	210,693
Community Benefit Fund	17,470	17,561
Workers Compensation Reserve Fund	13,086	12,811
Postretirement Health/Life Reserve Fund	23,009	22,737
PTO Liability Fund	41,477	37,646
Malpractice Reserve Fund	1,713	1,713
Catastrophic Reserves Fund	38,354	33,030
<b>Total Board Designated Assets</b>	<b>949,285</b>	<b>894,322</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>18</b>	<b>18</b>
<b>LONG TERM INVESTMENTS</b>	<b>707,920</b>	<b>665,759</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>1,276</b>	<b>965</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>49,100</b>	<b>36,663</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	2,063,738	2,016,992
Less: Accumulated Depreciation	(952,820)	(874,767)
Construction in Progress	219,374	173,449
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,330,292</b>	<b>1,315,675</b>
<b>DEFERRED OUTFLOWS</b>	<b>42,431</b>	<b>41,550</b>
<b>RESTRICTED ASSETS</b>	<b>51,106</b>	<b>32,166</b>
<b>OTHER ASSETS</b>	<b>205,717</b>	<b>195,447</b>
<b>TOTAL ASSETS</b>	<b>4,051,005</b>	<b>3,796,213</b>

## LIABILITIES AND FUND BALANCE

	May 31, 2025	Audited June 30, 2024
<b>CURRENT LIABILITIES</b>		
Accounts Payable	49,859	71,017
Salaries and Related Liabilities	35,325	35,693
Accrued PTO	42,745	38,634
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	6,991	13,419
Intercompany Payables	17,638	13,907
Malpractice Reserves	1,830	1,830
Bonds Payable - Current	11,360	10,820
Bond Interest Payable	5,958	7,673
Other Liabilities	19,385	12,261
<b>Total Current Liabilities</b>	<b>193,391</b>	<b>207,554</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	22,403	22,737
Worker's Comp Reserve	13,086	12,811
Other L/T Obligation (Asbestos)	27,709	27,707
Bond Payable	427,662	441,105
<b>Total Long Term Liabilities</b>	<b>490,860</b>	<b>504,360</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>1,632</b>	<b>1,038</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>89,101</b>	<b>92,261</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,986,575	2,731,120
Minority Interest	-	(1,114)
Board Designated	225,529	216,378
Restricted	63,917	44,616
<b>Total Fund Bal &amp; Capital Accts</b>	<b>3,276,021</b>	<b>2,991,001</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>4,051,005</b>	<b>3,796,213</b>

## EL CAMINO HOSPITAL BOARD OF DIRECTORS INVESTMENT COMMITTEE MEETING MEMO

**To:** El Camino Hospital, Investment Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** August 11, 2025  
**Subject:** Portfolio Performance (Cash Surplus and Cash Balance Plan)

### Purpose:

To provide the Investment Committee with an update on the Performance of the Cash Surplus and Cash Balance Plan Portfolios.

### Cash Surplus – Portfolio Overview (as of 6/30/2025):

Performance for the Cash Surplus portfolio was positive for Q2 CY2025 with a total portfolio of value increasing to \$1,880,591,786 (including district funds).

The following are the performance returns (excluding district funds) vs. benchmarks:

- **3 month:** 4.3% (actual) vs. 5.7% (benchmark)
- **CYTD:** 5.0% (actual) vs. 6.0% (benchmark)
- **12 month:** 8.4% (actual) vs. 10.3% (benchmark)
- **3 year:** 8.9% (actual) vs. 8.8% (benchmark)
- **5 year:** 6.5% (actual) vs. 6.6% (benchmark)
- **10 year:** 5.7% (actual) vs. 5.8% (benchmark)

All the current asset percentages are within investment policy ranges, with the exception of Alternatives.

### Asset Allocation Compliance | As of June 30, 2025

Asset Allocation Vs. Policy Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
■ Domestic Equity	427,101,019	23.8	22.0	1.8	17.0 - 27.0	Yes
■ International Equity	239,106,856	13.3	12.0	1.3	7.0 - 17.0	Yes
■ Global Equity	141,657,898	7.9	8.0	-0.1	3.0 - 13.0	Yes
■ Short Duration Fixed Income Composite	240,852,119	13.4	10.0	3.4	5.0 - 15.0	Yes
■ Market Duration Fixed Income Composite	346,264,209	19.3	20.0	-0.7	10.0 - 25.0	Yes
■ Return Seeking Fixed Income	158,565,552	8.8	10.0	-1.2	5.0 - 15.0	Yes
■ Total Alternatives Composite	239,242,291	13.3	18.0	-4.7	15.0 - 25.0	No
<b>Total Surplus Cash</b>	<b>1,792,789,944</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		
■ District	87,801,842	--	N/A	--	N/A	N/A
<b>Total Surplus Cash w/ District Reserves</b>	<b>1,880,591,786</b>					

Source: Meketa – Quarterly Portfolio Performance Summary (as of 6/30/2025)

**Portfolio Liquidity:** Combined daily / weekly liquidity of 76.3% is above the 70.0% - 75.0% target range.

**Cash Balance Plan – Portfolio Overview (as of 6/30/2025):**

Performance for the Cash Balance Plan portfolio was positive for Q2 CY2025 with a total portfolio of value increasing to \$415,310,784.

The following are the performance returns vs. benchmarks:

- **3 month:** 6.7% (actual) vs. 6.3% (benchmark)
- **CYTD:** 6.3% (actual) vs. 6.4% (benchmark)
- **12 month:** 11.0% (actual) vs. 10.9% (benchmark)
- **3 year:** 10.7% (actual) vs. 9.9% (benchmark)
- **5 year:** 7.9% (actual) vs. 7.9% (benchmark)
- **10 year:** 6.9% (actual) vs. 6.7% (benchmark)

All the current asset percentages are within investment policy ranges, with the exception of Domestic Equities.

Asset Allocation Compliance   As of June 30, 2025						
Allocation vs. Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity Composite	153,967,685	37.1	32.0	5.1	27.0 - 37.0	No
International Equity Composite	80,086,431	19.3	18.0	1.3	15.0 - 21.0	Yes
Short Duration Fixed Income Composite	16,494,623	4.0	5.0	-1.0	0.0 - 8.0	Yes
Market Duration Fixed Income Composite	88,027,635	21.2	25.0	-3.8	20.0 - 30.0	Yes
Total Alternatives Composite	78,734,411	18.5	20.0	-1.5	17.0 - 23.0	Yes
<b>Total Cash Balance Plan</b>	<b>415,310,784</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		

Source: Meketa - Quarterly Portfolio Performance Summary (as of 6/30/2025)

**Portfolio Liquidity:** Daily liquidity of 81.5% is above the 70.0% - 75.0% target range.

**Recommendation:**

- None

**List of Attachments:**

- Presentation - Quarterly Portfolio Performance

**Suggested Investment Committee Discussion Questions:**

- None

## El Camino Health

August 11, 2025

## Performance Report

## Table of Contents

- 1. Executive Summary**
- 2. Economic & Market Update**
- 3. Performance as of June 30, 2025**
  - Total Surplus (Reserve Cash)
  - Cash Balance Plan
- 4. Appendix**
  - Disclaimer, Glossary, and Notes



## **Executive Summary**

### Executive Summary

- First quarter 2025 market volatility related to US tariffs and concerns over a potential global trade war largely dissipated during Q2. Economic data continued to come in strong throughout the second quarter, and both domestic and international equities had positive quarters. Although the Federal Reserve maintained interest rates at the current level of 4.25%-4.5% at the June meeting, the voting members signaled a more dovish course of action for the remainder of 2025, should economic data remain resilient.
- Domestic equities, proxied by the Russell 3000 Index, gained 11.0% during Q2, and domestic value stocks trailed growth stocks at all capitalization levels, reversing style trends from Q1. The Russell 2000 Index, a proxy for the domestic small cap equity market, returned +8.5% in Q2.
- Developed ex-US equities and emerging market equities continued to have a strong year. The MSCI EAFE Index, a proxy for developed ex-US equities, gained +11.8% during the quarter and the MSCI Emerging Market Index gained +12.0% in Q2.
- While most fixed income markets saw positive returns in Q2, long US Treasuries faced headwinds, driven primarily by concerns over the growing deficit and a heightened demand for risk assets. The Bloomberg Aggregate Index, a proxy for the broad US bond market, gained +1.2% in Q2, TIPS gained +0.5%, and long duration US Treasuries returned -1.5% during the quarter.
- The Total Surplus (Reserve Cash) portfolio had a total market value of \$1.8 billion as of June 30, 2025.
  - The fund returned +4.3% during Q2, compared to the benchmark return of +5.7 % during the period. The fund gained +8.4% over the trailing one-year period, compared to the benchmark return of +10.3%. Active managers posted strong absolute returns during the second quarter, but several lagged their benchmarks.
- The Cash Balance Plan was valued at \$415.3 million at the end of June 2025.
  - The Cash Balance plan returned +6.7% vs. the benchmark return of 6.3% during the second quarter. The Plan gained +11.0% over the trailing one-year period, compared to the benchmark return of +10.9% during the period.

### **Reporting Enhancements**

- To continue to make the reporting for the El Camino Health Plan investments more streamlined and intuitive, the Meketa team has made a minor adjustment to the Asset Allocation Compliance page. Previously the District reserves (representing approximately 4.7% of plan assets) had been incorporated in the Asset Allocation of the Total Surplus (Reserve Cash) plan; however, there is no IPS target for these assets. We moved these assets from the top line of the plan to give the Trustees a more accurate representation of the Asset Allocation of the plan and put them below the bottom line.

## Manager Opinions

→ The matrix below shows Meketa's opinion on each existing public markets strategy.

Manager	Asset Class	Meketa Opinion
Vanguard S&P 500 Index	US Equity	High Conviction Index Option
Barrow Hanley Large Cap Value	US Equity	Shift to Index
Wellington Small Cap Value	US Equity	Upgrade Opportunity
Conestoga Small-Cap Fund I	US Equity	High Conviction
BNY Mellon International (formerly Walter Scott)	International Equity	Consider Indexing
Causeway International Value	International Equity	High Conviction (Transfer to Cheaper Vehicle)
RBC Emerging Markets	International Equity	Reasonable Strategy
GQG Partners Global	Global Equity	Organizational Concerns
Arrowstreet Global Equity	Global Equity	High Conviction Manager / Strategy Unrated
Barrow Hanley Short Fixed	Market-Duration Fixed Income	Shift to Index
Dodge & Cox Fixed	Market-Duration Fixed Income	Acceptable Manager / Upgrade Possibility
IR&M Agg Bond	Market-Duration Fixed Income	Very High Conviction
TCW MetWest Fixed	Market-Duration Fixed Income	Acceptable Manager/Could Shift to Index
Brandywine Global Multi-Sector Income	Return Seeking Fixed Income	High Conviction Manager / Not Preferred Strategy
Loomis Credit Asset Fund	Return Seeking Fixed Income	High Conviction Manager / Upgrade Opportunity
Arena High Yield Short Duration	Return Seeking Fixed Income	High Conviction

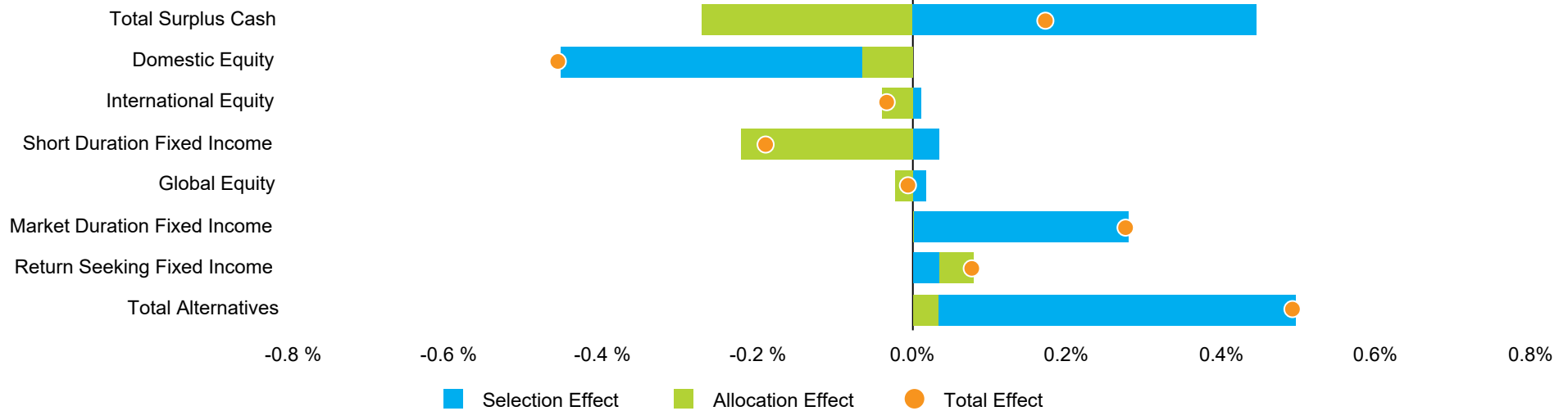
Attribution Summary | As of June 30, 2025

Attribution Summary 3 Years Ending June 30, 2025							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Domestic Equity	15.9	17.7	-1.8	-0.4	-0.1	0.0	-0.5
International Equity	14.0	14.0	0.1	0.1	0.0	-0.1	0.0
Short Duration Fixed Income	4.1	3.8	0.4	0.0	-0.2	0.0	-0.2
Global Equity	11.7	11.2	0.5	0.0	0.0	0.0	0.0
Market Duration Fixed Income	3.6	2.5	1.0	0.3	0.0	0.0	0.3
Return Seeking Fixed Income	4.6	4.1	0.5	0.1	0.0	0.0	0.1
Total Alternatives	5.5	3.2	2.3	0.5	0.0	0.0	0.5
<b>Total Surplus Cash</b>	<b>8.9</b>	<b>8.7</b>	<b>0.2</b>	<b>0.6</b>	<b>-0.3</b>	<b>-0.1</b>	<b>0.2</b>

Attribution Summary 5 Years Ending June 30, 2025							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Domestic Equity	13.4	15.3	-1.9	-0.4	0.0	0.0	-0.4
International Equity	9.1	10.1	-1.0	-0.1	0.0	0.0	-0.2
Short Duration Fixed Income	1.8	1.6	0.2	0.0	-0.2	0.0	-0.2
Global Equity	6.9	6.6	0.3	0.0	0.0	0.0	0.0
Market Duration Fixed Income	0.2	-0.7	1.0	0.3	0.0	0.0	0.3
Return Seeking Fixed Income	2.8	2.5	0.3	0.0	0.0	0.0	0.0
Total Alternatives	6.5	5.3	1.1	0.2	0.0	0.0	0.2
<b>Total Surplus Cash</b>	<b>6.5</b>	<b>6.7</b>	<b>-0.2</b>	<b>0.1</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.2</b>

### Total Fund Attribution | 3 Years Ending June 30, 2025

#### Attribution Effects 3 Years Ending June 30, 2025

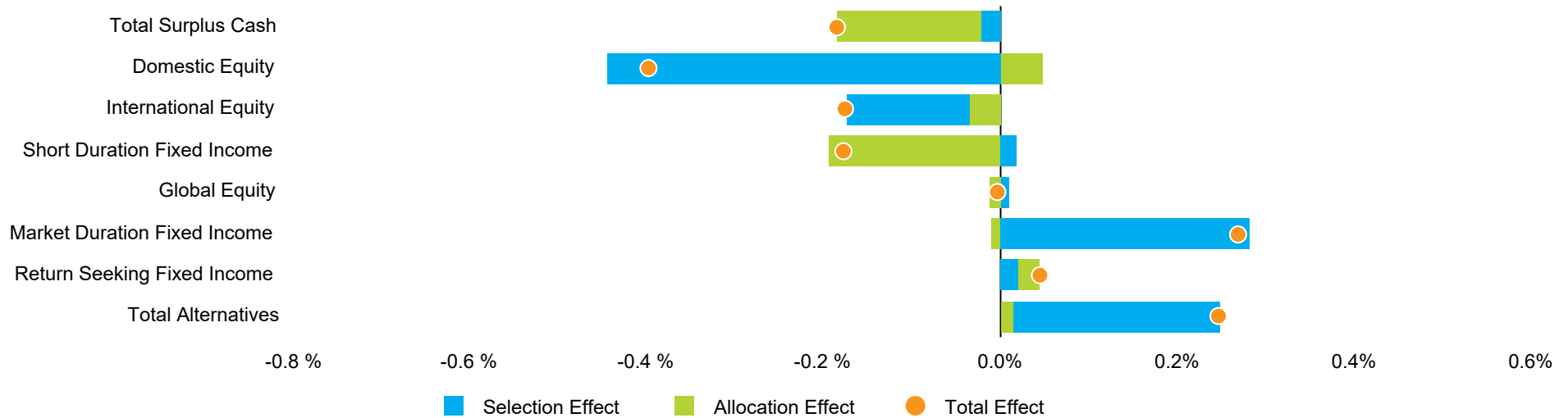


#### Attribution Summary 3 Years Ending June 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Domestic Equity	15.9	17.7	-1.8	-0.4	-0.1	-0.5
International Equity	14.0	14.0	0.1	0.0	0.0	0.0
Short Duration Fixed Income	4.1	3.8	0.4	0.0	-0.2	-0.2
Global Equity	11.7	11.2	0.5	0.0	0.0	0.0
Market Duration Fixed Income	3.6	2.5	1.0	0.3	0.0	0.3
Return Seeking Fixed Income	4.6	4.1	0.5	0.0	0.0	0.1
Total Alternatives	5.5	3.2	2.3	0.5	0.0	0.5
Total Surplus Cash	8.9	8.7	0.2	0.4	-0.3	0.2

### Total Fund Attribution | 5 Years Ending June 30, 2025

#### Attribution Effects 5 Years Ending June 30, 2025



#### Attribution Summary 5 Years Ending June 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Domestic Equity	13.4	15.3	-1.9	-0.4	0.0	-0.4
International Equity	9.1	10.1	-1.0	-0.1	0.0	-0.2
Short Duration Fixed Income	1.8	1.6	0.2	0.0	-0.2	-0.2
Global Equity	6.9	6.6	0.3	0.0	0.0	0.0
Market Duration Fixed Income	0.2	-0.7	1.0	0.3	0.0	0.3
Return Seeking Fixed Income	2.8	2.5	0.3	0.0	0.0	0.0
Total Alternatives	6.5	5.3	1.1	0.2	0.0	0.2
Total Surplus Cash	6.5	6.7	-0.2	0.0	-0.2	-0.2



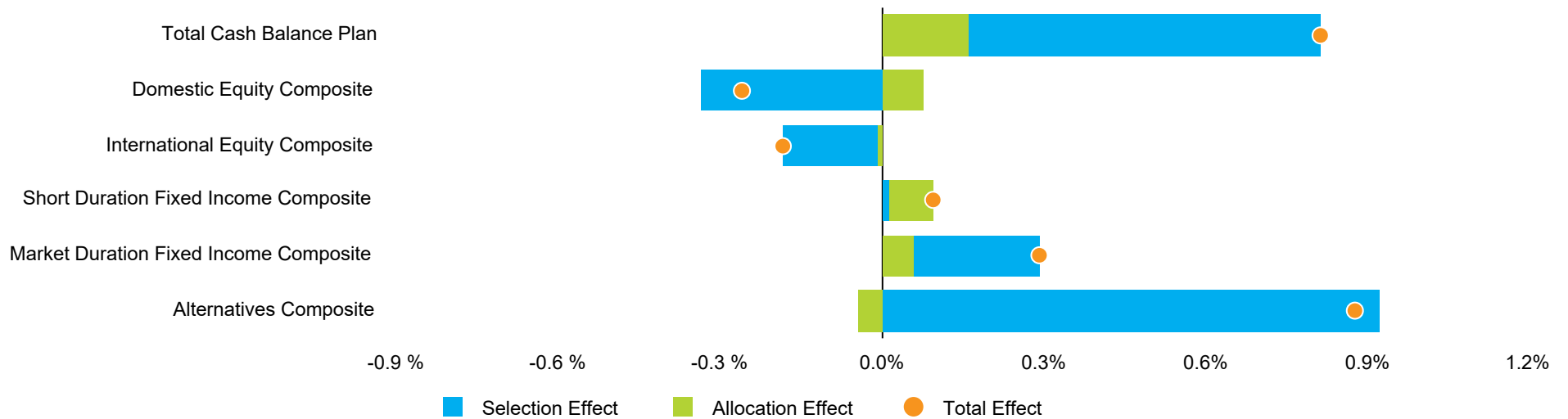
Attribution Summary | As of June 30, 2025

Attribution Summary 3 Years Ending June 30, 2025							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Domestic Equity Composite	17.1	18.1	-1.0	-0.3	0.1	0.0	-0.3
International Equity Composite	13.1	14.0	-0.9	-0.1	0.0	0.0	-0.2
Short Duration Fixed Income Composite	4.3	3.8	0.5	0.0	0.1	0.0	0.1
Market Duration Fixed Income Composite	3.5	2.5	0.9	0.2	0.1	0.0	0.3
Alternatives Composite	7.7	3.2	4.5	0.9	0.0	0.0	0.9
<b>Total Cash Balance Plan</b>	<b>10.7</b>	<b>9.9</b>	<b>0.8</b>	<b>0.8</b>	<b>0.2</b>	<b>-0.1</b>	<b>0.8</b>

Attribution Summary 5 Years Ending June 30, 2025							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Domestic Equity Composite	14.0	15.5	-1.5	-0.5	0.1	0.0	-0.4
International Equity Composite	8.6	10.1	-1.6	-0.3	0.0	0.0	-0.3
Short Duration Fixed Income Composite	2.4	1.6	0.8	0.0	0.0	0.0	0.1
Market Duration Fixed Income Composite	0.2	-0.7	1.0	0.3	0.0	0.0	0.3
Alternatives Composite	7.8	5.3	2.5	0.5	0.0	-0.1	0.4
<b>Total Cash Balance Plan</b>	<b>7.9</b>	<b>7.9</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>-0.1</b>	<b>0.0</b>

### Total Fund Attribution | 3 Years Ending June 30, 2025

#### Attribution Effects 3 Years Ending June 30, 2025

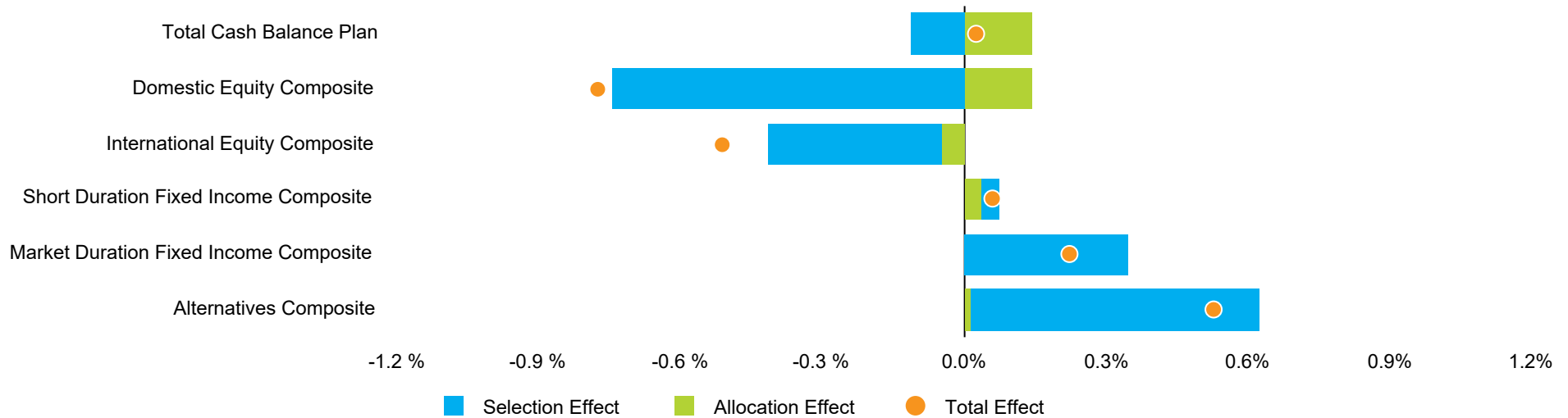


#### Attribution Summary 3 Years Ending June 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Domestic Equity Composite	17.1	18.1	-1.0	-0.3	0.1	-0.2
International Equity Composite	13.1	14.0	-0.9	-0.2	0.0	-0.2
Short Duration Fixed Income Composite	4.3	3.8	0.5	0.0	0.1	0.1
Market Duration Fixed Income Composite	3.5	2.5	0.9	0.2	0.1	0.3
Alternatives Composite	7.7	3.2	4.5	0.9	0.0	0.9
Total Cash Balance Plan	10.7	9.9	0.8	0.7	0.2	0.8

### Total Fund Attribution | 5 Years Ending June 30, 2025

#### Attribution Effects 5 Years Ending June 30, 2025



#### Attribution Summary 5 Years Ending June 30, 2025

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Domestic Equity Composite	14.0	16.8	-2.8	-0.7	0.1	-0.8
International Equity Composite	8.6	11.2	-2.6	-0.4	0.0	-0.5
Short Duration Fixed Income Composite	2.4	1.6	0.8	0.0	0.0	0.1
Market Duration Fixed Income Composite	0.2	-0.6	0.9	0.3	0.0	0.2
Alternatives Composite	7.8	5.0	2.9	0.6	0.0	0.5
Total Cash Balance Plan	7.9	7.9	0.0	-0.1	0.1	0.0

## **Economic and Market Update**

Data as of June 30, 2025

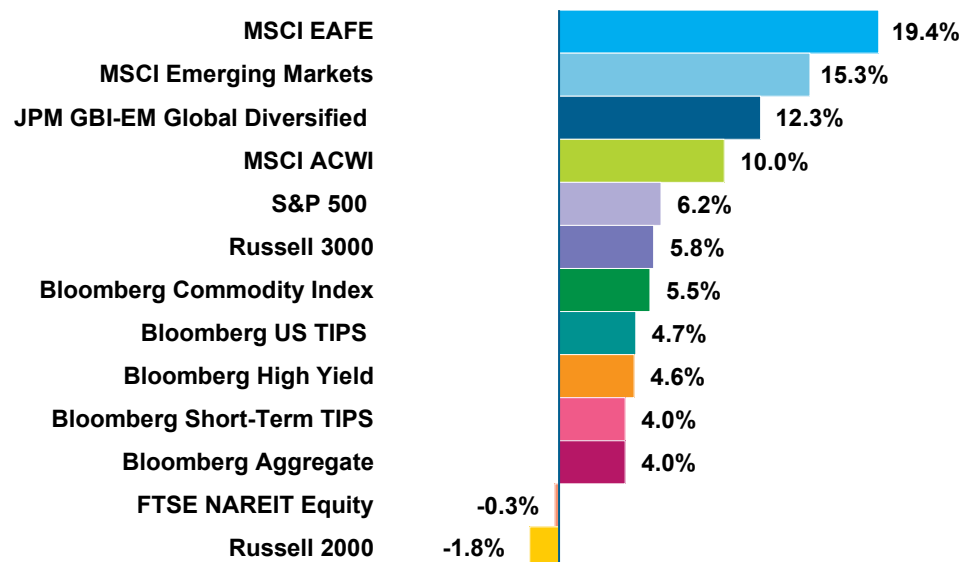
### Commentary

**During the quarter, US trade policy drove market dynamics. Significant volatility in early April after the initial tariff announcement was followed by a recovery in risk assets on their later temporary suspension. In fixed income markets, fiscal policy uncertainty and growing debt levels shaped market sentiment.**

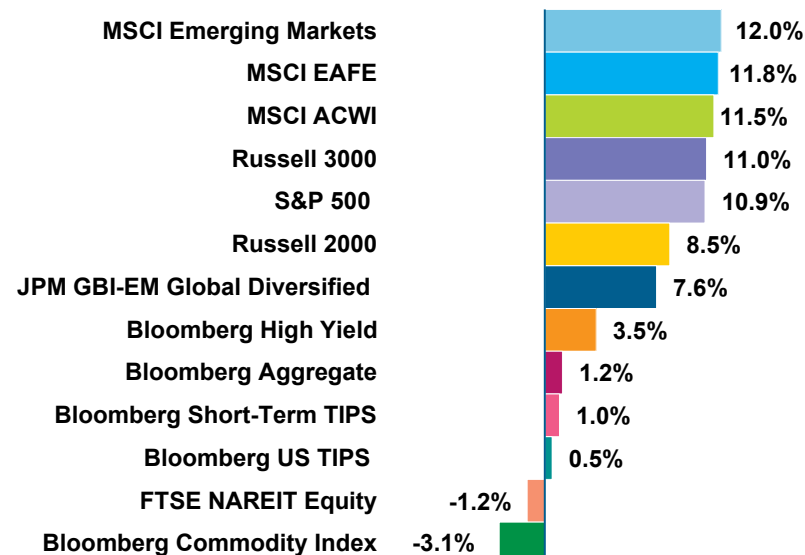
- Domestic equities rose during the quarter (Russell 3000: +11.0%) and growth stocks, particularly technology, led the way.
- Non-US developed-market stocks (MSCI EAFE: +11.8%) beat US markets, extending their outperformance over most asset classes year-to-date by returning +19.4%.
- Emerging market equities were the best performers, returning +12.0% for the quarter, despite a modest +2.0% return in China.
- In mid-June, the Federal Reserve held rates steady (but messaging was perceived as more accommodative by market participants compared to earlier in the year), with inflation, while improving, remaining above target and the unemployment rate still low.
- Outside of longer dated government bonds, most fixed income markets rose for the quarter as yields generally remained stable or declined. The broad Bloomberg Aggregate Index returned +1.2%, while long-term Treasuries fell -1.5%. Riskier bonds did better as risk sentiment improved with emerging market debt increasing +7.6% and high yield bonds gaining +3.5%.
- Looking ahead, continued uncertainty related to the US administration's tariff policies and their impact on the economy, inflation, and Fed policy will be key. The track of the US deficit, China's economy and relations with the US, as well as concerns over elevated valuations and weakening earnings in the US equity market, will also be important focuses for the rest of this year.

### Index Returns<sup>1</sup>

#### YTD



#### Q2



- After tariff-related market volatility in April, global equity markets rallied in May and June on the general pausing of tariffs. Bond markets performed well with short-term yields declining in the US and intermediate-term yields remaining stable. Growing debt levels remained a key concern for major global economies.
- US equity markets continued to provide strong gains year-to-date, returning to record levels after a weak start to 2025. International equities still lead the way in 2025, particularly developed markets, supported by a weakening US dollar.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025.

## Domestic Equity Returns<sup>1</sup>

Domestic Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	5.1	10.9	6.2	15.2	19.7	16.6	13.6
Russell 3000	5.1	11.0	5.8	15.3	19.1	15.9	12.9
Russell 1000	5.1	11.1	6.1	15.7	19.6	16.3	13.3
Russell 1000 Growth	6.4	17.8	6.1	17.2	25.7	18.1	17.0
Russell 1000 Value	3.4	3.8	6.0	13.7	12.8	13.9	9.2
Russell MidCap	3.7	8.5	4.8	15.2	14.3	13.1	9.9
Russell MidCap Growth	4.4	18.2	9.8	26.5	21.4	12.6	12.1
Russell MidCap Value	3.5	5.3	3.1	11.5	11.3	13.7	8.4
Russell 2000	5.4	8.5	-1.8	7.7	10.0	10.0	7.1
Russell 2000 Growth	5.9	12.0	-0.5	9.7	12.4	7.4	7.1
Russell 2000 Value	4.9	5.0	-3.2	5.5	7.4	12.5	6.7

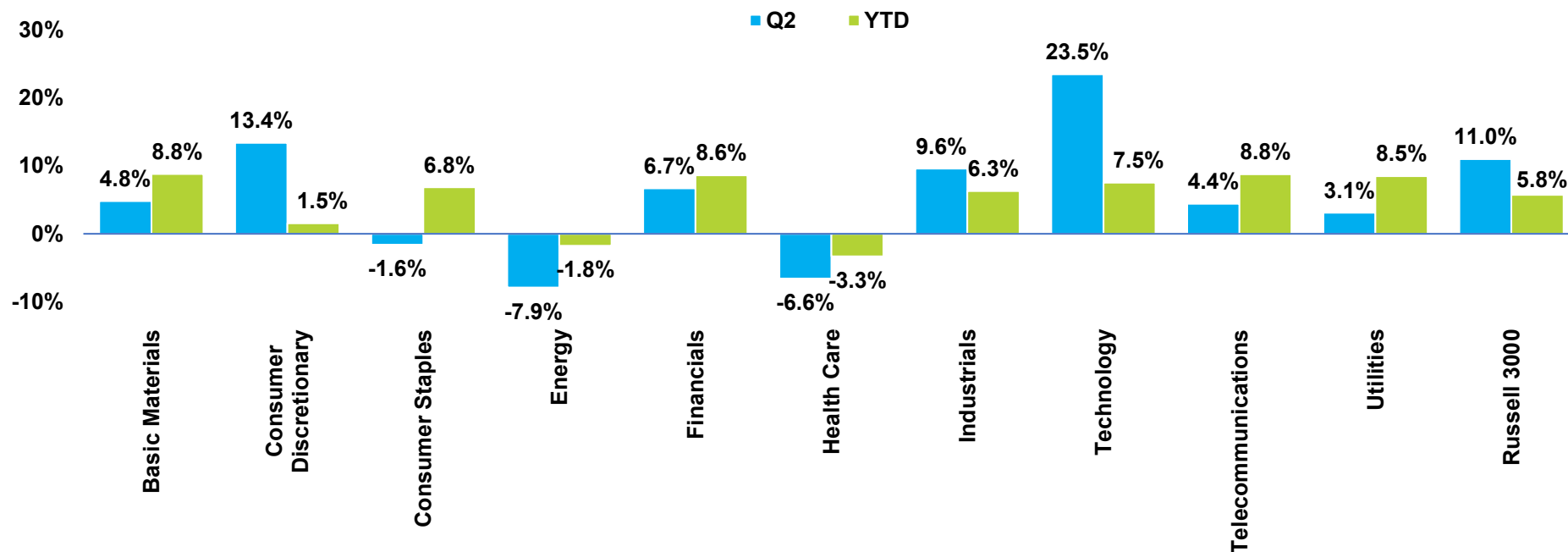
### US Equities: The Russell 3000 index returned +5.1% in June and +11.0% in the second quarter.

- US stocks rose during the second quarter as tariff concerns stabilized after the early April volatility. Strong corporate earnings, particularly in the technology sector, and a relatively resilient US economy also drove results.
- Growth stocks outpaced value stocks across the market cap spectrum during the quarter, particularly in large cap (+17.8% versus +3.8%) due to strong gains in the large-cap companies focused on AI.
- Small cap stocks (Russell 2000) had strong results (+8.5%) in Q2 but trailed large cap stocks (Russell 1000), which gained +11.1%. Gains in the large cap technology sector, elevated interest rates, and overall uncertainty related to the path of the US economy drove the underperformance.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025.



### Russell 3000 Sector Returns<sup>1</sup>



- Technology stocks led the way in the second quarter. This sector contributed more than half of the quarter's gains in the Russell 3000 index. AI favorites, including NVIDIA and Broadcom, rebounded amid strong earnings reports.
- Consumer discretionary stocks performed well for the quarter (+13.4%) given the slight easing of tariff concerns.
- Energy (-7.9%) and Health Care (-6.6%) were the largest detractors among sectors for the second quarter. Increased supply and weakening demand and plans by the new administration to lower drug prices, respectively, weighed on the two sectors.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025.

### Foreign Equity Returns<sup>1</sup>

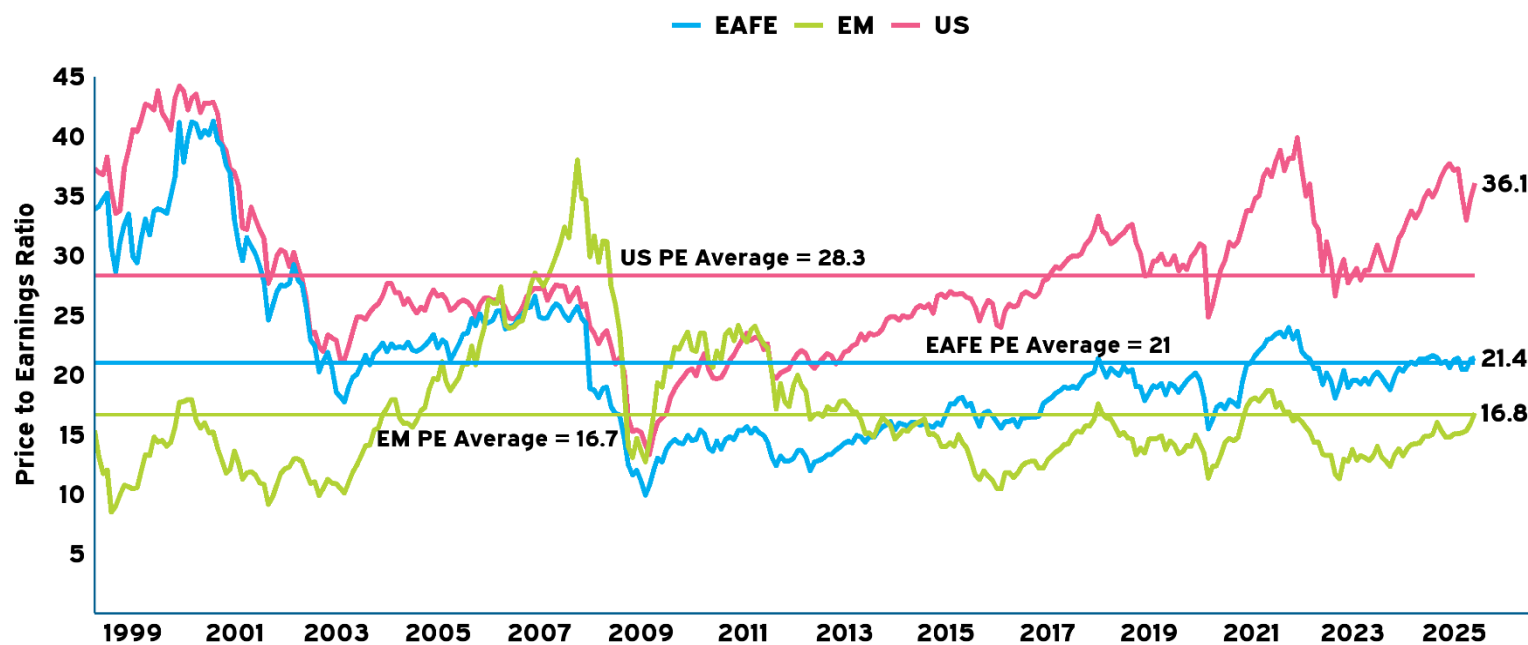
Foreign Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	3.4	12.0	17.9	17.7	14.0	10.1	6.1
MSCI EAFE	2.2	11.8	19.4	17.7	16.0	11.1	6.5
MSCI EAFE (Local Currency)	0.2	4.8	7.8	8.0	13.5	11.6	7.0
MSCI EAFE Small Cap	4.3	16.6	20.9	22.5	13.3	9.3	6.5
MSCI Emerging Markets	6.0	12.0	15.3	15.3	9.7	6.8	4.8
MSCI Emerging Markets (Local Currency)	4.9	7.9	10.8	12.9	10.4	7.9	6.5
MSCI EM ex China	7.0	16.5	14.5	9.4	13.2	11.3	6.2
MSCI China	3.7	2.0	17.3	33.8	3.1	-1.0	2.1

**Foreign Equity: Developed international equities (MSCI EAFE) returned +2.2% in June and +11.8% in the second quarter and emerging market equities (MSCI Emerging Markets) rose +6.0% in June and +12.0% in the second quarter.**

- Developed markets outpaced US peers as continued weakness in the US dollar (USD) acted as a significant tailwind adding +7.0% to local returns. Eurozone equities had strong results, led by real estate and industrials (particularly defense) and benefiting from two rate cuts over the quarter as inflation fell below the ECB target of 2%. Japan also saw strong returns led by growth stocks after initial tariff-related declines.
- Emerging markets ended the quarter slightly ahead of developed peers, also benefiting from the weakening USD. After the pronounced “Liberation Day” selloff, the 90-day tariff pause, and US-China dialogue eased many fears. Korea and Taiwan tech stocks benefited from continued AI optimism. China posted a small gain for the quarter as domestic consumption data continued to weigh on sentiment, and trade uncertainty lingered. India underperformed, as growth expectations were tempered, and valuations remained high.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025.

### Equity Cyclically Adjusted P/E Ratios<sup>1</sup>



- After a considerable pullback in April, US stock valuations rallied and finished the quarter above where they started. They continue to trade well above their long-run cyclically adjusted P/E average of 28.3.
- While non-US developed stocks have performed very well this year, at the end of June their valuations remain close to their long-run P/E ratio of 21.
- Emerging market stocks continued to rally this year and are now trading at valuations near their long-run average.

<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of June 2025. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end, respectively.

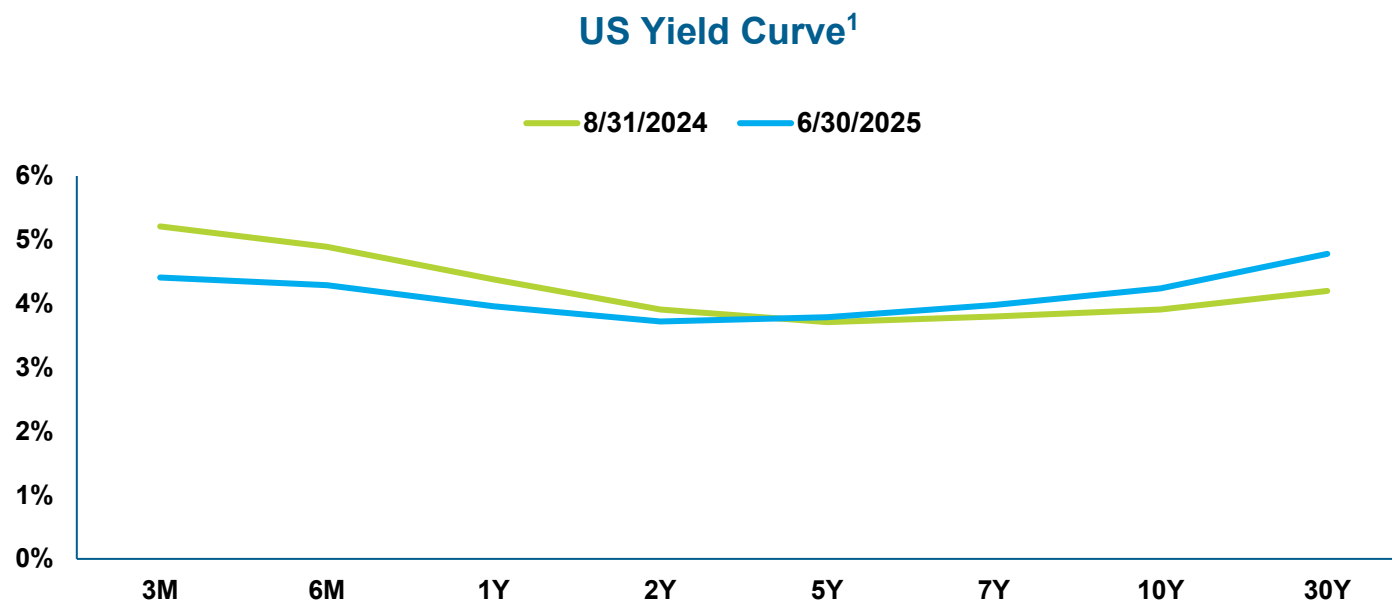
### Fixed Income Returns<sup>1</sup>

Fixed Income	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	1.6	1.4	4.1	6.5	3.3	-0.1	2.1	4.7	5.9
Bloomberg Aggregate	1.5	1.2	4.0	6.1	2.5	-0.7	1.8	4.5	6.1
Bloomberg US TIPS	1.0	0.5	4.7	5.8	2.3	1.6	2.7	4.1	6.5
Bloomberg Short-term TIPS	0.5	1.0	4.0	6.5	3.9	3.8	2.9	3.9	2.4
Bloomberg US Long Treasury	2.5	-1.5	3.1	1.6	-3.7	-8.2	0.1	4.8	14.7
Bloomberg High Yield	1.8	3.5	4.6	10.3	9.9	6.0	5.4	7.1	3.2
JPM GBI-EM Global Diversified (USD)	2.8	7.6	12.3	13.8	8.5	1.9	2.1	--	--

### Fixed Income: The Bloomberg Universal index rose +1.6% in June and +1.4% in the second quarter.

- In the bond market, easing of trade tensions post early-April and rising concerns over expansionary US fiscal policies drove results.
- Outside the long-end of the yield curve, declining or stable Treasury yields supported the broad US bond market, with the Bloomberg Aggregate rising +1.2% for the quarter. Long-term Treasuries (-1.5%) underperformed as fiscal concerns in the US drove rates higher, particularly for 30-year Treasuries (+20 basis points).
- Short (+1.0%) and longer dated (+0.5%) Treasury Inflation-Protected Securities (“TIPS”) also provided positive performance as inflation risks remained.
- Given the improving risk sentiment, emerging market debt (+7.6%) and high yield (+3.5%) led the way for the quarter.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025. The yield and duration data from Bloomberg is defined as the index’s yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.

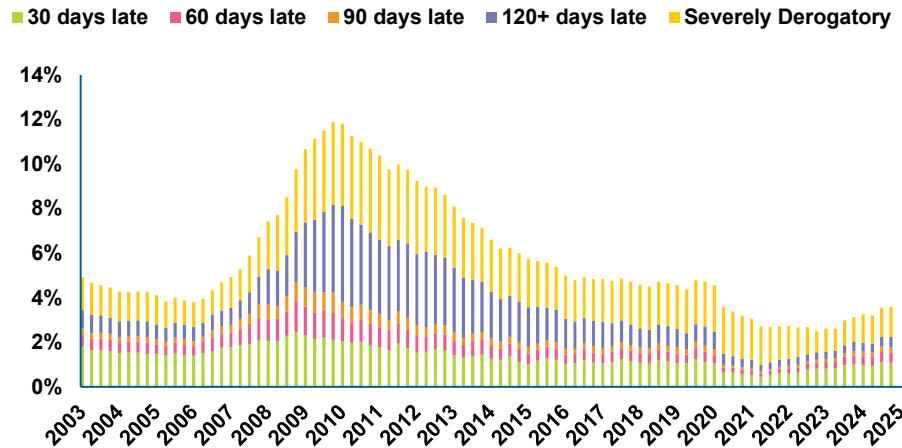


- Fiscal concerns related to a growing US government debt load and interest expense dominated headlines and market participant concerns, as did ongoing inflation-related uncertainty.
- The policy sensitive 2-year nominal Treasury yield was volatile but ultimately declined by 16 basis points to close near 3.7% as market participants factored in a greater likelihood of lower policy rates going forward.
- The 10-year nominal Treasury was also volatile but ended the period largely unchanged (4.2%), while the 30-year nominal Treasury increased by 0.2% over the quarter to 4.8% on growing debt concerns.
- These dynamics led to a continued steepening of the yield curve over the quarter.

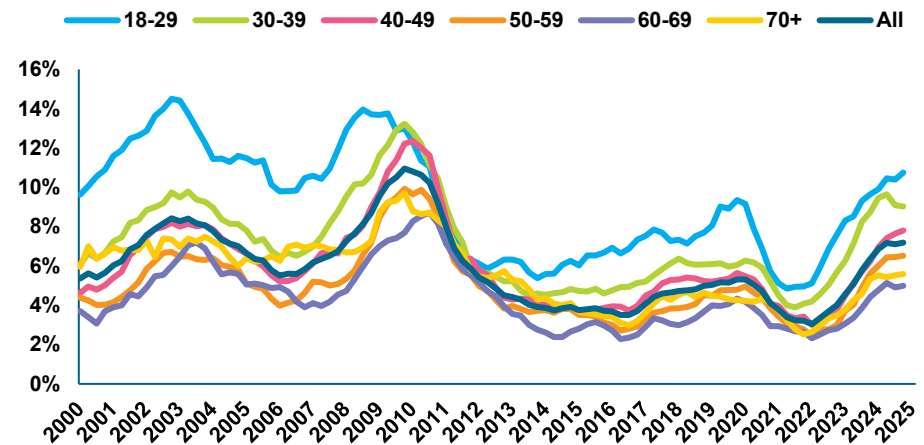
<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

### Stress is Building on US Consumers

Total Balance by Delinquency Status<sup>1</sup>



Transition into Serious Delinquency for Credit Cards by Age<sup>2</sup>

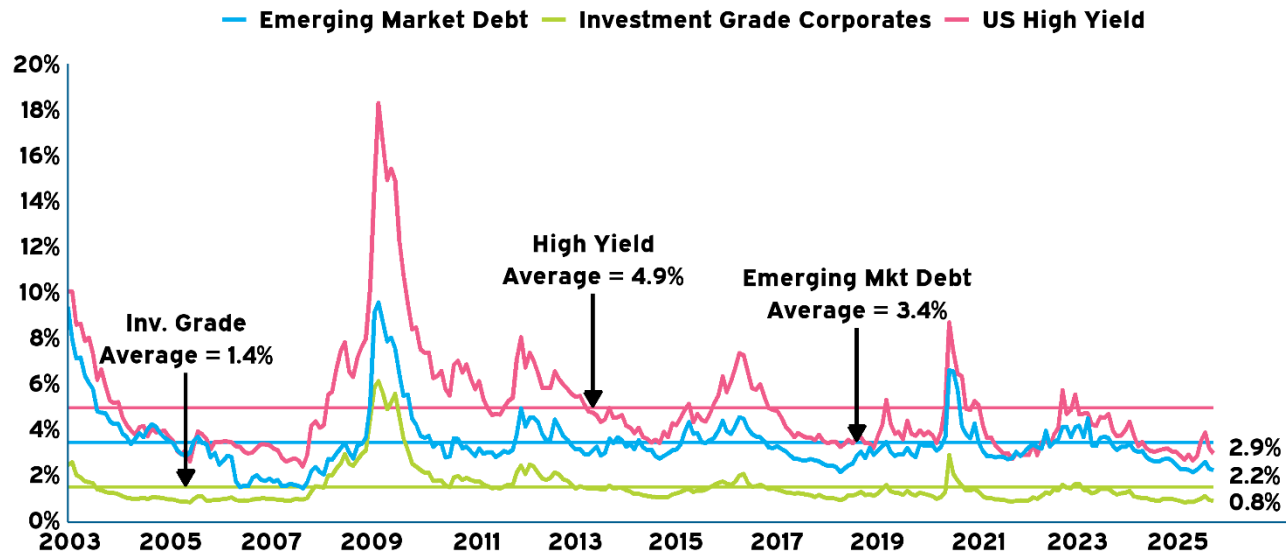


- Signs of stress on the US consumer have started to emerge given persistently higher prices and interest rates.
- After falling to historic lows during the pandemic, loan delinquencies recently started to increase.
- Parts of the credit card market, particularly for younger cohorts, have begun to show stress as borrowers are subject to variable and higher borrowing costs. Total delinquencies are well below pre-pandemic levels though.
- The restarting of student loan payments and reporting for those in default could add pressures to consumers going forward.

<sup>1</sup> Source: New York Federal Reserve, Quarterly Household Debt and Credit Report, February 2025. See also FRED. Data is as of April 30, 2025.

<sup>2</sup> Source: FRED. Data is as of April 30, 2025.

## Credit Spreads vs. US Treasury Bonds<sup>1</sup>

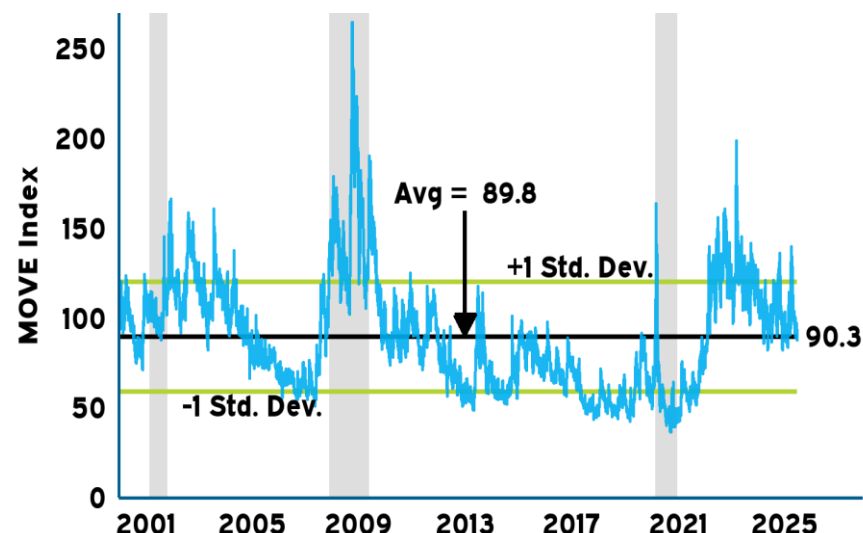
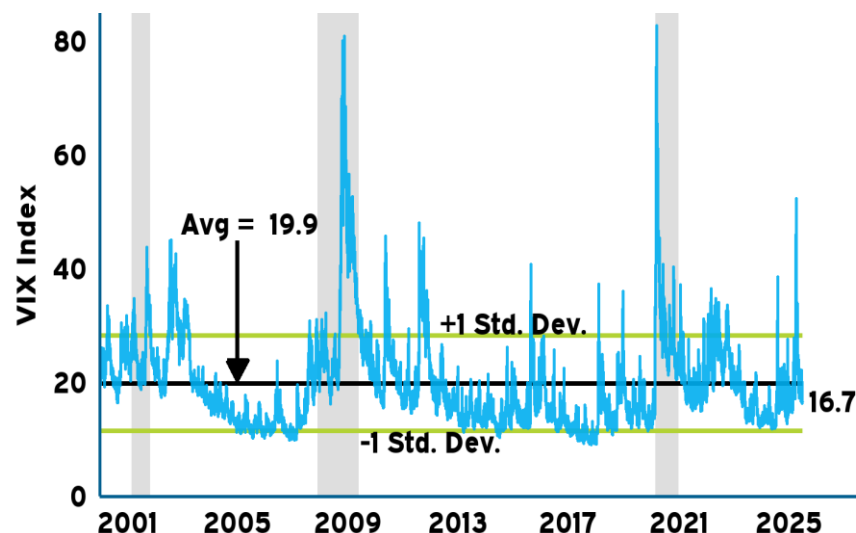


- Despite considerable uncertainty about the looming impact of tariffs and fiscal policy, credit spreads tightened in the second quarter.
- Investment grade spreads (the difference in yield from a comparable Treasury) spiked in the risk-off environment in April but have since declined to levels below the start of the quarter.
- High yield spreads moved the most (3.5% to 2.9%) over the quarter. At the peak of uncertainty in April, they crossed above 4.5%. Emerging market spreads held steady (2.2%).
- All yield spreads remained below their respective long-run averages, especially high yield (2.9% versus 4.9%).

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.



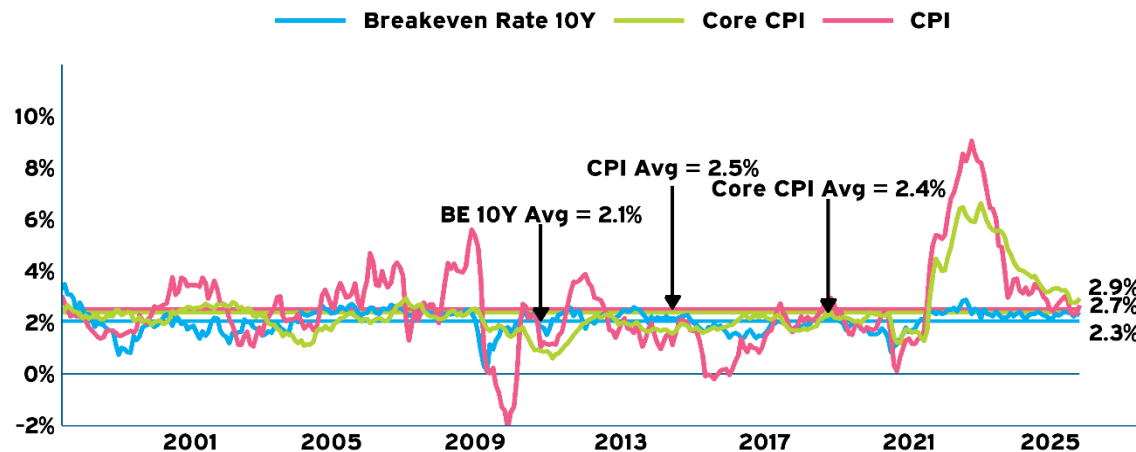
### Equity and Fixed Income Volatility<sup>1</sup>



- Bond and equity volatility spiked in April after the “Liberation Day” tariff announcement. Volatility levels finished the quarter well off highs, though, and below starting levels, as the tariff uncertainty seemed to ease.
- Volatility levels (VIX) in the US stock market finished the quarter below its long-run average while bond market (MOVE) volatility ended the quarter slightly above its long-run average.

<sup>1</sup> Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of June 30, 2025. The average line indicated is the average of the VIX and MOVE values between January 2000 and June 2025.

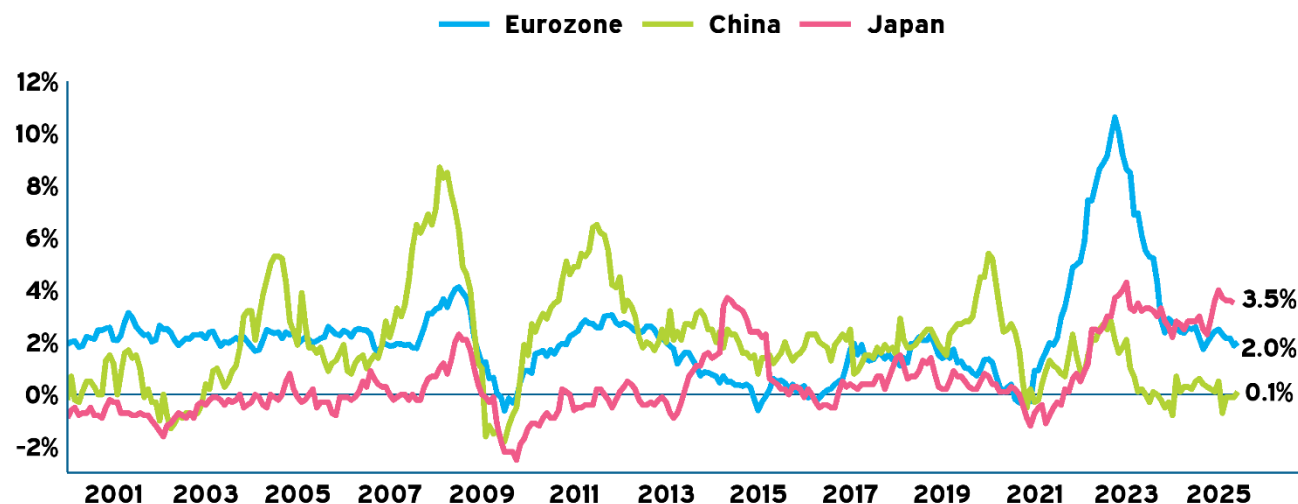
## US Ten-Year Breakeven Inflation and CPI<sup>1</sup>



- Inflation has been slow to return to the Fed's 2% average target, with headline twelve-month inflation rising from 2.4% to 2.7% over the quarter. In the June report, goods facing tariffs saw increases in prices, while a measurable decline in auto inflation, easing of cyclical services prices, and continued housing sector disinflation served as counters.
- Core inflation year-over-year also rose over the quarter, reaching 2.9%. For the month it increased 0.2%, and most core sectors outside of new and used cars saw prices increase.
- Market participants continued to highlight the dynamic of what appears to be disinflationary pressures in non-tariff exposed prices driven by weakening growth expectations, versus prices rising for those assets and sectors likely to see tariff policies solidified in the coming weeks.
- Longer-dated inflation expectations (breakevens) declined slightly over the quarter (2.4% to 2.3%) amidst on-going tariff and fiscal policy uncertainty. However, shorter-dated inflation swap pricing and survey-based measures suggest continued upside risk to prices.

<sup>1</sup> Source: FRED. Data is as of June 2025. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

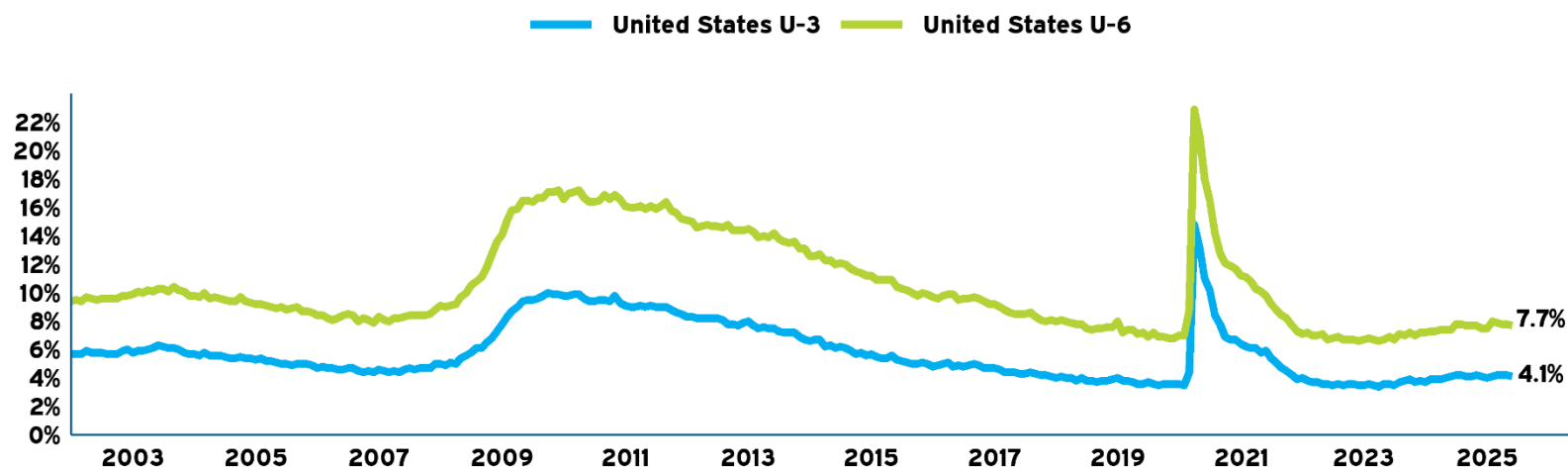
### Global Inflation (CPI Trailing Twelve Months)<sup>1</sup>



- After its recent decline, inflation in the eurozone rose to 2% in June. Still, given reduced inflation pressures, many expect the ECB to cut interest rates once more by early next year.
- The potential impact of future tariffs has complicated the inflation outlook for the Bank of Japan. Inflation rose 3.5% in May driven by food prices with the cost of rice up over 100% year-over-year given weak harvests.
- In China, and amidst record policy stimulus, consumer prices rose for the first time since January. Still, some sectors are continuing to see deflationary pressures given the widespread weakness of the economy and ongoing trade uncertainty related to the US.

<sup>1</sup> Source: Bloomberg. Data is as of June 2025, except Japan which is as of May 2025.

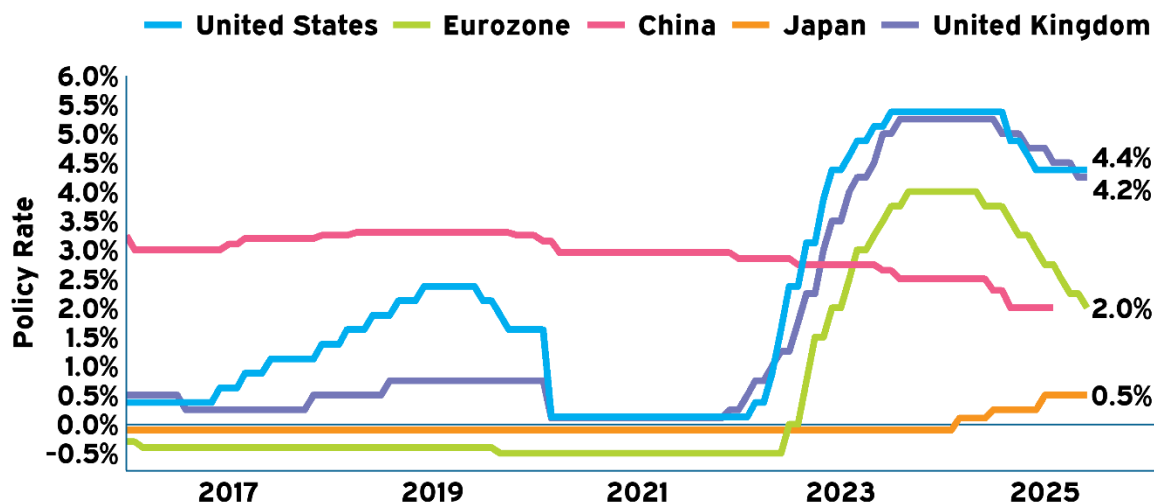
### US Unemployment<sup>1</sup>



- In June, the US added 147,000 jobs in line with the average monthly gain of 146,000 a month over the past year. The unemployment rate of 4.1% remained in the tight range of 4.0% to 4.2% since May 2024.
- Government employment saw the largest job gains (+73,000 jobs) largely driven by education jobs in state government. The federal government lost 7,000 jobs in June bringing the total decline to 69,000 jobs this year.
- Hires (5.6M) outnumbered separations (5.2M) with quits (3.3M) exceeding layoffs (1.6M).
- Initial claims for unemployment remain relatively low and annual wage growth, although trending down, came in at 3.7% year-over-year for June.

<sup>1</sup> Source: FRED and BLS. Data is as of June 30, 2025.

### Global Policy Rates<sup>1</sup>



- While the Fed remains on hold, other central banks have continued to ease policy rates. Expectations are now for the Fed to cut rates slightly less than two times (1.9 cuts based on futures prices), down from four expected cuts during the heart of growth concerns.
- The ECB cut its policy rate for the 8th time in June, with inflation matching the 2% target supported by a stronger euro. The Bank of England held rates steady in June at +4.25% as inflation reaccelerated to 3.4% in May as regulated energy prices rose. After cutting rates in May, China's PBOC held most rates steady in June although disinflationary pressures continue to be a concern.
- Japan kept rates at current levels in the face of an uncertain inflationary and trade pressures but voted to slow its purchase of JGBs in a continuing retreat from quantitative easing.

<sup>1</sup> Source: Bloomberg. Data is as of June 30, 2025, except China which is as of February 28, 2025. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

### US Dollar vs. Broad Currencies<sup>1</sup>



- Over the quarter, the US dollar declined an additional -7% bringing its year-to-date drop to close to -11%.
- Typically, higher interest rates support the US dollar but recent concerns over changing US administration policies, potentially slower growth, non-US investor currency hedging, and fiscal concerns, all led to investors shedding US assets.

<sup>1</sup> Source: Bloomberg. Data as of June 30, 2025.

## Summary

### Key Trends:

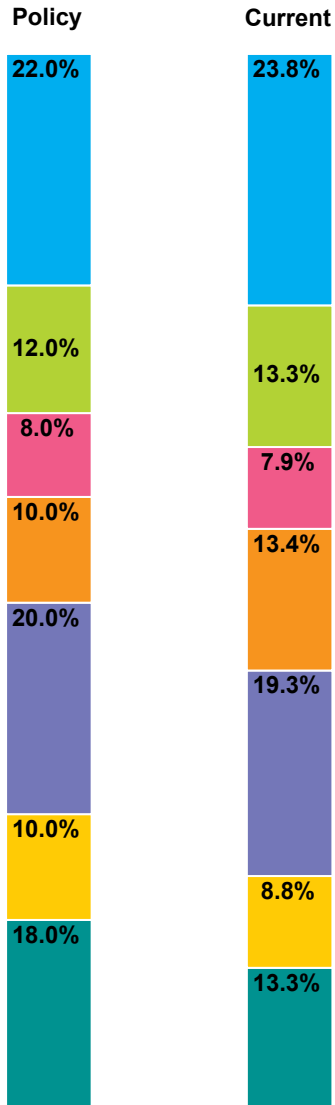
- According to the International Monetary Fund's (IMF) April annual report, global growth in 2025 was downgraded from +3.3% to +2.8%, 0.5% lower than 2024. Concerns related to tariffs and their impact on growth drove the reduction. The US growth forecast saw one of the larger declines for 2025 (+2.7% to +1.8%). China's growth forecast was also substantially lowered for this year (+4.6% to +4.0%), while growth in the EU is projected to be slightly higher (+1.3%) in 2025.
- Despite the recent pause and negotiations related to tariffs, many questions remain. Overall, higher tariff levels and continued uncertainty could weigh on growth while increasing prices. Inflation levels and recent developments with tariffs will likely lead to a slower pace of interest rate cuts by the Fed. Uncertainty in the US and the potential for slower growth could continue the rotation out of US assets and put continued downward pressure on the dollar.
- Some signs of stress have started to emerge on the US consumer with sentiment weakening since the start of the year. Consumers are particularly concerned about losing their jobs and the potential for higher prices. Overall, risk to economic growth and to inflation from tariffs, as well as elevated borrowing costs, could put further pressure on consumers and lead to a weaker job market. The recent resumption of collecting and reporting delinquent student loans could be a further headwind to consumption.
- US equities recovered from losses experienced during the first week of April and ended the quarter at all-time highs. A focus going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will continue to be important.
- Trade tensions between the US and China will remain a key focus. Recently, the two countries agreed on a 90-day truce with the US lowering its maximum tariff rate on Chinese goods from 145% to 30%, with a 10% baseline level. China agreed to lower its 125% tariff on American goods to 10%. Questions remain about what will happen after the 90-day period. Notably, tariff levels on China remain higher than where they previously were.



## **Performance as of June 30, 2025**

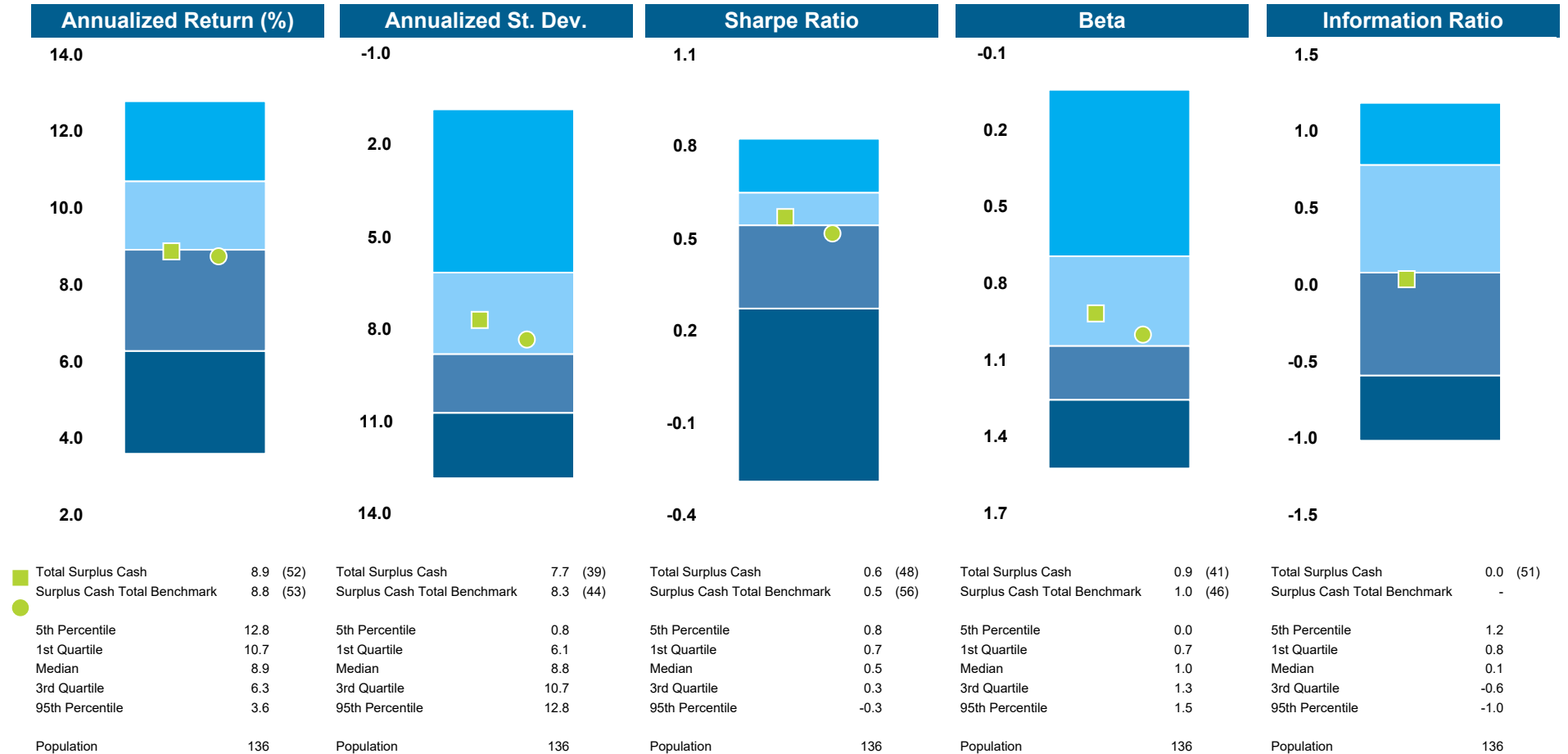
## **Total Surplus (Reserve Cash)**

### Asset Allocation Compliance | As of June 30, 2025



Asset Allocation Vs. Policy Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity	427,101,019	23.8	22.0	1.8	17.0 - 27.0	Yes
International Equity	239,106,856	13.3	12.0	1.3	7.0 - 17.0	Yes
Global Equity	141,657,898	7.9	8.0	-0.1	3.0 - 13.0	Yes
Short Duration Fixed Income Composite	240,852,119	13.4	10.0	3.4	5.0 - 15.0	Yes
Market Duration Fixed Income Composite	346,264,209	19.3	20.0	-0.7	10.0 - 25.0	Yes
Return Seeking Fixed Income	158,565,552	8.8	10.0	-1.2	5.0 - 15.0	Yes
Total Alternatives Composite	239,242,291	13.3	18.0	-4.7	15.0 - 25.0	No
<b>Total Surplus Cash</b>	<b>1,792,789,944</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		
District/ Reserves	87,801,842	--	N/A	--	N/A	N/A
<b>Total Surplus Cash w/ District Reserves</b>	<b>1,880,591,786</b>					

### 3-Year Statistics Summary | As of June 30, 2025



	Risk Return Statistics			
	Total Surplus Cash	3 Yrs Surplus Cash Total Benchmark	Total Surplus Cash	5 Yrs Surplus Cash Total Benchmark
<b>RETURN SUMMARY STATISTICS</b>				
Maximum Return	4.7	5.5	6.4	6.1
Minimum Return	-4.7	-5.5	-4.7	-5.5
Return	8.9	8.8	6.5	6.6
Excess Return	4.4	4.3	3.9	4.0
Excess Performance	0.1	0.0	-0.2	0.0
<b>RISK SUMMARY STATISTICS</b>				
Beta	0.9	1.0	1.0	1.0
Upside Risk	6.8	7.2	6.7	6.8
Downside Risk	4.3	4.8	4.8	5.0
<b>RISK/RETURN SUMMARY STATISTICS</b>				
Standard Deviation	7.7	8.3	8.0	8.2
Sortino Ratio	0.9	0.8	0.7	0.7
Alpha	0.8	0.0	0.1	0.0
Sharpe Ratio	0.6	0.5	0.5	0.5
Excess Risk	7.7	8.3	7.9	8.2
Tracking Error	1.2	0.0	1.2	0.0
Information Ratio	0.0	-	-0.1	-
<b>CORRELATION STATISTICS</b>				
R-Squared	1.0	1.0	1.0	1.0
Actual Correlation	1.0	1.0	1.0	1.0

## Trailing Net Performance | As of June 30, 2025

Trailing Performance Summary										
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Surplus Cash</b>	<b>1,792,789,944</b>	<b>100.0</b>	<b>4.3</b>	<b>5.0</b>	<b>8.4</b>	<b>8.9</b>	<b>6.5</b>	<b>5.7</b>	<b>5.8</b>	<b>Nov-12</b>
<i>Surplus Cash Total Benchmark</i>			<i>5.7</i>	<i>6.0</i>	<i>10.3</i>	<i>8.8</i>	<i>6.6</i>	<i>5.8</i>	<i>5.8</i>	
<b>Total Surplus Cash Ex District / Concern</b>	<b>1,778,890,973</b>	<b>99.2</b>	<b>4.3</b>	<b>5.0</b>	<b>8.4</b>	<b>9.0</b>	<b>6.5</b>	<b>5.8</b>	<b>5.9</b>	<b>Nov-12</b>
<b>Total Surplus Cash Ex District Ex Privates</b>	<b>1,784,898,341</b>	<b>99.6</b>	<b>4.4</b>	<b>5.0</b>	<b>8.5</b>	<b>9.0</b>	<b>6.5</b>	<b>5.8</b>	<b>5.8</b>	<b>Nov-12</b>
<i>Surplus Cash Total Benchmark Ex Privates</i>			<i>5.5</i>	<i>6.0</i>	<i>10.1</i>	<i>8.8</i>	<i>6.5</i>	<i>5.8</i>	<i>5.8</i>	
<b>Total Equity</b>	<b>807,865,772</b>	<b>45.1</b>	<b>8.3</b>	<b>7.2</b>	<b>11.4</b>	<b>15.9</b>	<b>12.2</b>	<b>9.9</b>	<b>10.8</b>	<b>Nov-12</b>
<i>Total Equity Benchmark - Surplus</i>			<i>11.0</i>	<i>9.5</i>	<i>15.6</i>	<i>16.4</i>	<i>13.4</i>	<i>10.0</i>	<i>11.0</i>	
<b>Domestic Equity</b>	<b>427,101,019</b>	<b>23.8</b>	<b>7.8</b>	<b>2.9</b>	<b>11.6</b>	<b>15.9</b>	<b>13.4</b>	<b>11.7</b>	<b>12.9</b>	<b>Nov-12</b>
<i>Domestic Equity Benchmark - Surplus</i>			<i>10.3</i>	<i>4.6</i>	<i>14.0</i>	<i>17.7</i>	<i>15.3</i>	<i>12.2</i>	<i>13.5</i>	
<b>Large Cap Equity</b>	<b>354,665,703</b>	<b>19.8</b>	<b>8.6</b>	<b>4.8</b>	<b>13.7</b>	<b>18.1</b>	<b>14.4</b>	<b>12.6</b>	<b>13.8</b>	<b>Nov-12</b>
<i>Large Cap Equity Benchmark</i>			<i>10.8</i>	<i>6.2</i>	<i>15.5</i>	<i>19.5</i>	<i>16.5</i>	<i>13.4</i>	<i>14.4</i>	
<b>Small Cap Equity</b>	<b>72,435,316</b>	<b>4.0</b>	<b>3.7</b>	<b>-5.4</b>	<b>2.3</b>	<b>6.8</b>	<b>9.1</b>	<b>7.5</b>	<b>9.2</b>	<b>Nov-12</b>
<i>Small Cap Equity Benchmark</i>			<i>8.4</i>	<i>-1.8</i>	<i>7.7</i>	<i>10.0</i>	<i>10.0</i>	<i>7.0</i>	<i>9.4</i>	
<b>International Equity</b>	<b>239,106,856</b>	<b>13.3</b>	<b>10.4</b>	<b>14.9</b>	<b>12.4</b>	<b>14.0</b>	<b>9.1</b>	<b>6.2</b>	<b>6.4</b>	<b>Nov-12</b>
<i>MSCI AC World ex USA (Net)</i>			<i>12.0</i>	<i>17.9</i>	<i>17.7</i>	<i>14.0</i>	<i>10.1</i>	<i>6.1</i>	<i>6.4</i>	
<b>Global Equity</b>	<b>141,657,898</b>	<b>7.9</b>	<b>6.7</b>	<b>8.3</b>	<b>9.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>19.8</b>	<b>Sep-23</b>
<i>MSCI AC World Index (Net)</i>			<i>11.5</i>	<i>10.0</i>	<i>16.2</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>19.0</i>	
<b>Total Fixed Income Composite</b>	<b>745,681,880</b>	<b>41.6</b>	<b>1.5</b>	<b>3.5</b>	<b>6.4</b>	<b>3.8</b>	<b>0.7</b>	<b>2.3</b>	<b>2.2</b>	<b>Nov-12</b>
<i>Total Fixed Income Benchmark - Surplus</i>			<i>1.2</i>	<i>3.7</i>	<i>6.1</i>	<i>2.9</i>	<i>-0.1</i>	<i>1.8</i>	<i>1.7</i>	
<b>Short Duration Fixed Income Composite</b>	<b>240,852,119</b>	<b>13.4</b>	<b>1.2</b>	<b>2.6</b>	<b>5.2</b>	<b>4.1</b>	<b>1.8</b>	<b>1.9</b>	<b>1.7</b>	<b>Nov-12</b>
<i>Short Duration Fixed Income Benchmark - Surplus</i>			<i>1.3</i>	<i>2.9</i>	<i>5.9</i>	<i>3.8</i>	<i>1.6</i>	<i>1.8</i>	<i>1.6</i>	
<b>Market Duration Fixed Income Composite</b>	<b>346,264,209</b>	<b>19.3</b>	<b>1.3</b>	<b>4.1</b>	<b>6.3</b>	<b>3.6</b>	<b>0.2</b>	<b>2.4</b>	<b>2.3</b>	<b>Nov-12</b>
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.2</i>	<i>4.0</i>	<i>6.1</i>	<i>2.5</i>	<i>-0.7</i>	<i>1.8</i>	<i>1.7</i>	

## Trailing Net Performance | As of June 30, 2025

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Return Seeking Fixed Income</b>	<b>158,565,552</b>	<b>8.8</b>	<b>2.2</b>	<b>3.7</b>	<b>8.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.9</b>	<b>Dec-23</b>
<i>Return Seeking Fixed Income Benchmark</i>			<i>3.4</i>	<i>5.2</i>	<i>8.9</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>8.0</i>	
<b>Cash Composite</b>	<b>74,039,984</b>	<b>4.1</b>	<b>0.6</b>	<b>1.2</b>	<b>2.7</b>	<b>2.3</b>	<b>1.4</b>	<b>0.9</b>	<b>0.7</b>	<b>Nov-12</b>
<i>90 Day U.S. Treasury Bill</i>			<i>1.0</i>	<i>2.1</i>	<i>4.7</i>	<i>4.6</i>	<i>2.8</i>	<i>2.0</i>	<i>1.6</i>	
<b>Total Alternatives Composite</b>	<b>239,242,291</b>	<b>13.3</b>	<b>0.6</b>	<b>2.2</b>	<b>5.0</b>	<b>5.5</b>	<b>6.5</b>	<b>3.6</b>	<b>4.1</b>	<b>May-13</b>
<i>Total Alternatives Benchmark</i>			<i>2.2</i>	<i>2.4</i>	<i>5.8</i>	<i>3.2</i>	<i>5.3</i>	<i>4.3</i>	<i>4.9</i>	
<b>Hedge Fund Composite</b>	<b>206,269,772</b>	<b>11.5</b>	<b>0.8</b>	<b>2.5</b>	<b>6.3</b>	<b>6.8</b>	<b>6.7</b>	<b>3.4</b>	<b>3.6</b>	<b>May-13</b>
<i>HFRI Fund of Funds Composite Index</i>			<i>3.3</i>	<i>2.9</i>	<i>7.2</i>	<i>6.5</i>	<i>6.2</i>	<i>3.8</i>	<i>4.0</i>	
<b>Private Assets Composite</b>	<b>32,972,519</b>	<b>1.8</b>	<b>-0.6</b>	<b>0.2</b>	<b>-1.7</b>	<b>-0.6</b>	<b>--</b>	<b>--</b>	<b>5.8</b>	<b>Oct-20</b>
<b>Private Debt Composite</b>	<b>13,587,268</b>	<b>0.8</b>	<b>0.4</b>	<b>2.4</b>	<b>4.4</b>	<b>3.7</b>	<b>--</b>	<b>--</b>	<b>13.7</b>	<b>Dec-20</b>
<b>Private Real Estate Composite</b>	<b>19,385,251</b>	<b>1.1</b>	<b>-1.3</b>	<b>-1.4</b>	<b>-6.4</b>	<b>-3.7</b>	<b>3.6</b>	<b>3.5</b>	<b>5.5</b>	<b>Sep-13</b>
<i>NCREIF Property Index</i>			<i>0.0</i>	<i>1.3</i>	<i>3.0</i>	<i>-3.1</i>	<i>3.5</i>	<i>5.1</i>	<i>6.3</i>	



## Trailing Net Performance | As of June 30, 2025

Trailing Performance Summary										
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Surplus Cash</b>	<b>1,792,789,944</b>	<b>100.0</b>	<b>4.3</b>	<b>5.0</b>	<b>8.4</b>	<b>8.9</b>	<b>6.5</b>	<b>5.7</b>	<b>5.8</b>	<b>Nov-12</b>
<i>Surplus Cash Total Benchmark</i>			<i>5.7</i>	<i>6.0</i>	<i>10.3</i>	<i>8.8</i>	<i>6.6</i>	<i>5.8</i>	<i>5.8</i>	
<b>Total Surplus Cash Ex District / Concern</b>	<b>1,778,890,973</b>	<b>99.2</b>	<b>4.3</b>	<b>5.0</b>	<b>8.4</b>	<b>9.0</b>	<b>6.5</b>	<b>5.8</b>	<b>5.9</b>	<b>Nov-12</b>
<b>Total Surplus Cash X District X Privates</b>	<b>1,784,898,341</b>	<b>99.6</b>	<b>4.4</b>	<b>5.0</b>	<b>8.5</b>	<b>9.0</b>	<b>6.5</b>	<b>5.8</b>	<b>5.8</b>	<b>Nov-12</b>
<i>Surplus Cash Total Benchmark x Privates</i>			<i>5.5</i>	<i>6.0</i>	<i>10.1</i>	<i>8.8</i>	<i>6.5</i>	<i>5.8</i>	<i>5.8</i>	
<b>Total Equity</b>	<b>807,865,772</b>	<b>45.1</b>	<b>8.3</b>	<b>7.2</b>	<b>11.4</b>	<b>15.9</b>	<b>12.2</b>	<b>9.9</b>	<b>10.8</b>	<b>Nov-12</b>
<i>Total Equity Benchmark - Surplus</i>			<i>11.0</i>	<i>9.5</i>	<i>15.6</i>	<i>16.4</i>	<i>13.4</i>	<i>10.0</i>	<i>11.0</i>	
<b>Domestic Equity</b>	<b>427,101,019</b>	<b>23.8</b>	<b>7.8</b>	<b>2.9</b>	<b>11.6</b>	<b>15.9</b>	<b>13.4</b>	<b>11.7</b>	<b>12.9</b>	<b>Nov-12</b>
<i>Domestic Equity Benchmark - Surplus</i>			<i>10.3</i>	<i>4.6</i>	<i>14.0</i>	<i>17.7</i>	<i>15.3</i>	<i>12.2</i>	<i>13.5</i>	
<b>Large Cap Equity</b>	<b>354,665,703</b>	<b>19.8</b>	<b>8.6</b>	<b>4.8</b>	<b>13.7</b>	<b>18.1</b>	<b>14.4</b>	<b>12.6</b>	<b>13.8</b>	<b>Nov-12</b>
<i>Large Cap Equity Benchmark</i>			<i>10.8</i>	<i>6.2</i>	<i>15.5</i>	<i>19.5</i>	<i>16.5</i>	<i>13.4</i>	<i>14.4</i>	
Vanguard Institutional Index Fund (VIIIX)	237,763,619	13.3	10.9 (40)	6.2 (34)	15.1 (24)	19.7 (22)	16.6 (19)	13.6 (6)	14.5 (10)	Nov-12
<i>S&amp;P 500 Index</i>			<i>10.9 (39)</i>	<i>6.2 (34)</i>	<i>15.2 (23)</i>	<i>19.7 (21)</i>	<i>16.6 (18)</i>	<i>13.6 (6)</i>	<i>14.5 (10)</i>	
<i>Large Blend Median</i>			<i>10.8</i>	<i>5.8</i>	<i>13.6</i>	<i>18.5</i>	<i>15.6</i>	<i>12.4</i>	<i>13.5</i>	
Barrow Hanley Large Cap Value	116,902,084	6.5	4.3 (51)	2.0 (91)	11.1 (63)	13.7 (43)	16.1 (28)	10.0 (42)	9.6 (12)	Aug-00
<i>Russell 1000 Value Index</i>			<i>3.8 (60)</i>	<i>6.0 (43)</i>	<i>13.7 (38)</i>	<i>12.8 (53)</i>	<i>13.9 (59)</i>	<i>9.2 (64)</i>	<i>7.8 (76)</i>	
<i>eV US Large Cap Value Equity Median</i>			<i>4.3</i>	<i>5.6</i>	<i>12.4</i>	<i>13.0</i>	<i>14.6</i>	<i>9.8</i>	<i>8.6</i>	
<b>Small Cap Equity</b>	<b>72,435,316</b>	<b>4.0</b>	<b>3.7</b>	<b>-5.4</b>	<b>2.3</b>	<b>6.8</b>	<b>9.1</b>	<b>7.5</b>	<b>9.2</b>	<b>Nov-12</b>
<i>Small Cap Equity Benchmark</i>			<i>8.4</i>	<i>-1.8</i>	<i>7.7</i>	<i>10.0</i>	<i>10.0</i>	<i>7.0</i>	<i>9.4</i>	
Wellington CTF Small-Cap Value Fund	42,942,846	2.4	2.9 (74)	-3.7 (60)	1.9 (73)	6.2 (88)	11.9 (79)	5.2 (96)	7.9 (90)	Nov-12
<i>Russell 2000 Value Index</i>			<i>5.0 (49)</i>	<i>-3.2 (55)</i>	<i>5.5 (48)</i>	<i>7.5 (74)</i>	<i>12.5 (71)</i>	<i>6.7 (68)</i>	<i>8.6 (78)</i>	
<i>eV US Small Cap Value Equity Median</i>			<i>4.8</i>	<i>-2.8</i>	<i>4.9</i>	<i>9.5</i>	<i>13.7</i>	<i>7.2</i>	<i>9.4</i>	
Conestoga Small-Cap Fund I (CCALX)	29,492,470	1.6	4.8 (90)	-7.7 (98)	2.9 (81)	7.6 (83)	5.7 (70)	--	10.5 (46)	Jul-16
<i>Russell 2000 Growth Index</i>			<i>12.0 (33)</i>	<i>-0.5 (42)</i>	<i>9.7 (27)</i>	<i>12.4 (31)</i>	<i>7.4 (54)</i>	<i>--</i>	<i>9.3 (70)</i>	
<i>Small Growth Median</i>			<i>10.7</i>	<i>-1.2</i>	<i>6.8</i>	<i>10.3</i>	<i>7.6</i>	<i>--</i>	<i>10.3</i>	

## Trailing Net Performance | As of June 30, 2025

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>International Equity</b>	<b>239,106,856</b>	<b>13.3</b>	<b>10.4</b>	<b>14.9</b>	<b>12.4</b>	<b>14.0</b>	<b>9.1</b>	<b>6.2</b>	<b>6.4</b>	<b>Nov-12</b>
<i>MSCI AC World ex USA (Net)</i>			<i>12.0</i>	<i>17.9</i>	<i>17.7</i>	<i>14.0</i>	<i>10.1</i>	<i>6.1</i>	<i>6.4</i>	
Causeway International Value (CIVIX)	91,401,589	5.1	10.0 (75)	21.2 (66)	20.8 (63)	20.2 (8)	15.9 (10)	--	7.7 (16)	May-18
<i>MSCI EAFE (Net)</i>			<i>11.8 (41)</i>	<i>19.4 (82)</i>	<i>17.7 (90)</i>	<i>16.0 (59)</i>	<i>11.2 (82)</i>	--	<i>6.5 (43)</i>	
<i>MSCI AC World ex USA Value (Net)</i>			<i>10.4 (66)</i>	<i>19.9 (80)</i>	<i>21.4 (57)</i>	<i>15.6 (62)</i>	<i>13.1 (47)</i>	--	<i>5.6 (74)</i>	
<i>Foreign Large Value Median</i>			<i>11.4</i>	<i>22.4</i>	<i>22.5</i>	<i>16.5</i>	<i>13.0</i>	--	<i>6.3</i>	
BNY Mellon International Stock Fund (DISRX)	69,893,245	3.9	9.1 (92)	7.3 (100)	1.1 (100)	9.5 (96)	5.5 (93)	6.9 (28)	6.6 (70)	Nov-12
<i>MSCI EAFE (Net)</i>			<i>11.8 (56)</i>	<i>19.4 (52)</i>	<i>17.7 (60)</i>	<i>16.0 (31)</i>	<i>11.2 (39)</i>	<i>6.5 (39)</i>	<i>7.3 (38)</i>	
<i>Foreign Median</i>			<i>12.2</i>	<i>19.6</i>	<i>18.4</i>	<i>14.7</i>	<i>10.5</i>	<i>6.2</i>	<i>7.0</i>	
RBC Emerging Market Equity	77,812,022	4.3	12.0 (58)	15.3 (49)	14.4 (55)	--	--	--	16.3 (88)	Nov-23
<i>MSCI Emerging Markets Index</i>			<i>12.2 (57)</i>	<i>15.6 (46)</i>	<i>16.0 (35)</i>	--	--	--	<i>22.5 (39)</i>	
<i>eV Emg Mkts All Cap Equity Median</i>			<i>12.5</i>	<i>15.2</i>	<i>14.8</i>	--	--	--	<i>21.3</i>	
<b>Global Equity</b>	<b>141,657,898</b>	<b>7.9</b>	<b>6.7</b>	<b>8.3</b>	<b>9.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>19.8</b>	<b>Sep-23</b>
<i>MSCI AC World Index (Net)</i>			<i>11.5</i>	<i>10.0</i>	<i>16.2</i>	--	--	--	<i>19.0</i>	
GQG Partners Global Equity Fund	68,046,069	3.8	1.4 (99)	2.2 (96)	0.7 (94)	--	--	--	18.8 (20)	Aug-23
<i>MSCI AC World Index (Net)</i>			<i>11.5 (57)</i>	<i>10.0 (33)</i>	<i>16.2 (26)</i>	--	--	--	<i>16.4 (30)</i>	
<i>eV Global Large Cap Growth Eq Median</i>			<i>12.3</i>	<i>8.3</i>	<i>10.3</i>	--	--	--	<i>12.4</i>	
Arrowstreet Global Equity ACWI Trust Fund	73,611,829	4.1	12.1 (34)	14.6 (10)	18.6 (22)	--	--	--	22.9 (11)	Sep-23
<i>MSCI AC World IMI Index (Net)</i>			<i>11.6 (42)</i>	<i>9.8 (51)</i>	<i>15.9 (37)</i>	--	--	--	<i>18.3 (34)</i>	
<i>eV Global All Cap Core Eq Median</i>			<i>11.1</i>	<i>9.9</i>	<i>14.4</i>	--	--	--	<i>16.6</i>	
<b>Total Fixed Income Composite</b>	<b>745,681,880</b>	<b>41.6</b>	<b>1.5</b>	<b>3.5</b>	<b>6.4</b>	<b>3.8</b>	<b>0.7</b>	<b>2.3</b>	<b>2.2</b>	<b>Nov-12</b>
<i>Total Fixed Income Benchmark - Surplus</i>			<i>1.2</i>	<i>3.7</i>	<i>6.1</i>	<i>2.9</i>	<i>-0.1</i>	<i>1.8</i>	<i>1.7</i>	
<b>Short Duration Fixed Income Composite</b>	<b>240,852,119</b>	<b>13.4</b>	<b>1.2</b>	<b>2.6</b>	<b>5.2</b>	<b>4.1</b>	<b>1.8</b>	<b>1.9</b>	<b>1.7</b>	<b>Nov-12</b>
<i>Short Duration Fixed Income Benchmark - Surplus</i>			<i>1.3</i>	<i>2.9</i>	<i>5.9</i>	<i>3.8</i>	<i>1.6</i>	<i>1.8</i>	<i>1.6</i>	
Barrow Hanley Short Fixed	166,812,135	9.3	1.5 (40)	3.2 (41)	6.1 (60)	4.8 (31)	2.1 (44)	2.1 (45)	4.2 (36)	Apr-91
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			<i>1.3 (78)</i>	<i>2.9 (73)</i>	<i>5.9 (70)</i>	<i>3.8 (77)</i>	<i>1.6 (70)</i>	<i>1.8 (76)</i>	<i>3.8 (88)</i>	
<i>eV US Short Duration Fixed Inc Median</i>			<i>1.4</i>	<i>3.1</i>	<i>6.2</i>	<i>4.2</i>	<i>1.9</i>	<i>2.0</i>	<i>4.0</i>	
<b>Cash Composite</b>	<b>74,039,984</b>	<b>4.1</b>	<b>0.6</b>	<b>1.2</b>	<b>2.7</b>	<b>2.3</b>	<b>1.4</b>	<b>0.9</b>	<b>0.7</b>	<b>Nov-12</b>
<i>90 Day U.S. Treasury Bill</i>			<i>1.0</i>	<i>2.1</i>	<i>4.7</i>	<i>4.6</i>	<i>2.8</i>	<i>2.0</i>	<i>1.6</i>	
<b>Market Duration Fixed Income Composite</b>	<b>346,264,209</b>	<b>19.3</b>	<b>1.3</b>	<b>4.1</b>	<b>6.3</b>	<b>3.6</b>	<b>0.2</b>	<b>2.4</b>	<b>2.3</b>	<b>Nov-12</b>
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.2</i>	<i>4.0</i>	<i>6.1</i>	<i>2.5</i>	<i>-0.7</i>	<i>1.8</i>	<i>1.7</i>	
Dodge & Cox Fixed	168,156,820	9.4	1.3 (90)	4.1 (37)	6.4 (72)	4.5 (16)	1.0 (27)	3.0 (7)	2.9 (3)	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			<i>1.2 (94)</i>	<i>4.0 (61)</i>	<i>6.1 (88)</i>	<i>2.5 (93)</i>	<i>-0.7 (97)</i>	<i>1.8 (82)</i>	<i>1.7 (79)</i>	
<i>eV US Interm Duration Fixed Inc Median</i>			<i>1.6</i>	<i>4.1</i>	<i>6.7</i>	<i>3.6</i>	<i>0.7</i>	<i>2.1</i>	<i>1.9</i>	

## Trailing Net Performance | As of June 30, 2025

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>IR+M Aggregate Bond</b>	164,291,976	9.2	1.2 (61)	4.1 (46)	6.2 (44)	--	--	--	6.2 (42)	Dec-23
<i>Blmbg. U.S. Aggregate Index</i>			1.2 (67)	4.0 (57)	6.1 (60)	--	--	--	5.8 (80)	
<i>eV US Core Fixed Inc Median</i>			1.3	4.0	6.2	--	--	--	6.1	
<b>Met West Total Return Bond Plan - CONCERN (MWTSX)</b>	13,815,412	0.8	1.3 (33)	4.5 (7)	6.5 (15)	2.6 (44)	-0.6 (52)	--	1.8 (37)	Feb-16
<i>Blmbg. U.S. Aggregate Index</i>			1.2 (54)	4.0 (42)	6.1 (41)	2.5 (52)	-0.7 (59)	--	1.6 (53)	
<i>Intermediate Core Bond Median</i>			1.2	4.0	6.0	2.6	-0.6	--	1.7	
<b>Return Seeking Fixed Income</b>	158,565,552	8.8	2.2	3.7	8.1	--	--	--	8.9	Dec-23
<i>Return Seeking Fixed Income Benchmark</i>			3.4	5.2	8.9	--	--	--	8.0	
<b>Brandywine Global Multi-Sector Income</b>	56,896,774	3.2	2.7 (48)	4.8 (28)	7.8 (75)	--	--	--	8.2 (96)	Nov-23
<i>Blmbg. Global Aggregate Index (Hedged)</i>			1.6 (94)	2.8 (90)	6.2 (98)	--	--	--	7.9 (97)	
<i>eV Multi-Asset Credit Fixed Income Median</i>			2.5	4.1	8.8	--	--	--	11.4	
<b>Loomis Credit Asset Fund</b>	57,200,588	3.2	2.5 (37)	4.0 (43)	8.1 (45)	--	--	--	8.7 (49)	Dec-23
<i>50% BBG Corp/25% BBG US HY 2% Issuer Cap/25% Morningstar LSTA LLI</i>			2.4 (37)	3.9 (43)	7.9 (47)	--	--	--	8.2 (57)	
<i>eV Alt Credit - Multi-Market Median</i>			1.8	3.2	7.7	--	--	--	8.6	
<b>Arena High Yield Short Duration</b>	44,468,190	2.5	1.4 (97)	1.8 (97)	8.5 (30)	--	--	--	7.8 (39)	Feb-24
<i>ICE BofA 0-5 Year U.S. High Yield Constrained</i>			3.2 (20)	4.0 (29)	9.9 (8)	--	--	--	8.9 (11)	
<i>eV US High Yield Fixed Inc - Short Duration Median</i>			2.6	3.7	7.8	--	--	--	7.4	
<b>Total Alternatives Composite</b>	239,242,291	13.3	0.6	2.2	5.0	5.5	6.5	3.6	4.1	May-13
<i>Total Alternatives Benchmark</i>			2.2	2.4	5.8	3.2	5.3	4.3	4.9	
<b>Hedge Fund Composite</b>	206,269,772	11.5	0.8	2.5	6.3	6.8	6.7	3.4	3.6	May-13
<i>HFRI Fund of Funds Composite Index</i>			3.3	2.9	7.2	6.5	6.2	3.8	4.0	
<b>Credit HF Composite</b>	53,352,436	3.0	1.4	4.1	8.7	6.6	7.9	3.4	3.9	May-13
<i>HFRI Event-Driven (Total) Index</i>			5.3	4.6	11.6	9.2	9.6	5.7	5.6	
<b>DK Distressed Opportunities International, Ltd.</b>	5,293,123	0.3	0.3	1.6	3.6	3.1	6.8	5.0	5.4	May-13
<b>Waterfall Eden Fund, Ltd.</b>	23,764,893	1.3	1.9	4.4	9.7	6.8	9.5	--	6.1	Oct-19
<i>HFRI ED: Distressed/Restructuring Index</i>			1.9	2.2	9.4	7.1	9.5	--	7.6	
<b>DK Institutional Partners, L.P.</b>	24,254,849	1.4	1.1	4.4	10.0	7.5	7.3	--	7.8	Jun-20
<i>HFRI ED: Multi-Strategy Index</i>			7.5	8.0	18.7	10.5	8.4	--	9.4	
<b>York Credit Opportunities Unit Trust</b>	39,570	0.0								
<b>Equity HF Composite</b>	34,207,410	1.9	5.7	2.6	9.4	9.7	6.9	3.8	4.2	May-13
<i>HFRI Equity Hedge (Total) Index</i>			7.6	6.0	11.6	10.4	10.1	6.5	6.5	
<b>Capeview Azri 2X Fund USD B - U</b>	7,616,729	0.4	3.9	2.8	5.8	6.2	5.3	4.4	6.5	Jul-13
<b>Capeview Azri Fund USD B - UV</b>	7,949,952	0.4	2.3	2.2	4.6	4.9	3.7	2.8	3.7	Jul-13
<b>Palestra Capital Offshore</b>	17,992,921	1.0	8.0	2.6	13.3	18.7	9.8	--	9.9	Apr-19
<i>HFRI Equity Hedge (Total) Index</i>			7.6	6.0	11.6	10.4	10.1	--	8.4	
<b>Luxor Capital Partners Offshore, Ltd.</b>	647,808	0.0								
<b>Macro HF Composite</b>	14,590,734	0.8	-9.5	-19.3	-23.3	-6.0	2.3	1.5	1.5	May-13
<i>HFRI Macro (Total) Index</i>			-1.4	-1.3	-1.3	1.4	5.2	3.0	2.7	
<b>BP Transtrend Diversified Fund LLC</b>	14,590,734	0.8	-9.5	-19.3	-23.3	-5.8	8.0	5.0	4.4	May-13
<i>SG Trend Index</i>			-5.8	-10.2	-15.3	-4.5	5.6	2.6	3.0	

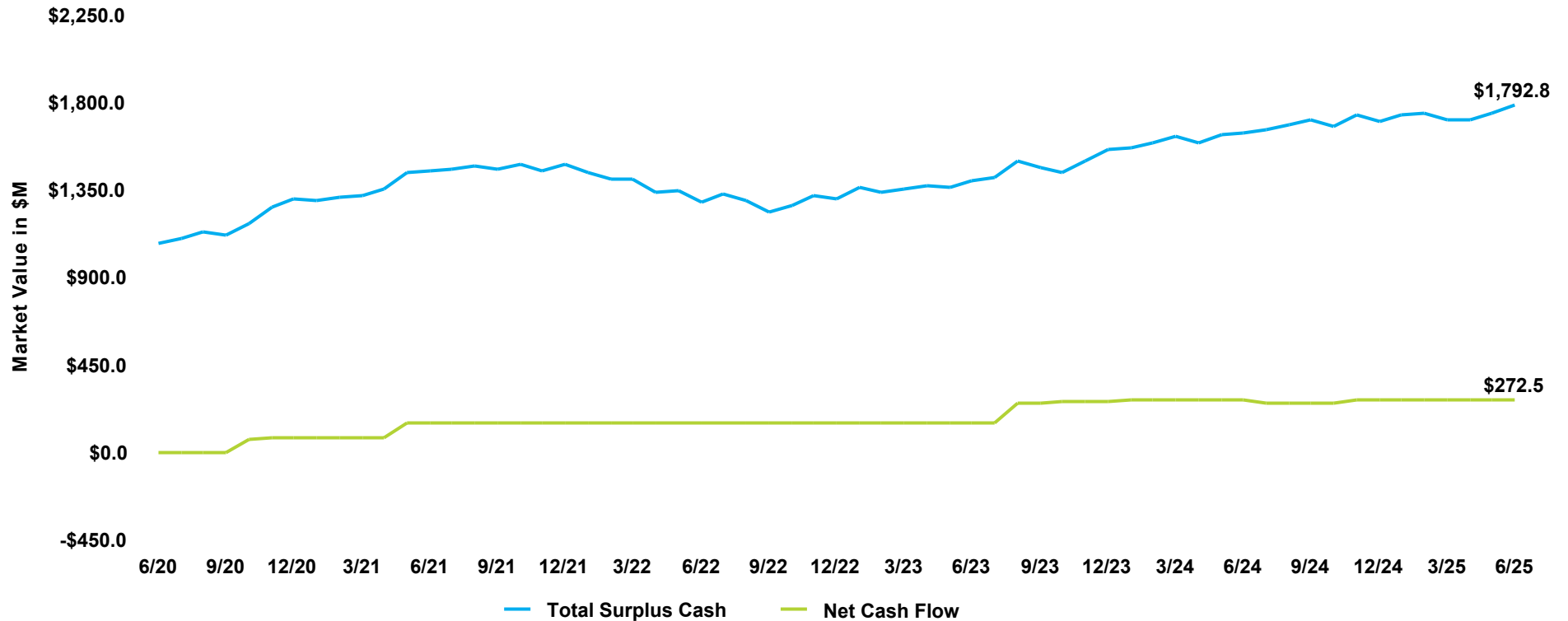
BP Transtrend Diversified, DK Distressed Opps International, and DK Institutional performance lagged one month as 6/30/25 data was unavailable at time of reporting. Performance for Luxor Capital Partners and York Credit Opportunitites is not meaningful as both accounts are in closeout.

## Trailing Net Performance | As of June 30, 2025

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Relative Value HF Composite</b>	<b>104,119,193</b>	<b>5.8</b>	<b>0.5</b>	<b>5.7</b>	<b>9.6</b>	<b>8.2</b>	<b>6.1</b>	<b>2.8</b>	<b>3.3</b>	<b>May-13</b>
<i>HFRI RV: Multi-Strategy Index</i>			<i>1.9</i>	<i>3.0</i>	<i>7.2</i>	<i>5.6</i>	<i>6.0</i>	<i>4.2</i>	<i>4.2</i>	
Renaissance RIDGE	20,488,758	1.1	-3.2	10.1	15.4	7.0	4.0	--	1.9	Nov-17
<i>HFRI EH: Equity Market Neutral Index</i>			<i>3.2</i>	<i>5.1</i>	<i>9.2</i>	<i>7.7</i>	<i>6.5</i>	<i>--</i>	<i>4.1</i>	
<i>HFRI RV: Multi-Strategy Index</i>			<i>1.9</i>	<i>3.0</i>	<i>7.2</i>	<i>5.6</i>	<i>6.0</i>	<i>--</i>	<i>4.5</i>	
Carlson Black Diamond Arbitrage Ltd.	303,406	0.0	3.5	32.1	51.1	14.3	10.4	--	8.5	Sep-18
<i>HFRI ED: Merger Arbitrage Index</i>			<i>4.3</i>	<i>4.8</i>	<i>10.3</i>	<i>6.8</i>	<i>8.2</i>	<i>--</i>	<i>6.0</i>	
<i>HFRI RV: Multi-Strategy Index</i>			<i>1.9</i>	<i>3.0</i>	<i>7.2</i>	<i>5.6</i>	<i>6.0</i>	<i>--</i>	<i>4.8</i>	
Man Alternative Risk Premia SP Fund	17,028,887	0.9	2.2	4.2	1.5	8.3	7.9	--	5.1	Jul-19
<i>SG Multi Alternative Risk Premia Index</i>			<i>-9.1</i>	<i>-5.6</i>	<i>-4.4</i>	<i>4.0</i>	<i>3.8</i>	<i>--</i>	<i>1.1</i>	
Wolverine	26,162,889	1.5	1.8	4.3	11.8	10.1	11.4	--	10.2	Mar-20
<i>HFRI RV: Fixed Income-Convertible Arbitrage Index</i>			<i>0.8</i>	<i>4.1</i>	<i>9.4</i>	<i>8.1</i>	<i>8.0</i>	<i>--</i>	<i>7.0</i>	
Voya Mortgage Fund	17,751,585	1.0	1.7	4.5	10.1	11.3	--	--	3.7	Dec-20
<i>HFRI RV: Fixed Income-Asset Backed</i>			<i>2.1</i>	<i>4.4</i>	<i>9.6</i>	<i>7.2</i>	<i>--</i>	<i>--</i>	<i>6.7</i>	
Capstone Global (Offshore) Ltd.	22,383,667	1.2	0.5	5.3	7.6	7.4	--	--	4.9	Dec-20
<i>HFRI Relative Value:Volatility Index</i>			<i>0.0</i>	<i>1.7</i>	<i>3.2</i>	<i>2.5</i>	<i>--</i>	<i>--</i>	<i>3.6</i>	
<b>Private Assets Composite</b>	<b>32,972,519</b>	<b>1.8</b>	<b>-0.6</b>	<b>0.2</b>	<b>-1.7</b>	<b>-0.6</b>	<b>--</b>	<b>--</b>	<b>5.8</b>	<b>Oct-20</b>
<b>Private Debt Composite</b>	<b>13,587,268</b>	<b>0.8</b>	<b>0.4</b>	<b>2.4</b>	<b>4.4</b>	<b>3.7</b>	<b>--</b>	<b>--</b>	<b>13.7</b>	<b>Dec-20</b>
Oaktree Opportunities Fund XI, L.P.	13,587,268	0.8	0.4	2.4	4.4	3.7	--	--	13.4	Nov-20
<b>Private Real Estate Composite</b>	<b>19,385,251</b>	<b>1.1</b>	<b>-1.3</b>	<b>-1.4</b>	<b>-6.4</b>	<b>-3.7</b>	<b>3.6</b>	<b>3.5</b>	<b>5.5</b>	<b>Sep-13</b>
<i>NCREIF Property Index</i>			<i>0.0</i>	<i>1.3</i>	<i>3.0</i>	<i>-3.1</i>	<i>3.5</i>	<i>5.1</i>	<i>6.3</i>	
Oaktree Real Estate Opportunities Fund VI, L.P.	2,285,185	0.1	-8.7	-13.2	-22.5	-13.7	-9.9	-4.0	-1.3	Sep-13
Walton Street Real Estate Fund VII, L.P.	818,110	0.0	-4.6	-13.7	-29.9	-15.4	-7.8	-3.4	0.5	Nov-13
Walton Street Real Estate Fund VIII, L.P.	4,788,308	0.3	0.8	6.2	3.2	0.1	7.4	--	7.9	Jun-17
AG Realty Value Fund X, LP	11,493,648	0.6	-0.3	-0.4	-3.1	-0.8	9.0	--	4.4	Jun-19
<i>NCREIF Property Index</i>			<i>0.0</i>	<i>1.3</i>	<i>3.0</i>	<i>-3.1</i>	<i>3.5</i>	<i>--</i>	<i>3.5</i>	

Private assets composite and accounts are reported with a one-quarter lag unless otherwise noted.

#### 5 Years Ending June 30, 2025



	2020	2021	2022	2023	2024	YTD
Total Surplus Cash						
Beginning Market Value	1,088,061,582	1,303,861,228	1,483,499,922	1,304,843,726	1,561,507,020	1,703,989,603
Net Cash Flow	69,995,301	75,005,449	197,667	114,621,824	1,224,883	3,811,866
Net Investment Change	138,219,999	104,633,245	-178,853,863	142,041,470	141,147,397	84,312,330
Ending Market Value	1,303,861,228	1,483,499,922	1,304,843,726	1,561,507,020	1,703,989,603	1,792,789,944
Net Change	215,799,646	179,638,694	-178,656,196	256,663,294	142,482,582	88,800,342

Private Markets Investments Overview											
Investment Name	Vintage Year	Commitment (\$)	Unfunded Commitment (\$)	Cumulative Contributions (\$)	Cumulative Distributions (\$)	Valuation (\$)	Total Value (\$)	Net Benefit (\$)	DPI (%)	TVPI (%)	IRR (%)
Oaktree Real Estate Opportunities Fund VI, L.P.	2013	14,000,000	-1,068,312	15,068,312	15,695,626	2,285,185	17,980,811	2,912,499	1.04	1.19	4.26
Walton Street Real Estate Fund VII, L.P.	2013	14,000,000	2,036,404	11,963,596	15,060,447	818,110	15,878,557	3,872,589	1.25	1.32	7.83
Walton Street Real Estate Fund VIII, L.P.	2015	13,000,000	2,444,173	10,555,827	10,114,053	4,788,308	14,902,360	4,271,419	0.95	1.40	8.51
AG Realty Value Fund X, LP	2019	20,000,000	3,963,733	16,036,267	9,371,745	11,493,648	20,865,393	4,829,126	0.58	1.30	8.31
Oaktree Opportunities Fund XI, L.P.	2020	20,000,000	10,030,558	9,969,442	7,929,657	13,587,268	21,516,925	3,405,932	0.80	2.16	6.28
<b>Total</b>		<b>81,000,000</b>	<b>17,406,556</b>	<b>63,593,444</b>	<b>58,171,526</b>	<b>32,972,519</b>	<b>91,144,045</b>	<b>19,291,565</b>	<b>0.91</b>	<b>1.43</b>	<b>6.74</b>

Private assets valuations are lagged by one quarter.

AG Realty Value Fund X and Oaktree Opportunities Fund XI are within the investment period.

Oaktree Real Estate Opportunities Fund VI, Walton Street Real Estate Fund VII, and Walton Street Real Estate Fund VIII are within the harvesting period.

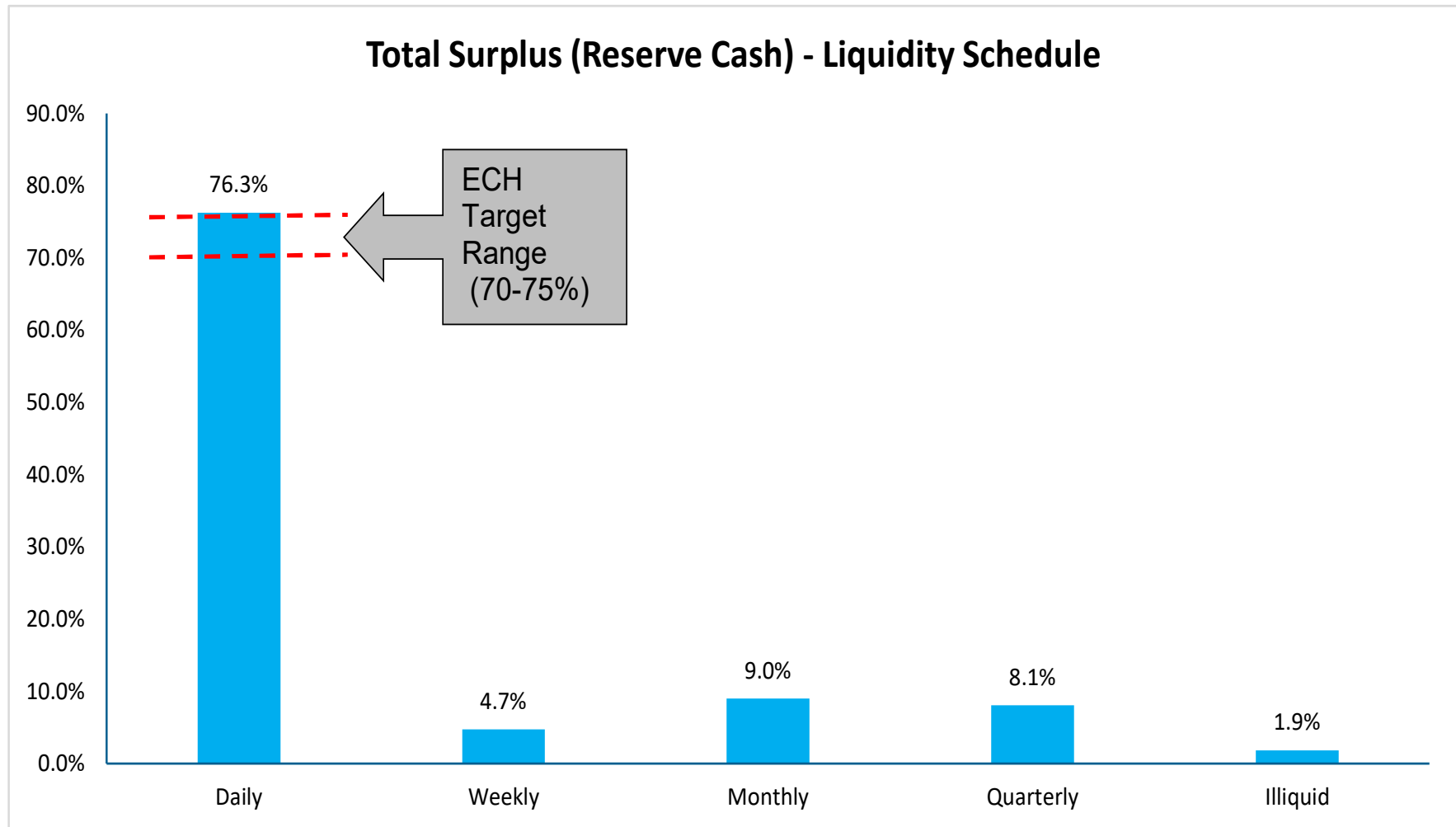
## Liquidity Schedule | As of June 30, 2025

		Liquidity Schedule					Notes
Investments	Market Value	Daily	Weekly	Monthly	Quarterly	Illiquid	
<b>Total Surplus Cash</b>	<b>1,792,789,944</b>						
<b>Total Equity</b>	<b>807,865,772</b>						
<b>Domestic Equity</b>	<b>427,101,019</b>						
<b>Large Cap Equity</b>	<b>354,665,703</b>						
Vanguard Institutional Index Fund (VIIIX)	237,763,619	237,763,619					Daily, No Lock-Up
Barrow Hanley Large Cap Value	116,902,084	116,902,084					Daily, No Lock-Up
<b>Small Cap Equity</b>	<b>72,435,316</b>						
Wellington CTF Small-Cap Value Fund	42,942,846	42,942,846					10-Day Notice, No Lock-Up
Conestoga Small-Cap Fund I (CCALX)	29,492,470	29,492,470					Daily, No Lock-Up
<b>International Equity</b>	<b>239,106,856</b>						
Causeway International Value (CIVIX)	91,401,589	91,401,589					Daily, No Lock-Up
BNY Mellon International Stock Fund (DISRX)	69,893,245	69,893,245					Daily, No Lock-Up
RBC Emerging Market Equity	77,812,022	77,812,022					Daily, No Lock-Up
<b>Global Equity</b>	<b>141,657,898</b>						
GQG Partners Global Equity Fund	68,046,069		68,046,069				Weekly, No Lock-Up
Arrowstreet Global Equity ACWI Trust Fund	73,611,829			73,611,829			Bi-Monthly, No Lock-Up
<b>Total Fixed Income</b>	<b>745,681,880</b>						
<b>Short Duration</b>	<b>240,852,119</b>						
Barrow Hanley Short Fixed	166,812,135	166,812,135					Daily, No Lock-Up
Cash Composite	74,039,984	74,039,984					Daily, No Lock-Up
<b>Market Duration</b>	<b>346,264,209</b>						
Dodge & Cox Fixed	168,156,820	168,156,820					Daily, No Lock-Up
IR+M Aggregate Bond	164,291,976	164,291,976					Daily, No Lock-Up
Met West Total Return Bond Plan - CONCERN (MWT SX)	13,815,412	13,815,412					Daily, No Lock-Up
<b>Return Seeking</b>	<b>158,565,552</b>						
Brandywine Global Multi-Sector Income	56,896,774	56,896,774					Daily, No Lock-Up
Loomis Credit Asset Fund	57,200,588	57,200,588					Daily, No Lock-Up
Arena High Yield Short Duration	44,468,190			44,468,190			Monthly, No Lock-Up
<b>Total Alternatives Composite</b>	<b>239,242,291</b>						
<b>Private Assets Composite</b>	<b>32,972,519</b>						
<b>Private Debt Composite</b>	<b>13,587,268</b>						
Oaktree Opportunities Fund XI, L.P.	13,587,268					13,587,268	Illiquid
<b>Private Real Estate Composite</b>	<b>19,385,251</b>						
Oaktree Real Estate Opportunities Fund VI, L.P.	2,285,185					2,285,185	Illiquid
Walton Street Real Estate Fund VII, L.P.	818,110					818,110	Illiquid
Walton Street Real Estate Fund VIII, L.P.	4,788,308					4,788,308	Illiquid
AG Realty Value Fund X, LP	11,493,648					11,493,648	Illiquid

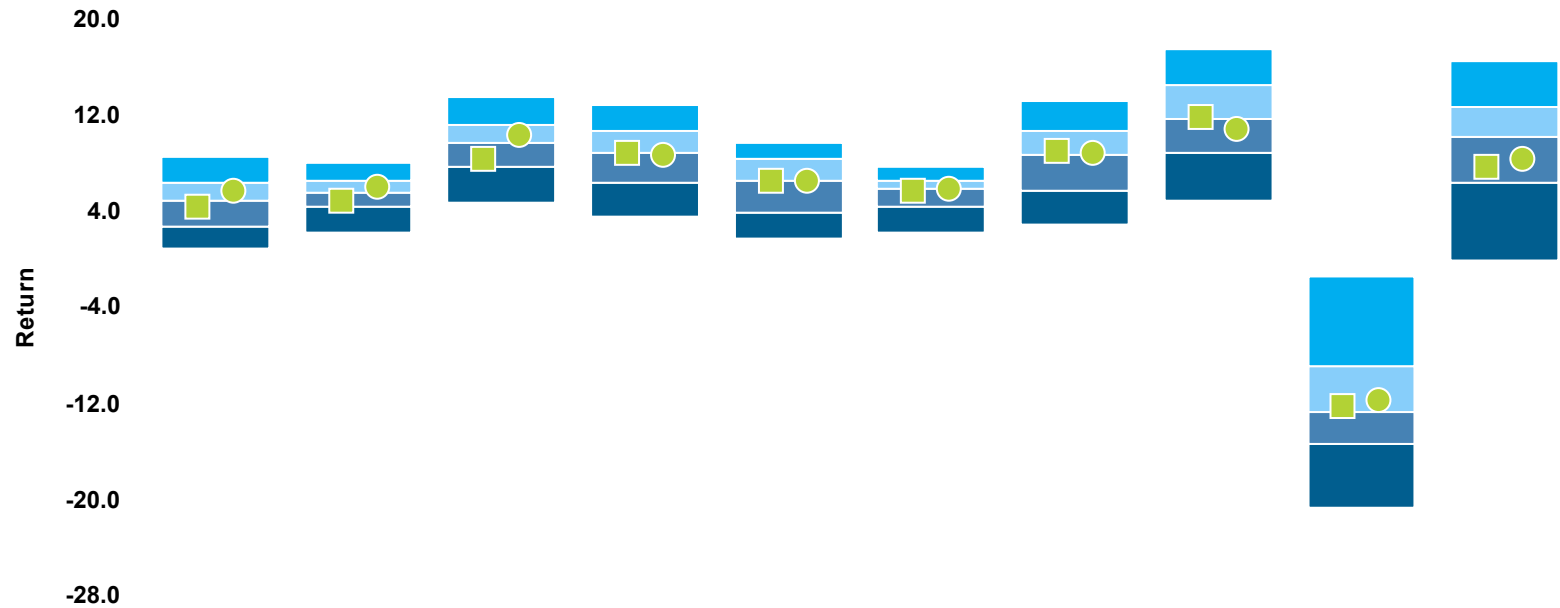
## Liquidity Schedule | As of June 30, 2025

Investments	Market Value	Daily	Weekly	Monthly	Quarterly	Illiquid	Notes
<b>Hedge Fund Composite</b>	<b>206,269,772</b>						
<b>Equity HF Composite</b>	<b>34,207,410</b>						
Capeview Azri 2X Fund USD B - U	7,616,729				7,616,729		30 Day Notice, 2.5% Redemption Penalty
Capeview Azri Fund USD B – UV	7,949,952			7,949,952			30 Day Notice, No Lock-Up
Palestra Capital Offshore	17,992,921				17,992,921		60 Day Notice, 12 month soft lock
Luxor Capital Partners Offshore, Ltd.	647,808					647,808	Redemption in progress
<b>Credit HF Composite</b>	<b>53,352,436</b>						
DK Distressed Opportunities International, Ltd.	5,293,123				5,293,123		90 Day Notice, No Lock-Up
Waterfall Eden Fund, Ltd.	23,764,893				23,764,893		90 Day Notice, 1 year soft lock
York Credit Opportunities Unit Trust	39,570					39,570	Redemption in progress
DK Institutional Partners, L.P.	24,254,849				24,254,849		65 Day Notice, No Lock-Up
<b>Macro HF Composite</b>	<b>14,590,734</b>						
BP Transtrend Diversified Fund LLC	14,590,734			14,590,734			5 Day Notice, No Lock-Up
<b>Relative Value HF Composite</b>	<b>104,119,193</b>						
Carlson Black Diamond Arbitrage Ltd.	303,406			303,406			45 Day Notice, No Lock-Up
Man Alternative Risk Premia SP Fund	17,028,887		17,028,887				7 Day Notice, No Lock-Up
Renaissance RIDGE	20,488,758			20,488,758			45 Day Notice, No Lock-Up
Wolverine	26,162,889				26,162,889		60 Day Notice; 1 year soft lock
Voya Mortgage Fund	17,751,585				17,751,585		65 Day Notice; 1 year soft lock
Capstone Global (Offshore) Ltd.	22,383,667				22,383,667		60 Day Notice; 1 year soft lock





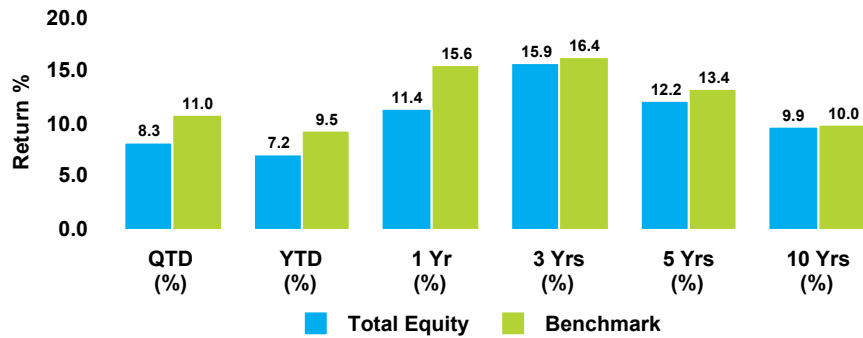
#### Total Surplus (Reserve Cash) vs InvestmentMetrics All Health Care Peer Group



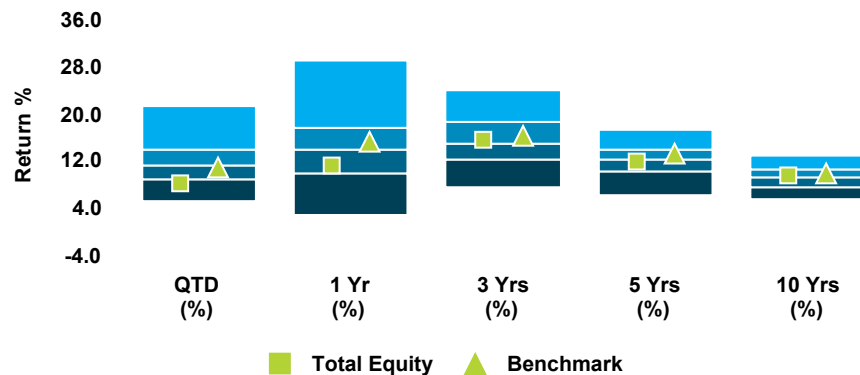
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)
■ Total Surplus Cash	4.3 (57)	5.0 (66)	8.4 (69)	8.9 (52)	6.5 (53)	5.7 (55)	9.0 (47)	11.8 (50)	-12.2 (46)	7.7 (67)
● Surplus Cash Total Benchmark	5.7 (37)	6.0 (40)	10.3 (45)	8.8 (53)	6.6 (50)	5.8 (54)	8.9 (47)	10.9 (58)	-11.7 (41)	8.5 (64)
5th Percentile	8.5	8.1	13.5	12.8	9.7	7.6	13.2	17.6	-1.3	16.5
1st Quartile	6.4	6.6	11.2	10.7	8.3	6.6	10.7	14.5	-8.9	12.7
Median	4.8	5.6	9.8	8.9	6.6	5.9	8.7	11.8	-12.6	10.2
3rd Quartile	2.7	4.4	7.7	6.3	3.9	4.4	5.8	8.9	-15.3	6.3
95th Percentile	0.8	2.2	4.7	3.6	1.7	2.3	3.0	4.9	-20.7	-0.1
Population	144	144	143	136	118	83	324	382	423	526

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

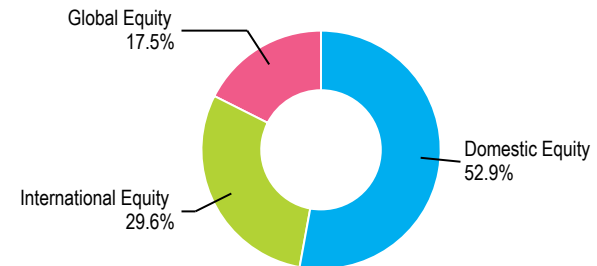
#### Return Summary



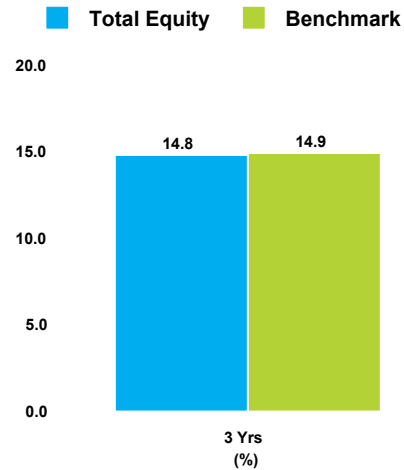
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Equity	8.3	7.2	11.4	15.9	12.2	9.9
Benchmark	11.0	9.5	15.6	16.4	13.4	10.0
Excess Return	-2.7	-2.3	-4.2	-0.5	-1.2	-0.1



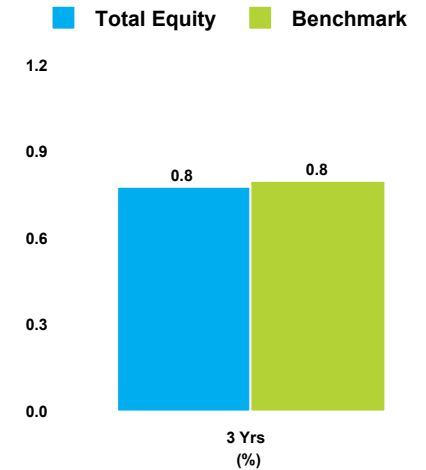
#### Current Allocation



#### Annualized Standard Deviation

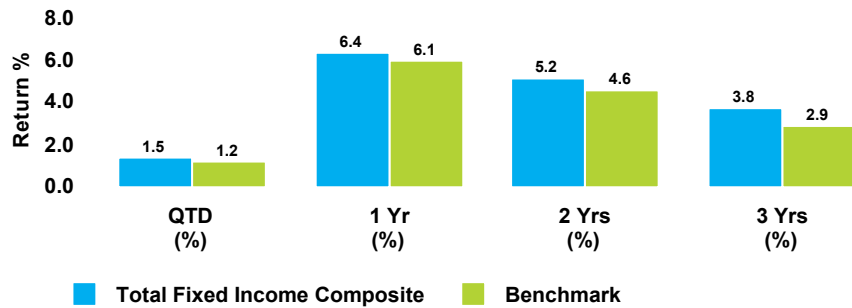


#### Sharpe Ratio

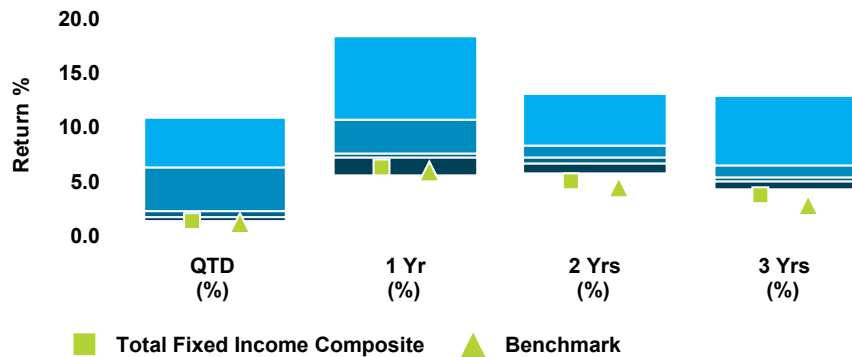


### Total Fixed Income Composite | As of June 30, 2025

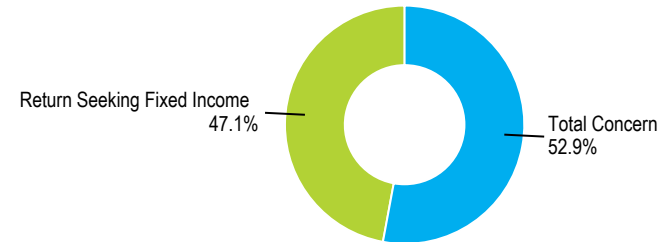
#### Return Summary



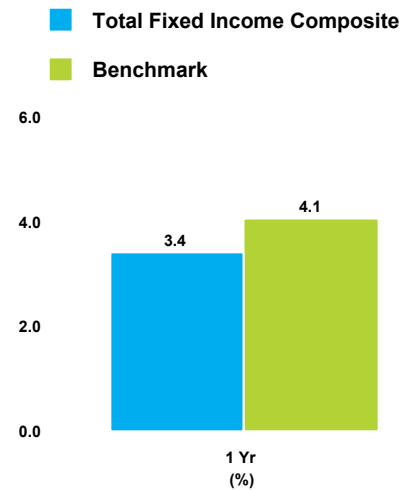
	QTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)
Total Fixed Income Composite	1.5	6.4	5.2	3.8
Benchmark	1.2	6.1	4.6	2.9
Excess Return	0.2	0.3	0.5	0.9



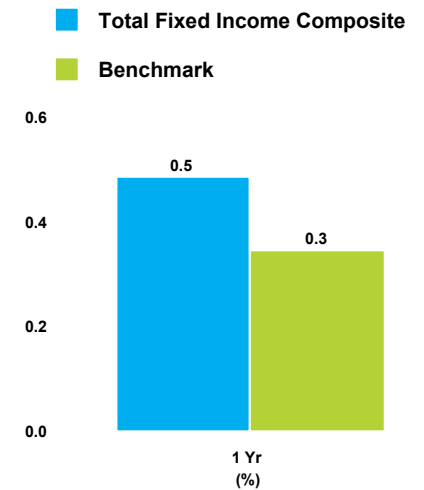
#### Current Allocation



#### Annualized Standard Deviation



#### Sharpe Ratio



## Benchmark History | As of June 30, 2025

Benchmark History		
From Date	To Date	Benchmark
<b>Total Surplus Cash</b>		
11/01/2023	Present	22.0% Domestic Equity Benchmark - Surplus, 12.0% MSCI AC World ex USA (Net), 8.0% MSCI AC World Index (Net), 20.0% Blmbg. U.S. Aggregate Index, 10.0% Short Duration Fixed Income Benchmark - Surplus, 18.0% Total Alternatives Benchmark, 10.0% Return Seeking Fixed Income Benchmark
09/01/2023	11/01/2023	22.0% Domestic Equity Benchmark - Surplus, 12.0% MSCI AC World ex USA (Net), 8.0% MSCI AC World Index (Net), 30.0% Blmbg. U.S. Aggregate Index, 10.0% Short Duration Fixed Income Benchmark - Surplus, 18.0% Total Alternatives Benchmark
03/01/2015	09/01/2023	25.0% Domestic Equity Benchmark - Surplus, 15.0% MSCI AC World ex USA (Net), 30.0% Blmbg. U.S. Aggregate Index, 10.0% Short Duration Fixed Income Benchmark - Surplus, 20.0% Total Alternatives Benchmark
04/01/2014	03/01/2015	20.0% Domestic Equity Benchmark - Surplus, 10.0% MSCI AC World ex USA (Net), 40.0% Blmbg. U.S. Aggregate Index, 10.0% Short Duration Fixed Income Benchmark - Surplus, 20.0% Total Alternatives Benchmark
08/01/2013	04/01/2014	20.0% Domestic Equity Benchmark - Surplus, 10.0% MSCI AC World ex USA (Net), 40.0% Blmbg. U.S. Aggregate Index, 20.0% Short Duration Fixed Income Benchmark - Surplus, 10.0% Total Alternatives Benchmark
07/01/2013	08/01/2013	20.0% Domestic Equity Benchmark - Surplus, 10.0% MSCI AC World ex USA (Net), 40.0% Blmbg. U.S. Aggregate Index, 21.0% Short Duration Fixed Income Benchmark - Surplus, 9.0% Total Alternatives Benchmark
05/01/2013	07/01/2013	20.0% Domestic Equity Benchmark - Surplus, 10.0% MSCI AC World ex USA (Net), 40.0% Blmbg. U.S. Aggregate Index, 22.0% Short Duration Fixed Income Benchmark - Surplus, 8.0% Total Alternatives Benchmark
11/01/2012	05/01/2013	20.0% Domestic Equity Benchmark - Surplus, 10.0% MSCI AC World ex USA (Net), 40.0% Blmbg. U.S. Aggregate Index, 30.0% Short Duration Fixed Income Benchmark - Surplus
01/01/2007	11/01/2012	15.0% Total Equity Benchmark - Surplus, 85.0% Total Fixed Income Benchmark - Surplus
08/01/2000	01/01/2007	98.0% Total Fixed Income Benchmark - Surplus, 2.0% Total Equity Benchmark - Surplus

## Benchmark History | As of June 30, 2025

Benchmark History		
From Date	To Date	Benchmark
<b>Total Equity</b>		
03/01/2015	Present	50.0% Large Cap Equity Benchmark, 12.5% Small Cap Equity Benchmark, 37.5% MSCI AC World ex USA (Net)
11/01/2012	03/01/2015	50.0% Large Cap Equity Benchmark, 16.7% Small Cap Equity Benchmark, 33.3% MSCI AC World ex USA (Net)
<b>Domestic Equity</b>		
03/01/2015	Present	80.0% Large Cap Equity Benchmark, 20.0% Small Cap Equity Benchmark
11/01/2012	03/01/2015	75.0% Large Cap Equity Benchmark, 25.0% Small Cap Equity Benchmark
<b>Large Cap Equity</b>		
03/01/2015	Present	25.0% Russell 1000 Value Index, 25.0% Russell 1000 Growth Index, 50.0% S&P 500 Index
11/01/2012	03/01/2015	25.0% Russell 1000 Value Index, 25.0% Russell 1000 Growth Index, 50.0% S&P 500 Index
<b>Small Cap Equity</b>		
01/01/1979	Present	50.0% Russell 2000 Growth Index, 50.0% Russell 2000 Value Index
<b>International Equity</b>		
11/01/2012	Present	MSCI AC World ex USA (Net)
<b>Global Equity</b>		
08/01/2023	Present	MSCI AC World Index (Net)
<b>Total Fixed Income Composite</b>		
03/01/2015	Present	75.0% Blmbg. U.S. Aggregate Index, 25.0% Short Duration Fixed Income Benchmark - Surplus
04/01/2014	03/01/2015	80.0% Blmbg. U.S. Aggregate Index, 20.0% Short Duration Fixed Income Benchmark - Surplus
08/01/2013	04/01/2014	66.7% Blmbg. U.S. Aggregate Index, 33.3% Short Duration Fixed Income Benchmark - Surplus
07/01/2013	08/01/2013	65.6% Blmbg. U.S. Aggregate Index, 34.4% Short Duration Fixed Income Benchmark - Surplus
05/01/2013	07/01/2013	64.5% Blmbg. U.S. Aggregate Index, 35.5% Short Duration Fixed Income Benchmark - Surplus
11/01/2012	05/01/2013	57.1% Blmbg. U.S. Aggregate Index, 42.9% Short Duration Fixed Income Benchmark - Surplus
01/01/2007	11/01/2012	60.0% Short Duration Fixed Income Benchmark - Surplus, 40.0% Blmbg. U.S. Aggregate Index
05/01/2001	01/01/2007	100.0% Short Duration Fixed Income Benchmark - Surplus
<b>Short Duration Fixed Income Composite</b>		
11/01/2012	Present	100.0% Bloomberg U.S. Gov/Credit 1-3 Year Index
01/01/2007	11/01/2012	66.7% Blmbg. U.S. Intermediate Aggregate Index, 33.3% Bloomberg U.S. Government 1-3 Year Index
05/01/2001	01/01/2007	84.7% Blmbg. U.S. Intermediate Aggregate Index, 15.3% Bloomberg U.S. Government 1-3 Year Index
<b>Market Duration Fixed Income Composite</b>		
12/01/2006	Present	Blmbg. U.S. Aggregate Index

Benchmark History | As of June 30, 2025

From Date	To Date	Benchmark
<b>Return Seeking Fixed Income</b>		
07/01/2009	Present	36.0% Blmbg. Global Aggregate Index, 18.0% Blmbg. U.S. Corporate Float Adjusted, 9.0% Blmbg. U.S. High Yield - 2% Issuer Cap, 9.0% Morningstar LSTA U.S. Leveraged Loan, 28.0% ICE BofA 0-5 Year U.S. High Yield Constrained
<b>Total Alternatives Composite</b>		
01/01/2013	Present	66.7% HFRI Fund of Funds Composite Index, 33.3% NCREIF Property Index

## **Direct Hedge Fund Portfolio**

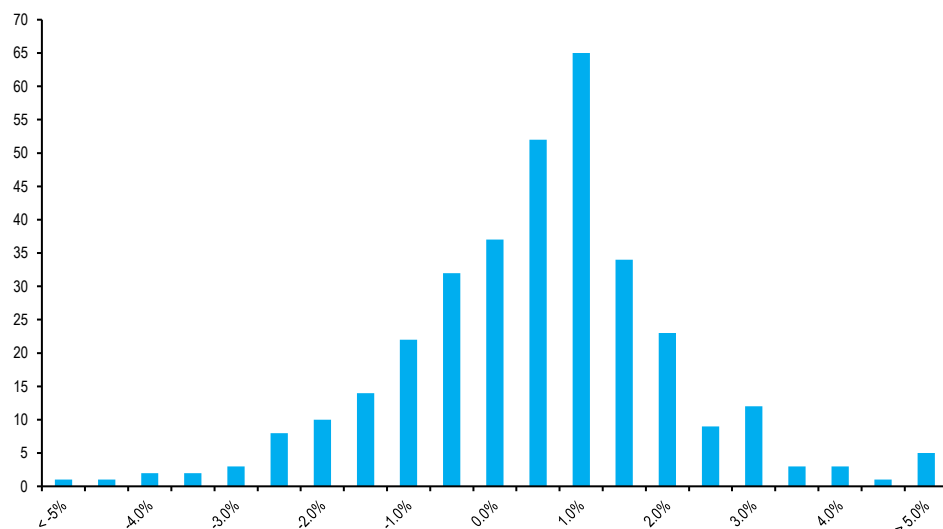


### Voya Mortgage Fund | As of June 30, 2025

Account Information	
Mandate:	Hedge Fund, Risk Mitigating
Market Value:	\$17.8 M
Portfolio Manager:	Peter Guan
Location:	New York, NY
Inception Date:	11/1/2020
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.5% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 65 days' notice

Portfolio Performance Summary					
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 12/2020 (%)
Voya Mortgage Fund	1.7	10.1	11.3	-	3.7
HFRI RV: Fixed Income-Asset Backed	2.1	9.6	7.2	-	6.7

### Return Distribution



Asset Class Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
CMOs	99	101	105	116
Mortgage Pools	419	362	329	332
Mortgage Related	5	6	7	11
MSR Investments	18	21	22	22
Net TBA	0	0	-1	1
Repo	-454	-407	-300	-402
Derivatives	7	12	22	-1
Treasuries	-5	6	-74	12
Net Cash	10	-1	-11	9

Agency vs. Non-Agency (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Agency IO	82	85	90	102
Agency Principa Pay	422	365	332	335
Agency Principa Pay (Credit Risk)	5	6	7	11
Non-Agency IO	14	12	12	10
Non-Agency Principal Pay	0	2	0	0

### Waterfall Eden Fund, Ltd. | As of June 30, 2025

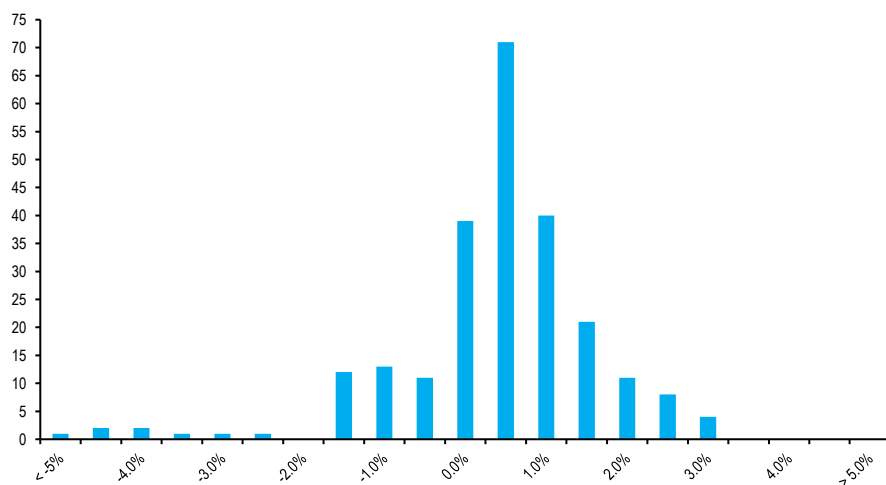
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$23.8 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	10/1/2019
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.7% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 90 days' notice

#### Portfolio Performance Summary

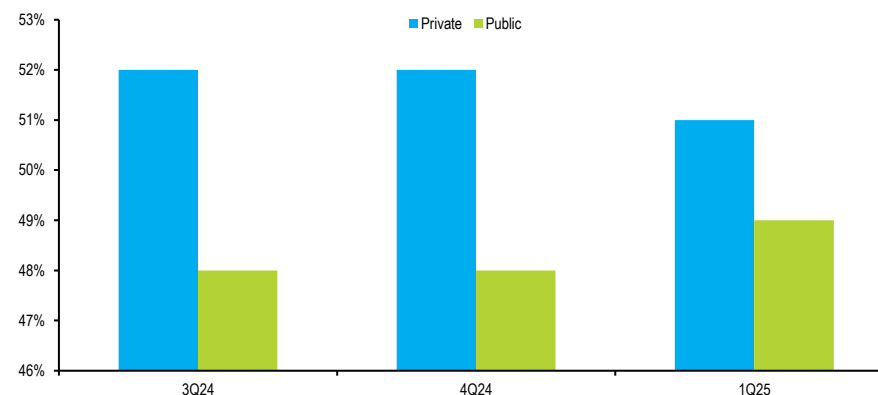
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 10/2019 (%)
Waterfall Eden Fund, Ltd.	1.9	9.7	6.8	9.5	6.1
HFRI ED: Distressed/Restructuring Index	1.9	9.4	7.1	9.5	7.6

#### Return Distribution



Sector Allocation	6/30/2025	3/31/2025	12/31/2024	9/30/2024
CMBS	NA	20	23	23
RMBS	NA	4	4	5
Corporates	NA	6	4	4
Public – Others	NA	18	17	17
Privates – Others	NA	16	15	16
CRE Loans	NA	11	13	11
Business Loans	NA	13	10	12
Consumer	NA	11	14	14

#### Private vs. Public Exposure History<sup>1</sup>



<sup>1</sup> Q2 exposure data not available.

### Renaissance Ridge | As of June 30, 2025

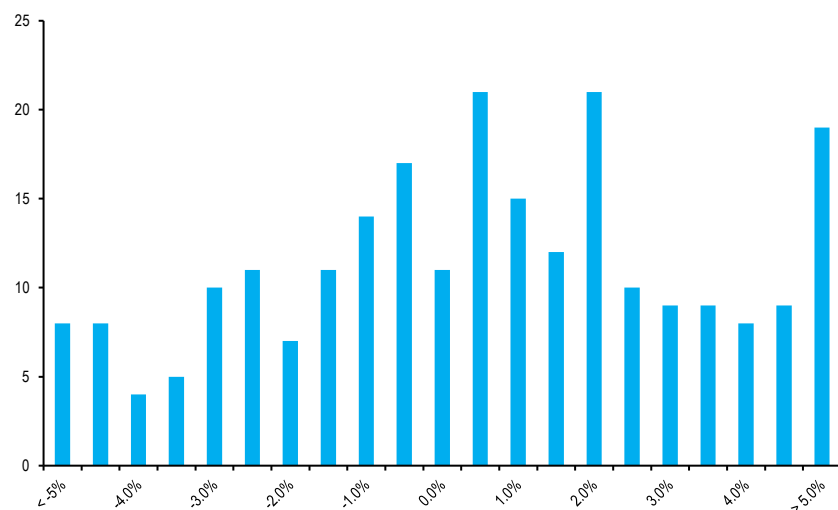
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$20.5 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	10/30/2017
Account Type:	Commingled
# of Investments:	11,696
Fee Schedule:	1.0% management fee; 10% performance fee
Liquidity Constraints:	Monthly with 30 days' notice

#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 11/201 (%)
Renaissance RIDGE	-3.2	15.4	7.0	4.0	1.9
HFRI EH: Equity Market Neutral Index	3.2	9.2	7.7	6.5	4.1
HFRI RV: Multi-Strategy Index	1.9	7.2	5.6	6.0	4.5

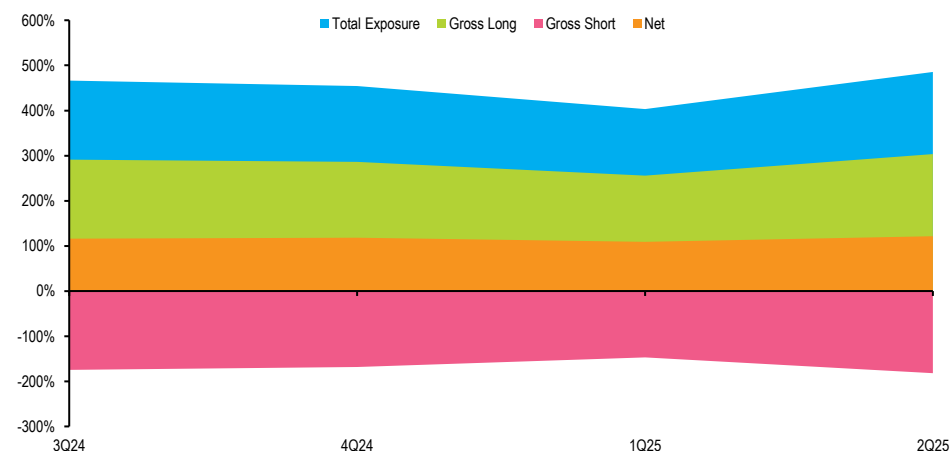
#### Return Distribution



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	57	51	54	53
Non-US	64	58	65	64

Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Comm. Services	14	12	14	14
Consumer	16	11	14	14
Energy	-1	0	-1	-1
Financials	10	10	11	13
Health Care	23	20	22	20
Industrials	7	7	7	8
Materials	12	10	9	7
Real Estate	8	8	8	8
Staples	28	25	28	29
Technology	1	4	4	4
Utilities	3	2	2	2

#### Exposure History



### Palestra Capital Offshore | As of June 30, 2025

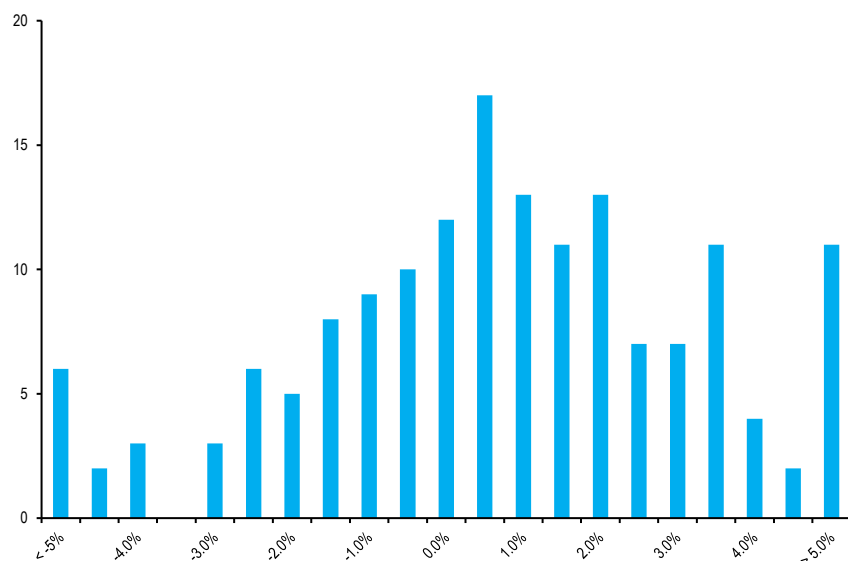
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$18.0 M
Portfolio Managers:	Jeremy Schiffman and Andrew Immerman
Location:	New York, NY
Inception Date:	4/01/2019
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.5% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 60 days' notice

#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 4/2019 (%)
Palestra Capital Offshore	8.0	13.3	18.7	9.8	9.9
HFRI Equity Hedge (Total) Index	7.6	11.6	10.4	10.1	8.4

#### Return Distribution



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	32	18	32	22
Developed Europe	7	19	15	19
Emerging Markets	2	2	4	4
Developed Asia	2	3	4	0

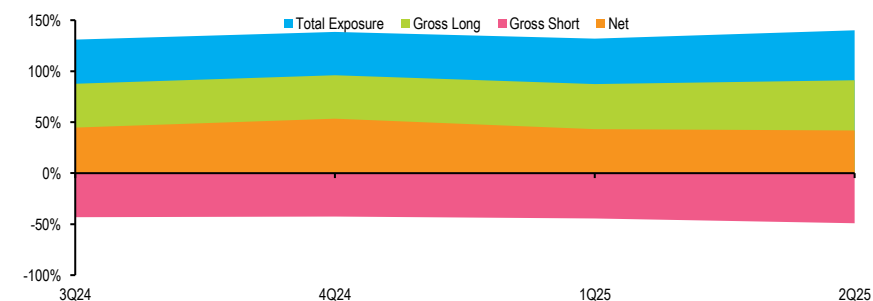
#### Top 3 Holdings (%)

DSV A/S  
Henry Schein Inc  
Primo Brands Corp

Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Communication Services	0	0	5	2
Consumer Discretionary	3	3	7	13
Consumer Staples	3	3	5	3
Energy	0	0	0	-1
Financials	8	6	13	5
Health Care	7	7	4	-1
Industrials	6	5	5	4
Materials	3	7	4	0
Technology	15	11	11	9
Utilities	0	0	0	2
Index Hedge	-3	0	0	1

Market Capitalization Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Large Cap	41	35	53	46
Mid Cap	1	9	1	-1
Small Cap	0	0	0	0

#### Exposure History



### Capeview Azri 2X Fund USD B – U | As of June 30, 2025

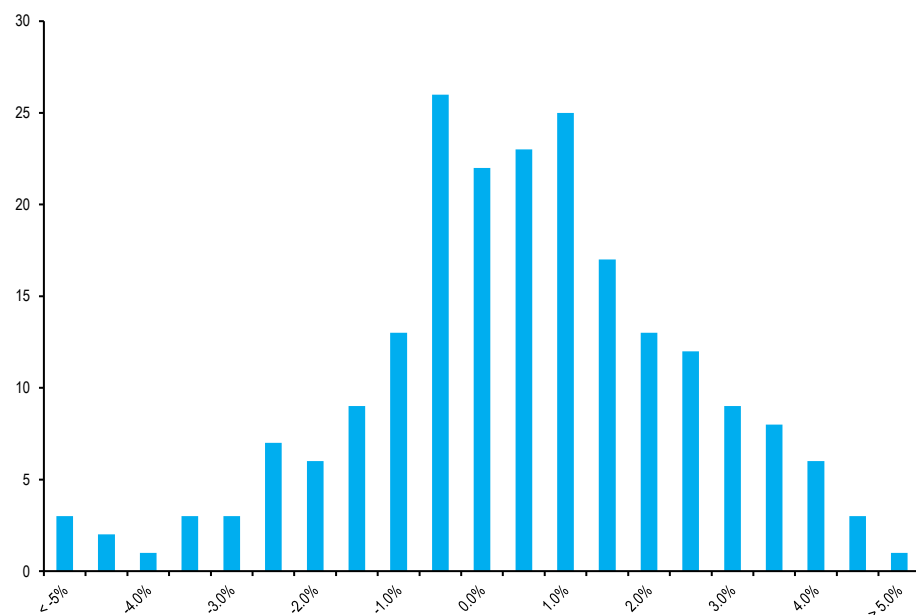
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$7.6 M
Portfolio Manager:	Team
Location:	London, United Kingdom
Inception Date:	7/01/2013
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	2.0% management fee; 20% performance fee
Liquidity Constraints:	Monthly with 30 days' notice

#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 7/2013 (%)
Capeview Azri 2X Fund USD B - U	3.9	5.8	6.2	5.3	6.5

#### Return Distribution



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	0	0	0	0
Europe	48	47	60	58
Emerging Markets	0	0	0	0
Developed Asia	0	0	0	0

#### Top 3 Holdings (%)

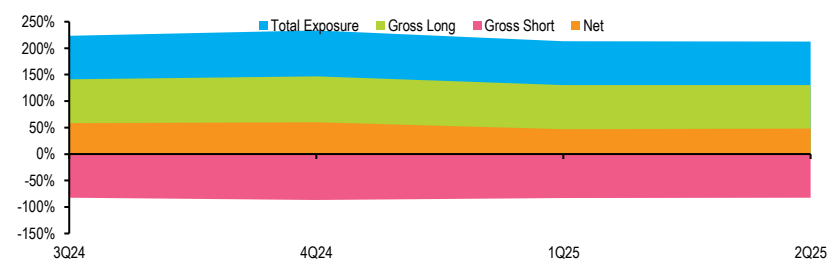
Compagnie De Saint-Gobain  
Tesco PLC  
Bellway

Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Communication Services	0	2	4	6
Consumer Discretionary	12	17	20	18
Consumer Staples	0	3	12	6
Energy	0	0	3	1
Financials	5	14	8	3
Health Care	-3	-3	-4	-4
Industrials	18	8	8	8
Materials	14	16	21	26
Real Estate	0	-2	-1	1
Technology	0	-3	-7	4
Utilities	6	5	7	2
Index Hedge	-5	-9	-12	-12

#### Market Capitalization Net Exposure (%)

	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Large Cap	34	49	58	64
Mid Cap	20	9	16	7
Small Cap	-2	0	1	2

#### Exposure History



### Capeview Azri Fund USD B – UV | As of June 30, 2025

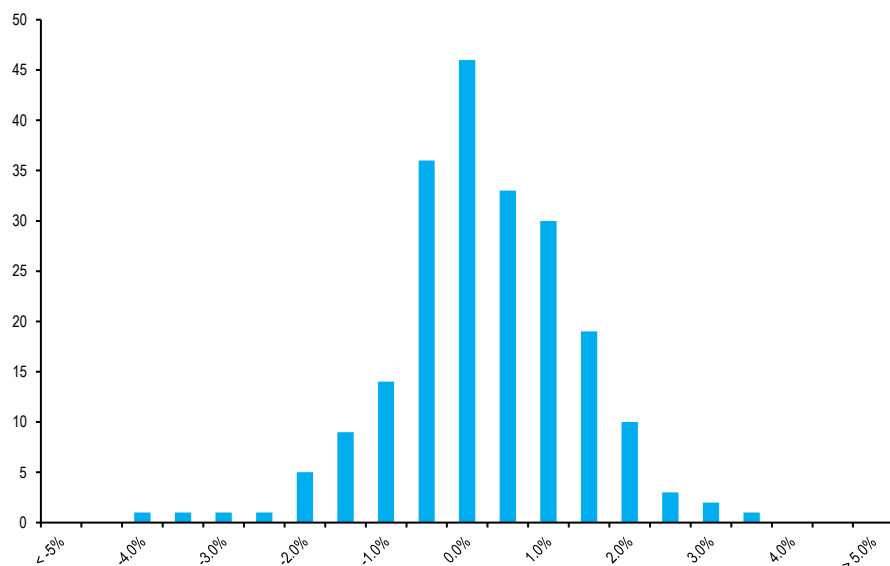
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$7.9 M
Portfolio Manager:	Team
Location:	London, United Kingdom
Inception Date:	7/01/2013
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.35% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 30 days' notice

#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 7/2013 (%)
Capeview Azri Fund USD B - UV	2.3	4.6	4.9	3.7	3.7

#### Return Distribution



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	0	0	0	0
Europe	29	25	30	29
Emerging Markets	0	0	0	0
Developed Asia	0	0	0	0

#### Top 3 Holdings (%)

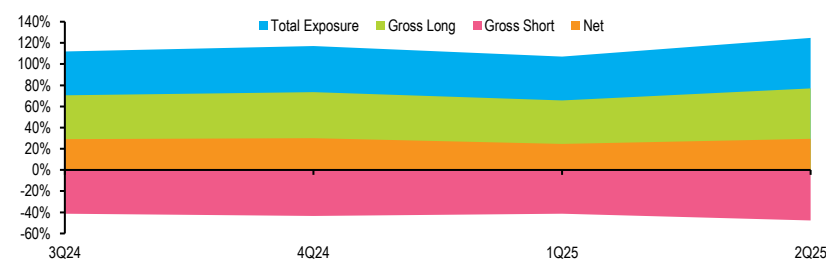
Compagnie de Saint-Gobain  
Tesco PLC  
Bellway

Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Communication Services	0	1	2	3
Consumer Discretionary	7	9	10	9
Consumer Staples	0	1	6	3
Energy	0	0	2	1
Financials	3	7	4	1
Health Care	-2	-2	-2	-2
Industrials	11	4	4	4
Materials	8	8	11	13
Real Estate	0	-1	-1	0
Technology	0	-1	-4	2
Utilities	4	2	4	1
Index Hedge	-3	-4	-6	-6

#### Market Capitalization Net Exposure (%)

	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Large Cap	21	25	29	32
Mid Cap	12	5	8	4
Small Cap	-1	0	0	1

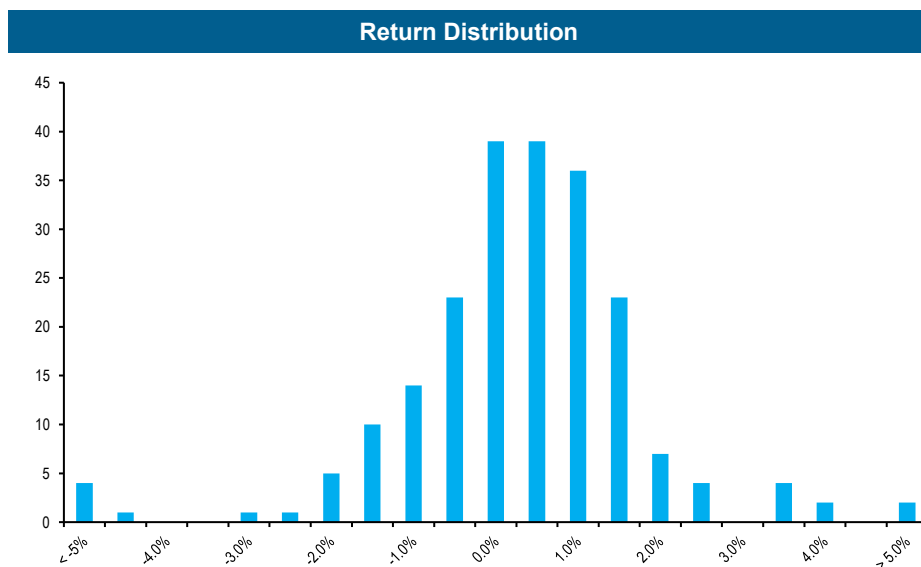
#### Exposure History



### Capstone Volatility | As of June 30, 2025

Account Information	
Mandate:	Hedge Fund, Return Seeking
Market Value:	\$22.4 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	11/01/2020
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.5% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 90 days' notice

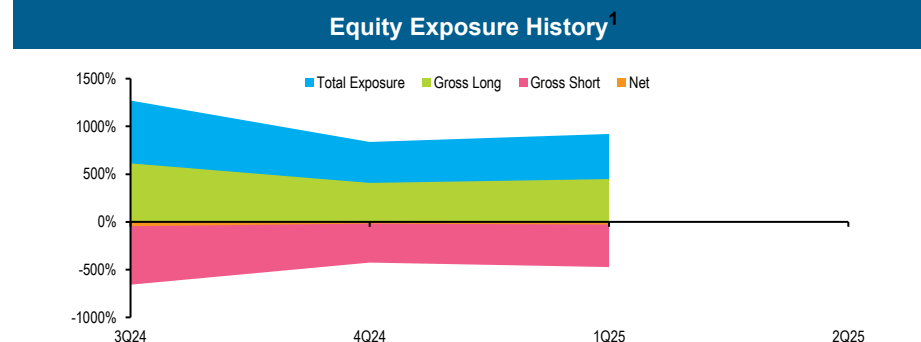
Portfolio Performance Summary					
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 12/2020 (%)
Capstone Volatility Fund	0.5	7.6	7.4	-	4.9
HFRI Relative Value:Volatility Index	0.0	3.2	2.5	-	3.6



Equity Geographic Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	NA	-37	-21	-33
Emerging Markets	NA	0	-1	0
Asia	NA	-9	-6	-8
Europe	NA	19	11	-4

Equity Market Cap Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Mega Cap	NA	-5	-6	2
Large Cap	NA	-6	-9	-14
Mid Cap	NA	-10	-26	-30
Small Cap	NA	-1	0	-1
Indices	NA	-7	24	-2

Equity Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Comm. Services	NA	-1	-4	-2
Consumer	NA	0	-2	-3
Energy	NA	-2	-3	-3
Financials	NA	5	0	1
Health Care	NA	-5	-3	-8
Industrials	NA	-4	-7	-2
Materials	NA	-1	-2	-2
Real Estate	NA	-2	-1	-1
Staples	NA	-2	0	0
Technology	NA	-12	-20	-22
Utilities	NA	-1	-1	-1
Index Hedge	NA	-6	24	-4



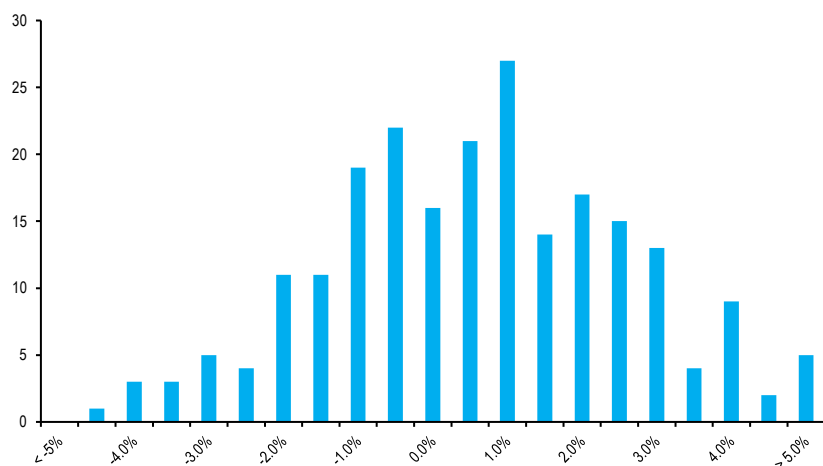
<sup>1</sup> 6/30/25 exposure data not available.

### Man Alternative Risk Premia SP | As of June 30, 2025

Account Information	
Mandate:	Hedge Fund, Return Seeking
Market Value:	\$17.0 M
Portfolio Manager:	Richard Barclay
Location:	London, United Kingdom
Inception Date:	6/10/2019
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.00% Management Fee
Liquidity Constraints:	Weekly with 3 days' notice

Portfolio Performance Summary					
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 6/2020 (%)
Man Alternative Risk Premia SP Fund	2.2	1.5	8.3	7.9	5.1
SG Multi Alternative Risk Premia Index	-9.1	-4.4	4.0	3.8	1.1

#### Return Distribution



Strategy Net Exposure(%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Equity Market Neutral	36	35	36	36
Trend	20	-2	0	19
Equities Size	8	0	-1	8
Equities Low Beta	6	1	1	6
Volatility	6	0	0	6
Macro	8	0	-1	8
Currencies	8	0	0	8
Fixed Income	8	0	0	8

Security Type Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Bonds and Rates	33	-2	-4	60
Commodities	5	1	-3	-6
Currencies	0	0	0	0
Equity	24	19	26	40

#### Top 5 Equity Exposure (%)

Broad Market Indices	12
Financials	3
Communication Services	2
Information Technology	2
Health Care	2

#### Top 5 Fixed Income Exposure (%)

France	15
Italy	8
Germany	6
Euro Countries	6
Japan	5



### DK Institutional Partners, LP. | As of June 30, 2025

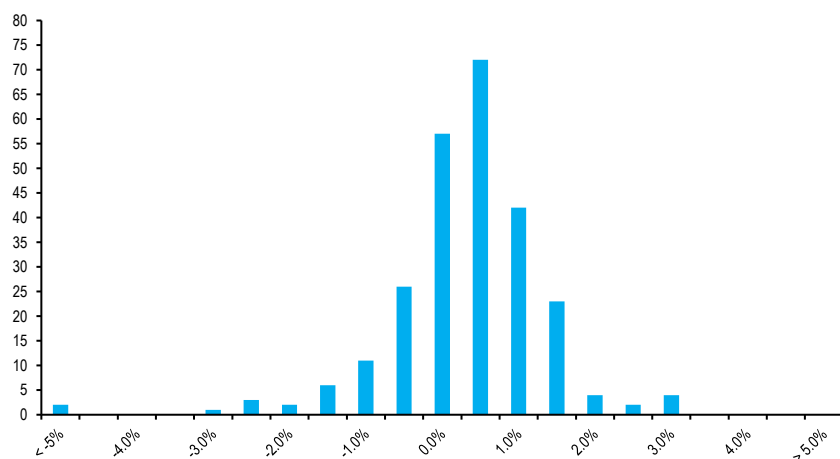
#### Account Information

Mandate:	Hedge Fund, Event Driven
Market Value:	\$24.3 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	5/01/2021
Account Type:	Commingled
# of Investments:	Not provided
Fee Schedule:	1.5% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 65 days' notice

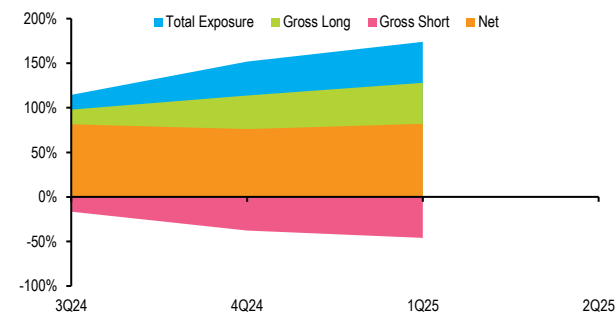
#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 6/2020 (%)
DK Institutional Partners, LP.	1.1	10.0	7.5	7.3	7.8
HFRI ED: Multi-Strategy Index	7.5	18.7	10.5	8.4	9.4

#### Return Distribution



#### Exposure History<sup>1</sup>



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	NA	42	38	38
Europe	NA	23	22	20
Asia Pacific / Middle East	NA	17	15	19
Other	NA	0	0	3

Security Type Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Credit	NA	63	61	65
Commodity	NA	0	0	0
Equity	NA	3	3	3
Merger Arbitrage	NA	12	6	7
Convertible Arbitrage	NA	3	-1	7
Other	NA	0	0	0

#### Top 5 Notional Positions (%)

Not Provided  
Not Provided  
Not Provided  
Not Provided  
Not Provided

<sup>1</sup> Q2 exposure data not available.

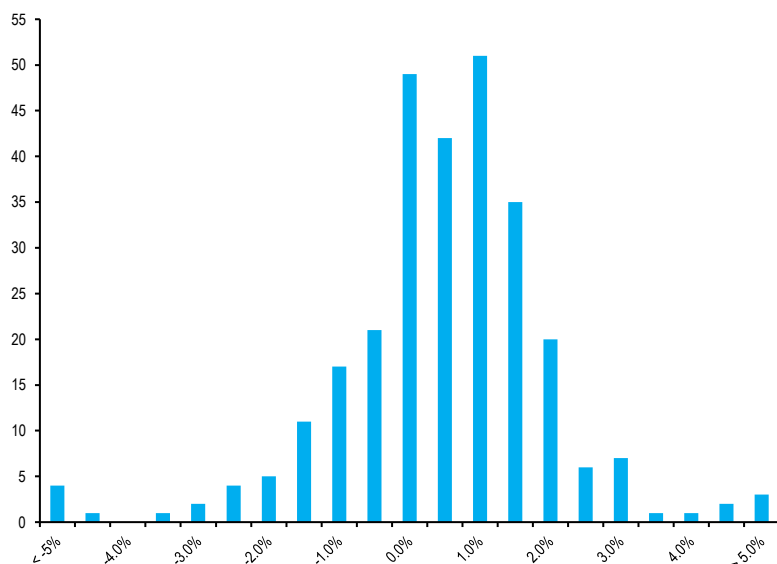
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$26.2 M
Portfolio Manager:	Christopher Gust
Location:	Chicago, IL
Inception Date:	3/01/2020
Account Type:	Commingled
# of Investments:	14,804
Fee Schedule:	1.54% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 60 days' notice

#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 3/2020 (%)
Wolverine	1.8	11.8	10.1	11.4	10.2
HFRI RV: FI-Convertible Arbitrage Index	0.8	9.4	8.1	8.0	7.0

#### Return Distribution



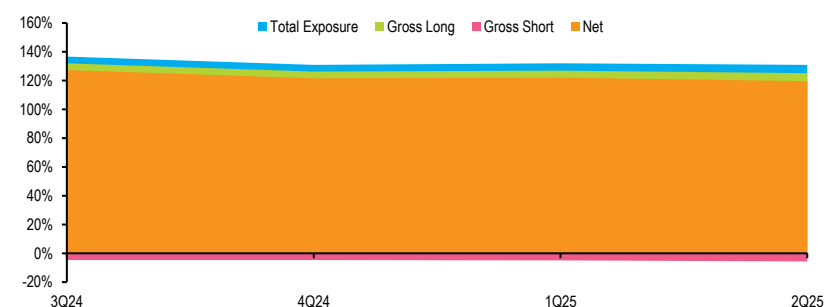
#### Top 3 Credit Positions (%)

Dun & Bradstreet Corp/The (DNB US)  
LCI-PR US  
Global Brokerage Inc

Security Type Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Equity	6	3	4	6
Credit	-4	-4	-3	-4
Rate	-1	-1	-1	-1
Rate Slope	-1	-2	-1	-1
Volatility	0	0	0	0
Commodity	0	0	0	0
Forex	0	0	0	0

Credit Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Comm. Services	6	7	7	8
Consumer	21	21	19	18
Energy	8	7	7	8
Financials	7	8	7	0
Health Care	19	22	22	23
Industrials	11	12	12	14
Materials	3	3	3	3
Real Estate	4	4	5	6
Staples	6	4	4	5
Technology	28	29	31	31
Utilities	5	3	4	12
Index Hedge	0	0	0	-4

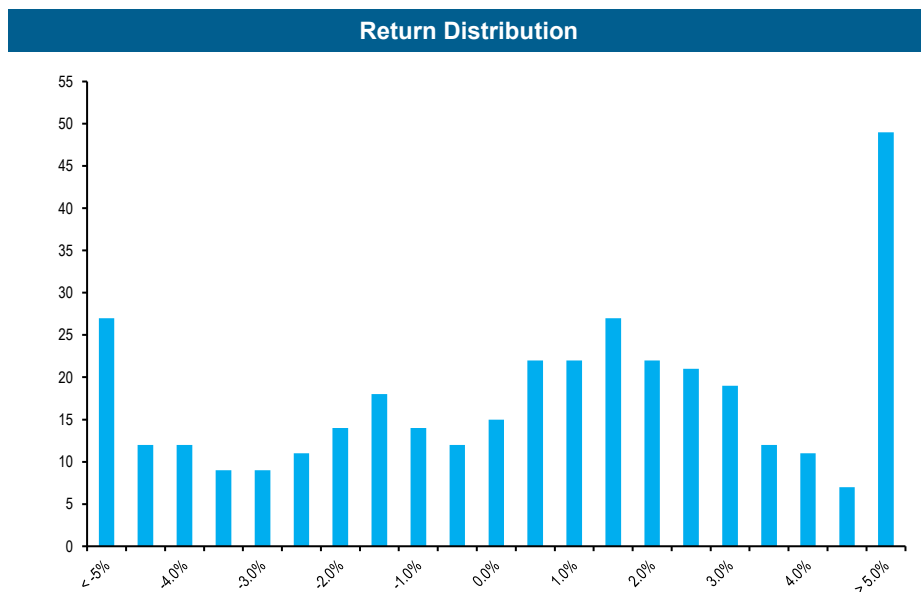
#### Exposure History



### Boston Partners Transtrend Diversified Fund | As of June 30, 2025

Account Information	
Mandate:	Hedge Fund, Return Seeking
Market Value:	\$14.6 M
Portfolio Manager:	Team
Location:	Rotterdam, Netherlands
Inception Date:	4/1/2013
Account Type:	Commingled
# of Investments:	Not provided
Fee Schedule:	1.0% management fee; 16% performance fee
Liquidity Constraints:	Monthly

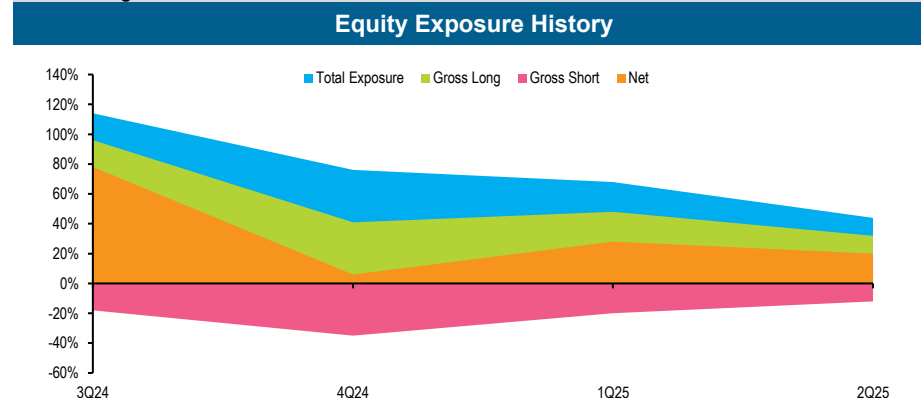
Portfolio Performance Summary					
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 5/2013 (%)
Boston Partners Transtrend Diversified Fund	-9.5	-23.3	-5.8	8.0	4.4
SG Trend Index	-5.8	-15.3	-4.5	5.6	3.0



Equity Geographic Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	10	8	6	37
Emerging Markets	1	2	0	2
Asia	1	1	3	21
Europe	5	13	3	16

Equity Market Cap Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Mega Cap	7	9	3	24
Large Cap	0	-1	-2	2
Mid Cap	-1	-1	-1	-1
Small Cap	0	0	0	0
Indices	13	22	6	54

Equity Sector Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Comm. Services	0	1	0	2
Consumer	-1	-2	-1	-2
Energy	0	1	-5	0
Financials	3	3	4	8
Health Care	0	1	-1	7
Industrials	1	0	-1	2
Materials	2	4	-3	2
Real Estate	0	0	0	2
Staples	1	2	0	7
Technology	3	0	7	6
Utilities	1	5	1	8
Index Hedge	11	12	7	37



### DK Distressed Opportunities International, Ltd. | As of June 30, 2025

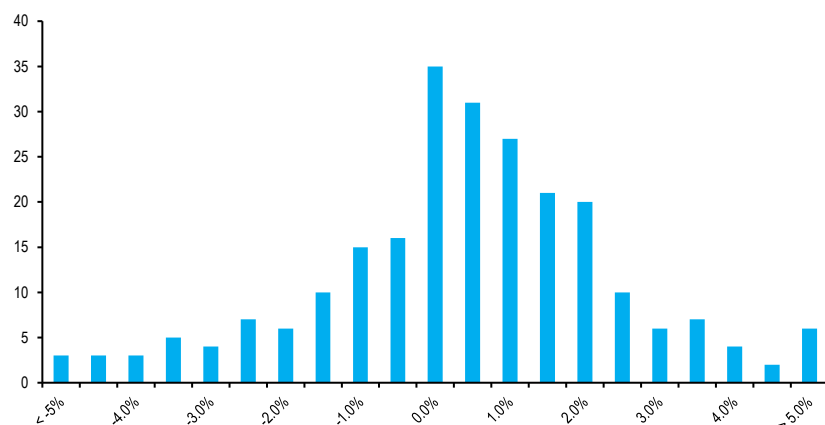
#### Account Information

Mandate:	Hedge Fund, Event Driven
Market Value:	\$5.3 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	4/1/2013
Account Type:	Commingled
# of Investments:	Not provided
Fee Schedule <sup>1</sup> :	
Liquidity Constraints:	90 days' notice with no lock-up

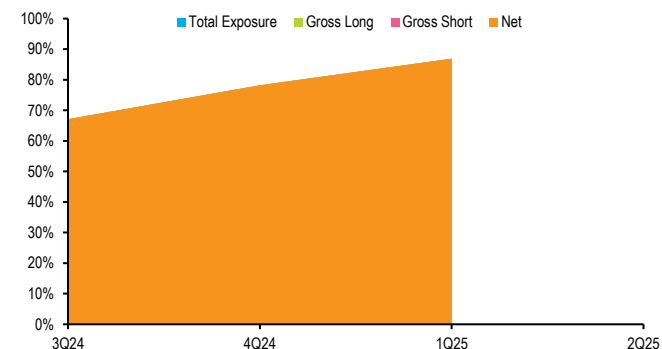
#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 5/2013 (%)
DK Distressed Opportunities International, Ltd.	0.3	3.6	3.1	6.8	5.4

#### Return Distribution



#### Exposure History<sup>2</sup>



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	NA	48	41	35
Europe	NA	23	18	16
Asia Pacific / Middle East	NA	16	19	14
Other	NA	0	0	2

Portfolio Composition (%)	6/30/2025	3/31/2025
Illiquid Assets	NA	53
More Liquid Assets with Upside Skew	NA	7
Self-Liquidating or Amortizing Assets	NA	27

#### Top 5 Notional Positions (%)<sup>3</sup>

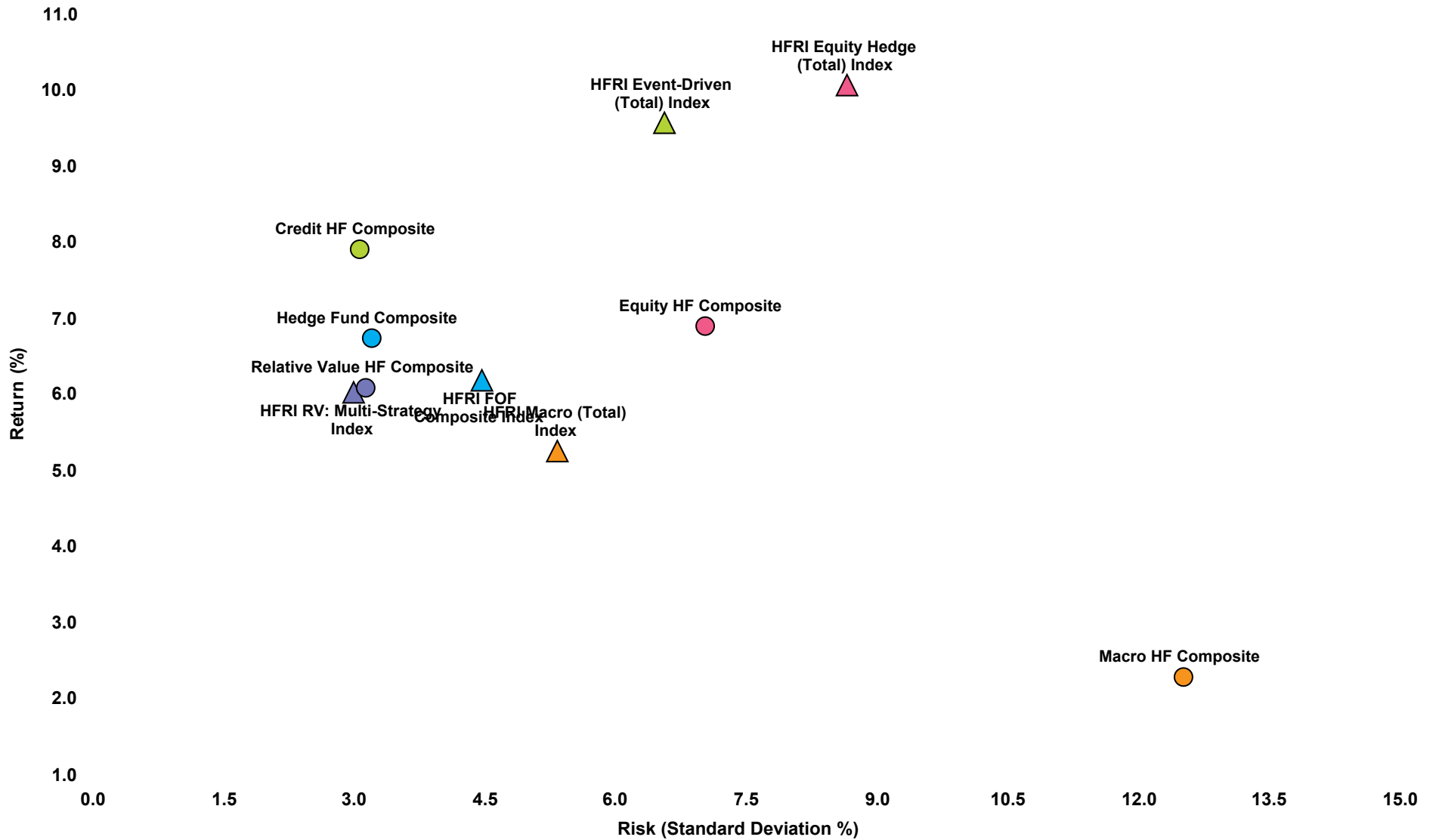
Travelport	11
The AA	7
JBF RAK	4
US Sales & Marketing Company	4
Eviva S.p.A	4

<sup>1</sup> Fund is in wind down.

<sup>2</sup> Q2 exposure data not available.

<sup>3</sup> Top 5 notional position data as of 3/31/25.

**Risk and Return | 5 Years Ending June 30, 2025**



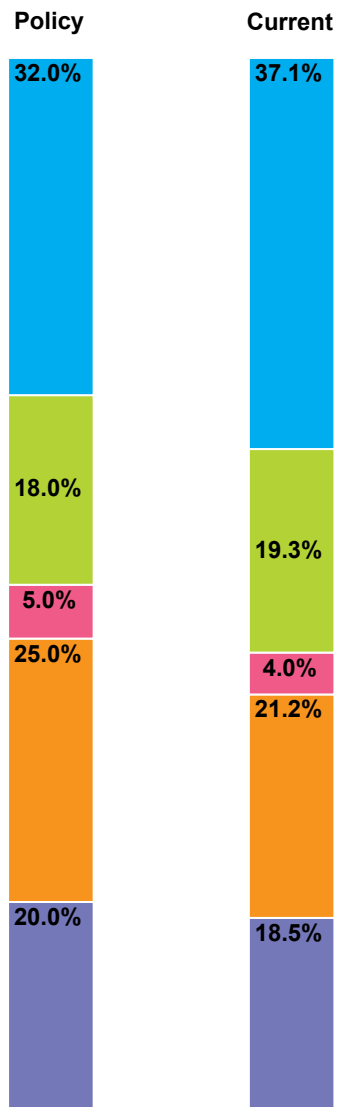
Calculation based on monthly periodicity.

Multi Time Period Statistics | As of June 30, 2025

	Since Inception Return	Since Inception Standard Deviation	Since Inception Maximum Drawdown	Since Inception Best Quarter	Since Inception Worst Quarter	Since Inception Sharpe Ratio	Since Inception Sortino Ratio	Inception Date
Hedge Fund Composite	3.6	4.2	-9.8	6.1	-9.5	0.5	0.6	May-2013
HFRI Fund of Funds Composite Index	4.0	4.7	-9.0	8.1	-8.8	0.5	0.7	
Equity HF Composite	4.2	6.4	-14.3	9.4	-8.2	0.4	0.6	May-2013
HFRI Equity Hedge (Total) Index	6.5	8.2	-14.7	16.1	-14.6	0.6	0.9	
Credit HF Composite	3.9	6.2	-23.2	7.0	-17.5	0.4	0.5	May-2013
HFRI Event-Driven (Total) Index	5.6	6.7	-14.9	14.1	-14.9	0.6	0.9	
Macro HF Composite	1.5	9.4	-28.7	21.4	-14.8	0.0	0.0	May-2013
HFRI Macro (Total) Index	2.7	4.6	-6.8	8.8	-4.0	0.2	0.4	
Relative Value HF Composite	3.3	4.4	-13.8	5.3	-8.7	0.4	0.6	May-2013
HFRI RV: Multi-Strategy Index	4.2	3.3	-6.6	5.7	-6.1	0.8	1.1	

## Cash Balance Plan

### Asset Allocation Compliance | As of June 30, 2025



Allocation vs. Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
Domestic Equity Composite	153,967,685	37.1	32.0	5.1	27.0 - 37.0	No
International Equity Composite	80,086,431	19.3	18.0	1.3	15.0 - 21.0	Yes
Short Duration Fixed Income Composite	16,494,623	4.0	5.0	-1.0	0.0 - 8.0	Yes
Market Duration Fixed Income Composite	88,027,635	21.2	25.0	-3.8	20.0 - 30.0	Yes
Total Alternatives Composite	76,734,411	18.5	20.0	-1.5	17.0 - 23.0	Yes
<b>Total Cash Balance Plan</b>	<b>415,310,784</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>		



MPT Stats By Group | As of June 30, 2025

Risk Return Statistics					
	3 Yrs		5 Yrs		
	Total Cash Balance Plan	Cash Balance Plan Total Benchmark	Total Cash Balance Plan	Cash Balance Plan Total Benchmark	
<b>RETURN SUMMARY STATISTICS</b>					
Maximum Return	6.2	6.0	8.1	7.2	
Minimum Return	-5.9	-6.1	-5.9	-6.1	
Return	10.7	9.9	7.9	7.9	
Excess Return	6.2	5.4	5.4	5.3	
Excess Performance	0.8	0.0	0.0	0.0	
<b>RISK SUMMARY STATISTICS</b>					
Beta	1.1	1.0	1.1	1.0	
Upside Risk	8.7	8.1	8.5	7.8	
Downside Risk	5.5	5.4	6.0	5.6	
<b>RISK/RETURN SUMMARY STATISTICS</b>					
Standard Deviation	9.8	9.2	10.1	9.3	
Sortino Ratio	1.0	0.9	0.8	0.9	
Alpha	0.3	0.0	-0.5	0.0	
Sharpe Ratio	0.6	0.6	0.5	0.6	
Excess Risk	9.8	9.3	10.1	9.3	
Tracking Error	1.2	0.0	1.6	0.0	
Information Ratio	0.7	-	0.1	-	
<b>CORRELATION STATISTICS</b>					
R-Squared	1.0	1.0	1.0	1.0	
Actual Correlation	1.0	1.0	1.0	1.0	

## Trailing Net Performance | As of June 30, 2025

Trailing Performance Summary										
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Cash Balance Plan</b>	415,310,784	100.0	6.7	6.3	11.0	10.7	7.9	6.9	7.5	Nov-12
<i>Cash Balance Plan Total Benchmark</i>			6.3	6.4	10.9	9.9	7.9	6.7	7.1	
<b>Total Cash Balance Plan Ex Private Structures</b>	409,792,305	98.7	6.9	6.4	11.4	11.1	8.1	7.0	7.5	Nov-12
<i>Cash Balance Plan Total Ex Privates Benchmark</i>			6.7	6.7	11.4	10.7	8.1	6.7	7.1	
<b>Total Equity Composite</b>	234,054,116	56.4	10.1	7.8	13.5	15.6	12.1	9.9	10.8	Nov-12
<i>Total Equity Benchmark</i>			11.0	9.5	15.7	16.8	13.7	10.2	11.1	
<b>Domestic Equity Composite</b>	153,967,685	37.1	10.4	4.7	13.5	17.1	14.0	12.1	13.3	Nov-12
<i>Domestic Equity Benchmark</i>			10.4	4.9	14.3	18.1	15.5	12.5	13.7	
<b>Large Cap Equity Composite</b>	132,518,187	31.9	11.6	6.5	15.6	19.2	15.0	12.9	14.1	Nov-12
<i>Large Cap Equity Benchmark</i>			10.8	6.2	15.5	19.5	16.5	13.4	14.4	
<b>Small Cap Equity Composite</b>	21,449,499	5.2	3.6	-5.4	2.3	6.7	9.0	7.4	9.1	Nov-12
<i>Small Cap Equity Benchmark</i>			8.4	-1.8	7.7	10.0	10.0	7.0	9.4	
<b>International Equity Composite</b>	80,086,431	19.3	9.6	14.5	13.4	13.1	8.6	6.0	6.2	Nov-12
<i>MSCI AC World ex USA (Net)</i>			12.0	17.9	17.7	14.0	10.1	6.1	6.4	
<b>Total Fixed Income Composite</b>	104,522,257	25.2	1.4	4.1	6.3	3.5	0.4	2.3	2.2	Nov-12
<i>Total Fixed Income Benchmark</i>			1.2	3.8	6.1	2.8	-0.3	1.7	1.6	
<b>Short Duration Fixed Income Composite</b>	16,494,623	4.0	1.2	2.7	5.4	4.3	2.4	2.3	1.9	Nov-12
<i>Short Duration Fixed Income Benchmark</i>			1.3	2.9	5.9	3.8	1.6	1.8	1.6	
<b>Cash Composite</b>	8,069,365	1.9	1.2	2.3	5.1	4.4	2.7	2.3	2.2	Nov-12
<i>90 Day U.S. Treasury Bill</i>			1.0	2.1	4.7	4.6	2.8	2.0	1.6	
<b>Market Duration Fixed Income Composite</b>	88,027,635	21.2	1.4	4.4	6.5	3.5	0.2	2.4	2.4	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			1.2	4.0	6.1	2.5	-0.7	1.8	1.7	
<b>Total Alternatives Composite</b>	76,734,411	18.5	4.6	4.9	10.7	7.7	7.8	5.3	6.7	Nov-12
<i>Total Alternatives Benchmark</i>			2.2	2.4	5.8	3.2	5.3	4.3	5.1	
<b>Hedge Fund of Fund Composite</b>	71,215,932	17.1	5.2	5.6	12.7	9.7	8.9	5.5	6.5	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			3.3	2.9	7.2	6.5	6.2	3.8	4.3	
<b>Real Estate Composite</b>	5,518,479	1.3	-2.2	-2.7	-8.7	-6.9	-0.3	1.7	4.2	Jan-13
<i>NCREIF Property Index</i>			0.0	1.3	3.0	-3.1	3.5	5.1	6.4	

## Trailing Net Performance | As of June 30, 2025

Trailing Performance Summary										
	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Cash Balance Plan</b>	<b>415,310,784</b>	<b>100.0</b>	<b>6.7</b>	<b>6.3</b>	<b>11.0</b>	<b>10.7</b>	<b>7.9</b>	<b>6.9</b>	<b>7.5</b>	<b>Nov-12</b>
<i>Cash Balance Plan Total Benchmark</i>			<i>6.3</i>	<i>6.4</i>	<i>10.9</i>	<i>9.9</i>	<i>7.9</i>	<i>6.7</i>	<i>7.1</i>	
<b>Total Cash Balance Plan Ex Private Structures</b>	<b>409,792,305</b>	<b>98.7</b>	<b>6.9</b>	<b>6.4</b>	<b>11.4</b>	<b>11.1</b>	<b>8.1</b>	<b>7.0</b>	<b>7.5</b>	<b>Nov-12</b>
<i>Cash Balance Plan Total Ex Privates Benchmark</i>			<i>6.7</i>	<i>6.7</i>	<i>11.4</i>	<i>10.7</i>	<i>8.1</i>	<i>6.7</i>	<i>7.1</i>	
<b>Total Equity Composite</b>	<b>234,054,116</b>	<b>56.4</b>	<b>10.1</b>	<b>7.8</b>	<b>13.5</b>	<b>15.6</b>	<b>12.1</b>	<b>9.9</b>	<b>10.8</b>	<b>Nov-12</b>
<i>Total Equity Benchmark</i>			<i>11.0</i>	<i>9.5</i>	<i>15.7</i>	<i>16.8</i>	<i>13.7</i>	<i>10.2</i>	<i>11.1</i>	
<b>Domestic Equity Composite</b>	<b>153,967,685</b>	<b>37.1</b>	<b>10.4</b>	<b>4.7</b>	<b>13.5</b>	<b>17.1</b>	<b>14.0</b>	<b>12.1</b>	<b>13.3</b>	<b>Nov-12</b>
<i>Domestic Equity Benchmark</i>			<i>10.4</i>	<i>4.9</i>	<i>14.3</i>	<i>18.1</i>	<i>15.5</i>	<i>12.5</i>	<i>13.7</i>	
<b>Large Cap Equity Composite</b>	<b>132,518,187</b>	<b>31.9</b>	<b>11.6</b>	<b>6.5</b>	<b>15.6</b>	<b>19.2</b>	<b>15.0</b>	<b>12.9</b>	<b>14.1</b>	<b>Nov-12</b>
<i>Large Cap Equity Benchmark</i>			<i>10.8</i>	<i>6.2</i>	<i>15.5</i>	<i>19.5</i>	<i>16.5</i>	<i>13.4</i>	<i>14.4</i>	
Vanguard Institutional Index Fund (VIXX)	62,404,235	15.0	10.9 (40)	6.2 (34)	15.1 (24)	19.7 (22)	16.6 (19)	13.6 (6)	14.5 (10)	Nov-12
<i>S&amp;P 500 Index</i>			<i>10.9 (39)</i>	<i>6.2 (34)</i>	<i>15.2 (23)</i>	<i>19.7 (21)</i>	<i>16.6 (18)</i>	<i>13.6 (6)</i>	<i>14.5 (10)</i>	
<i>Large Blend Median</i>			<i>10.8</i>	<i>5.8</i>	<i>13.6</i>	<i>18.5</i>	<i>15.6</i>	<i>12.4</i>	<i>13.5</i>	
Barrow Hanley Large Cap Value	42,449,765	10.2	3.8 (59)	1.7 (93)	10.9 (64)	13.8 (43)	16.5 (21)	10.4 (32)	12.0 (27)	Nov-12
<i>Russell 1000 Value Index</i>			<i>3.8 (60)</i>	<i>6.0 (43)</i>	<i>13.7 (38)</i>	<i>12.8 (53)</i>	<i>13.9 (59)</i>	<i>9.2 (64)</i>	<i>10.8 (64)</i>	
<i>eV US Large Cap Value Equity Median</i>			<i>4.3</i>	<i>5.6</i>	<i>12.4</i>	<i>13.0</i>	<i>14.6</i>	<i>9.8</i>	<i>11.3</i>	
Touchstone Sands Capital Inst. Growth Fund (CISGX)	27,664,187	6.7	27.8 (6)	15.7 (4)	24.8 (11)	28.2 (12)	9.1 (96)	12.8 (83)	14.3 (80)	Nov-12
<i>Russell 1000 Growth Index</i>			<i>17.8 (48)</i>	<i>6.1 (61)</i>	<i>17.2 (30)</i>	<i>25.8 (29)</i>	<i>18.1 (6)</i>	<i>17.0 (8)</i>	<i>17.5 (10)</i>	
<i>Large Growth Median</i>			<i>17.7</i>	<i>7.0</i>	<i>15.4</i>	<i>24.0</i>	<i>15.0</i>	<i>14.7</i>	<i>15.6</i>	
<b>Small Cap Equity Composite</b>	<b>21,449,499</b>	<b>5.2</b>	<b>3.6</b>	<b>-5.4</b>	<b>2.3</b>	<b>6.7</b>	<b>9.0</b>	<b>7.4</b>	<b>9.1</b>	<b>Nov-12</b>
<i>Small Cap Equity Benchmark</i>			<i>8.4</i>	<i>-1.8</i>	<i>7.7</i>	<i>10.0</i>	<i>10.0</i>	<i>7.0</i>	<i>9.4</i>	
Wellington Small Cap Value	12,584,517	3.0	2.8 (74)	-3.8 (61)	1.8 (74)	6.1 (88)	11.6 (82)	5.1 (98)	7.8 (92)	Nov-12
<i>Russell 2000 Value Index</i>			<i>5.0 (49)</i>	<i>-3.2 (55)</i>	<i>5.5 (48)</i>	<i>7.5 (74)</i>	<i>12.5 (71)</i>	<i>6.7 (68)</i>	<i>8.6 (78)</i>	
<i>eV US Small Cap Value Equity Median</i>			<i>4.8</i>	<i>-2.8</i>	<i>4.9</i>	<i>9.5</i>	<i>13.7</i>	<i>7.2</i>	<i>9.4</i>	
Conestoga Small-Cap Fund I (CCALX)	8,864,982	2.1	4.8 (90)	-7.7 (98)	2.9 (81)	7.6 (83)	5.7 (70)	--	10.5 (46)	Jul-16
<i>Russell 2000 Growth Index</i>			<i>12.0 (33)</i>	<i>-0.5 (42)</i>	<i>9.7 (27)</i>	<i>12.4 (31)</i>	<i>7.4 (54)</i>	<i>--</i>	<i>9.3 (70)</i>	
<i>Small Growth Median</i>			<i>10.7</i>	<i>-1.2</i>	<i>6.8</i>	<i>10.3</i>	<i>7.6</i>	<i>--</i>	<i>10.3</i>	

## Trailing Net Performance | As of June 30, 2025

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>International Equity Composite</b>	<b>80,086,431</b>	<b>19.3</b>	<b>9.6</b>	<b>14.5</b>	<b>13.4</b>	<b>13.1</b>	<b>8.6</b>	<b>6.0</b>	<b>6.2</b>	<b>Nov-12</b>
<i>MSCI AC World ex USA (Net)</i>			12.0	17.9	17.7	14.0	10.1	6.1	6.4	
Causeway International Value (CIVIX)	38,209,428	9.2	10.0 (78)	21.2 (65)	20.8 (63)	20.2 (9)	15.9 (12)	--	7.7 (17)	May-18
<i>MSCI EAFE (Net)</i>			11.8 (47)	19.4 (81)	17.7 (89)	16.0 (59)	11.2 (82)	--	6.5 (43)	
<i>MSCI AC World ex USA Value (Net)</i>			10.4 (69)	19.9 (79)	21.4 (58)	15.6 (62)	13.1 (49)	--	5.6 (72)	
<i>Foreign Value Median</i>			11.5	22.5	22.7	16.5	13.0	--	6.3	
BNY Mellon International Stock Fund (DISRX)	22,382,178	5.4	9.1 (92)	7.3 (100)	1.1 (100)	9.5 (96)	5.5 (93)	6.9 (28)	6.6 (70)	Nov-12
<i>MSCI EAFE (Net)</i>			11.8 (56)	19.4 (52)	17.7 (60)	16.0 (31)	11.2 (39)	6.5 (39)	7.3 (38)	
<i>Foreign Median</i>			12.2	19.6	18.4	14.7	10.5	6.2	7.0	
Harding Loevner Inst. Emerging Markets I (HLMEX)	19,494,824	4.7	9.4 (90)	11.0 (88)	15.4 (33)	6.1 (93)	2.5 (92)	--	2.9 (97)	Nov-16
<i>MSCI Emerging Markets (Net)</i>			12.0 (58)	15.3 (44)	15.3 (35)	9.7 (54)	6.8 (47)	--	6.1 (43)	
<i>Diversified Emerging Mkts Median</i>			12.2	14.6	14.1	10.0	6.5	--	5.8	
<b>Total Fixed Income Composite</b>	<b>104,522,257</b>	<b>25.2</b>	<b>1.4</b>	<b>4.1</b>	<b>6.3</b>	<b>3.5</b>	<b>0.4</b>	<b>2.3</b>	<b>2.2</b>	<b>Nov-12</b>
<i>Total Fixed Income Benchmark</i>			1.2	3.8	6.1	2.8	-0.3	1.7	1.6	
<b>Short Duration Fixed Income Composite</b>	<b>16,494,623</b>	<b>4.0</b>	<b>1.2</b>	<b>2.7</b>	<b>5.4</b>	<b>4.3</b>	<b>2.4</b>	<b>2.3</b>	<b>1.9</b>	<b>Nov-12</b>
<i>Short Duration Fixed Income Benchmark</i>			1.3	2.9	5.9	3.8	1.6	1.8	1.6	
Barrow Hanley Short Fixed	8,425,258	2.0	1.4 (78)	3.2 (43)	5.3 (97)	4.0 (71)	1.8 (61)	2.0 (61)	1.7 (63)	Nov-12
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			1.3 (87)	2.9 (80)	5.9 (78)	3.8 (79)	1.6 (70)	1.8 (71)	1.6 (68)	
<i>Short-Term Bond Median</i>			1.5	3.2	6.4	4.4	2.0	2.1	1.8	
<b>Cash Composite</b>	<b>8,069,365</b>	<b>1.9</b>	<b>1.2</b>	<b>2.3</b>	<b>5.1</b>	<b>4.4</b>	<b>2.7</b>	<b>2.3</b>	<b>2.2</b>	<b>Nov-12</b>
<i>90 Day U.S. Treasury Bill</i>			1.0	2.1	4.7	4.6	2.8	2.0	1.6	
<b>Market Duration Fixed Income Composite</b>	<b>88,027,635</b>	<b>21.2</b>	<b>1.4</b>	<b>4.4</b>	<b>6.5</b>	<b>3.5</b>	<b>0.2</b>	<b>2.4</b>	<b>2.4</b>	<b>Nov-12</b>
<i>Blmbg. U.S. Aggregate Index</i>			1.2	4.0	6.1	2.5	-0.7	1.8	1.7	
Dodge & Cox Income Fund (DODIX)	45,484,131	11.0	1.4 (17)	4.3 (12)	6.5 (15)	4.3 (2)	1.1 (3)	2.9 (1)	2.8 (2)	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			1.2 (54)	4.0 (42)	6.1 (41)	2.5 (52)	-0.7 (59)	1.8 (46)	1.7 (46)	
<i>Intermediate Core Bond Median</i>			1.2	4.0	6.0	2.6	-0.6	1.7	1.6	
Met West Total Return Fund I (MWTSX)	42,543,504	10.2	1.3 (33)	4.4 (9)	6.5 (15)	2.6 (44)	-0.6 (52)	1.8 (36)	2.0 (16)	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			1.2 (54)	4.0 (42)	6.1 (41)	2.5 (52)	-0.7 (59)	1.8 (46)	1.7 (46)	
<i>Intermediate Core Bond Median</i>			1.2	4.0	6.0	2.6	-0.6	1.7	1.6	

## Trailing Net Performance | As of June 30, 2025

	Market Value (\$)	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Alternatives Composite</b>	<b>76,734,411</b>	<b>18.5</b>	<b>4.6</b>	<b>4.9</b>	<b>10.7</b>	<b>7.7</b>	<b>7.8</b>	<b>5.3</b>	<b>6.7</b>	<b>Nov-12</b>
<i>Total Alternatives Benchmark</i>			<i>2.2</i>	<i>2.4</i>	<i>5.8</i>	<i>3.2</i>	<i>5.3</i>	<i>4.3</i>	<i>5.1</i>	
<b>Hedge Fund of Fund Composite</b>	<b>71,215,932</b>	<b>17.1</b>	<b>5.2</b>	<b>5.6</b>	<b>12.7</b>	<b>9.7</b>	<b>8.9</b>	<b>5.5</b>	<b>6.5</b>	<b>Nov-12</b>
<i>HFRI Fund of Funds Composite Index</i>			<i>3.3</i>	<i>2.9</i>	<i>7.2</i>	<i>6.5</i>	<i>6.2</i>	<i>3.8</i>	<i>4.3</i>	
Lighthouse Diversified	36,421,980	8.8	2.1	3.6	8.8	7.5	10.0	4.7	5.5	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			<i>3.3</i>	<i>2.9</i>	<i>7.2</i>	<i>6.5</i>	<i>6.2</i>	<i>3.8</i>	<i>4.3</i>	
Pointer Offshore LTD	34,793,952	8.4	8.5	7.7	17.0	12.3	7.7	6.3	7.6	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			<i>3.3</i>	<i>2.9</i>	<i>7.2</i>	<i>6.5</i>	<i>6.2</i>	<i>3.8</i>	<i>4.3</i>	
<b>Real Estate Composite</b>	<b>5,518,479</b>	<b>1.3</b>	<b>-2.2</b>	<b>-2.7</b>	<b>-8.7</b>	<b>-6.9</b>	<b>-0.3</b>	<b>1.7</b>	<b>4.2</b>	<b>Jan-13</b>
<i>NCREIF Property Index</i>			<i>0.0</i>	<i>1.3</i>	<i>3.0</i>	<i>-3.1</i>	<i>3.5</i>	<i>5.1</i>	<i>6.4</i>	
Oaktree Real Estate Opportunities Fund VI, L.P	1,346,238	0.3	-8.8	-17.5	-22.9	-15.0	-10.8	-4.2	-0.8	Feb-13
Walton Street Real Estate Fund VII, L.P.	488,927	0.1	-4.6	4.0	-15.1	-12.8	-6.1	-2.5	1.4	Jul-13
Walton Street Real Estate Fund VIII, L.P.	3,683,314	0.9	0.8	2.5	-0.3	-1.2	6.6	--	7.1	May-17

Lighthouse Diversified Fund performance lagged one month as 6/30/2025 data was unavailable at the time of reporting.  
 Pointer Offshore III, LTD performance is estimated for the month ending 6/30/2025.

### Lighthouse Diversified Fund, Ltd Class A | As of June 30, 2025

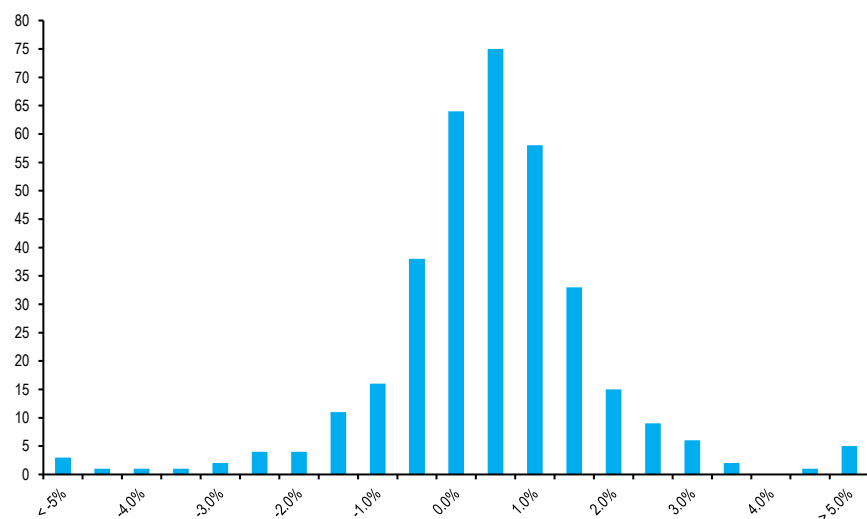
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$36.4 M
Portfolio Manager:	Team
Location:	Palm Beach Gardens, Florida
Inception Date:	10/1/2012
Account Type:	Commingled
# of Investments:	Not Provided
Fee Schedule:	1.5% Management Fee
Liquidity Constraints:	Monthly with 90 days' notice

#### Portfolio Performance Summary

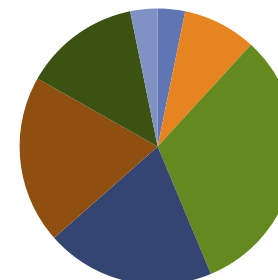
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 11/2012 (%)
Lighthouse Diversified Fund	2.1	8.8	7.5	10.0	5.5
HFRI Fund of Funds Composite Index	3.3	7.2	6.5	6.2	4.3

#### Return Distribution



#### Portfolio Composition<sup>1</sup>

■ Credit   
 ■ Fixed Income   
 ■ International Equity   
 ■ Quantitative/Macro  
■ Relative Value   
 ■ US Equity   
 ■ Cash & Other



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	NA	56	56	56
Europe	NA	21	21	22
Developed Asia	NA	16	15	14
Emerging Markets	NA	4	4	5
Other	NA	4	4	3

Security Type Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Credit	NA	22	19	10
Commodity	NA	1	1	2
Equity	NA	15	13	22
FX	NA	0	0	16
Sovereign & Rates	NA	3	4	0
Other	NA	0	0	0

#### Top 5 Equity Long (%)<sup>2</sup>

Hess Corporation	3
Covestro AG	2
Intra-Cellular Therapies, Inc.	2
Kellanova	1
Berry Global Group	1

<sup>1</sup> Portfolio Composition as of 3/31/25.

<sup>2</sup> Top 5 notional position data as of 3/31/25.

### Pointer Offshore III, LTD | As of June 30, 2025

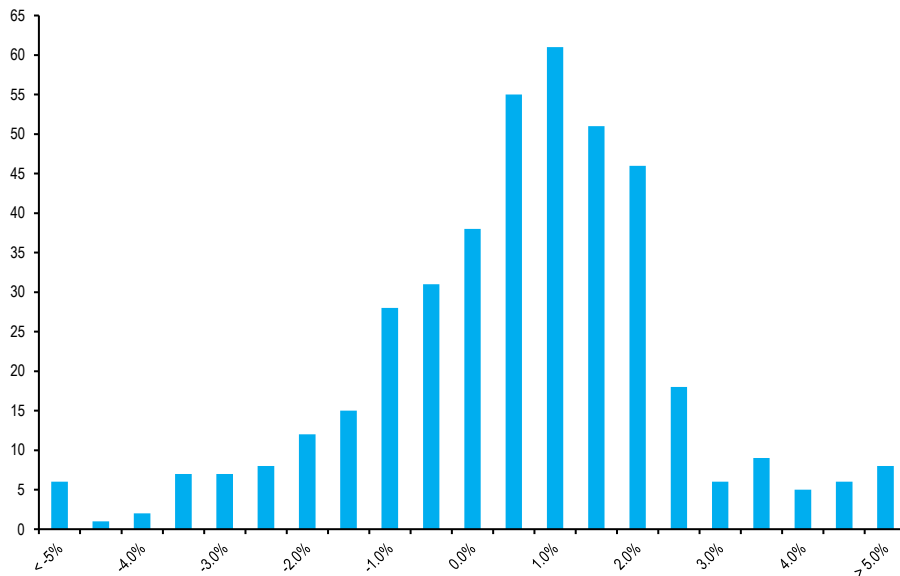
#### Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$34.8 M
Portfolio Manager:	Team
Location:	Chattanooga, Tennessee
Inception Date:	1/1/2013
Account Type:	Commingled
# of Investments:	29
Fee Schedule:	1% Management Fee; 1% annual fee
Liquidity Constraints:	Semi-annual with 90 days' notice

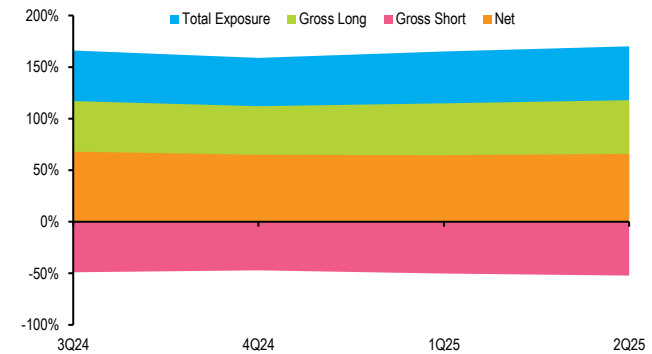
#### Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 11/2012 (%)
Pointer Offshore III, LTD	8.5	17.0	12.3	7.7	7.6
HFRI Fund of Funds Composite Index	3.3	7.2	6.5	6.2	4.3

#### Return Distribution



#### Exposure History



Geographic Exposure Net (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
North America	25	23	24	23
Europe	6	10	10	7
Asia	18	19	21	20
Emerging Markets	13	12	12	11
Other	4	10	7	7

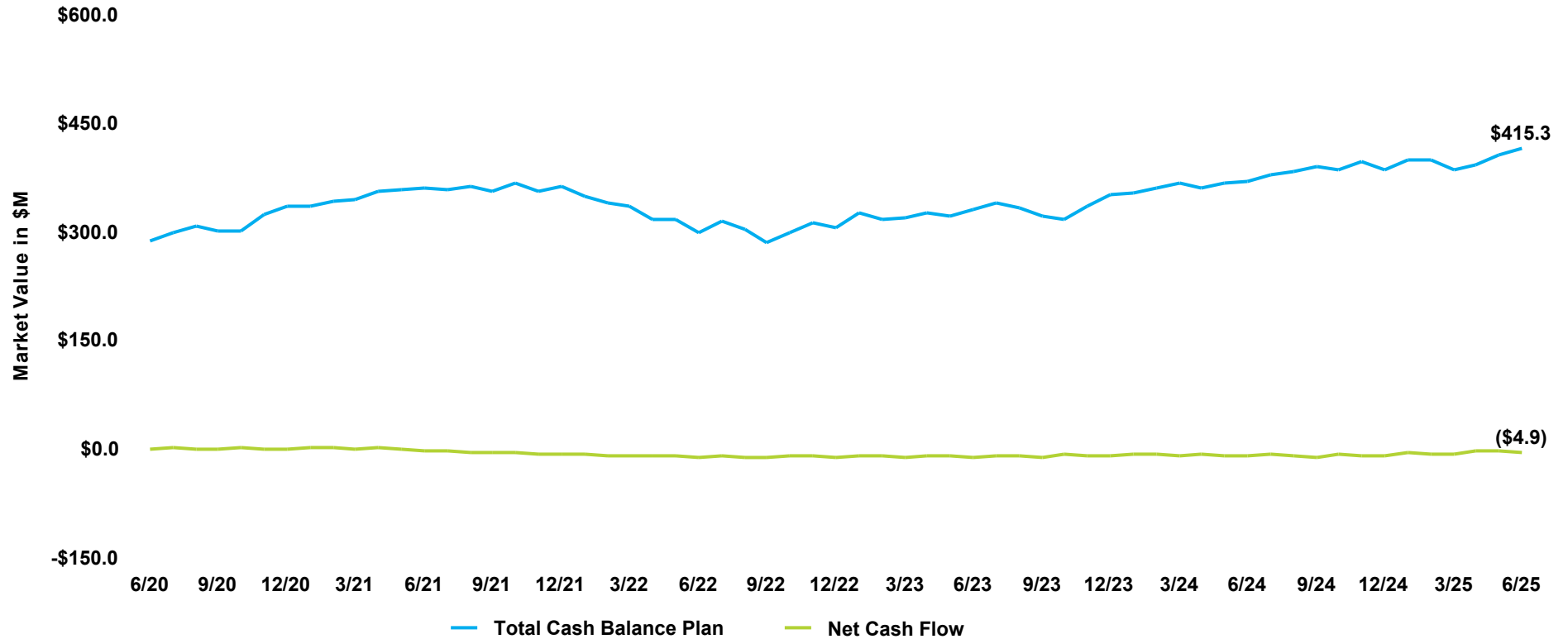
Security Type Net Exposure (%)	6/30/2025	3/31/2025	12/31/2024	9/30/2024
Global Equity	45	45	44	40
Healthcare Equity	12	14	14	16
Opportunistic Equity/Credit	0	0	1	3
Special Situations	15	16	17	16
Domestic Equity	6	6	6	6
Asia Equity	19	17	17	20

#### Top 5 Notional Positions (%)

Not Provided  
Not Provided  
Not Provided  
Not Provided  
Not Provided

### Asset Growth Summary | As of June 30, 2025

5 Years Ending June 30, 2025

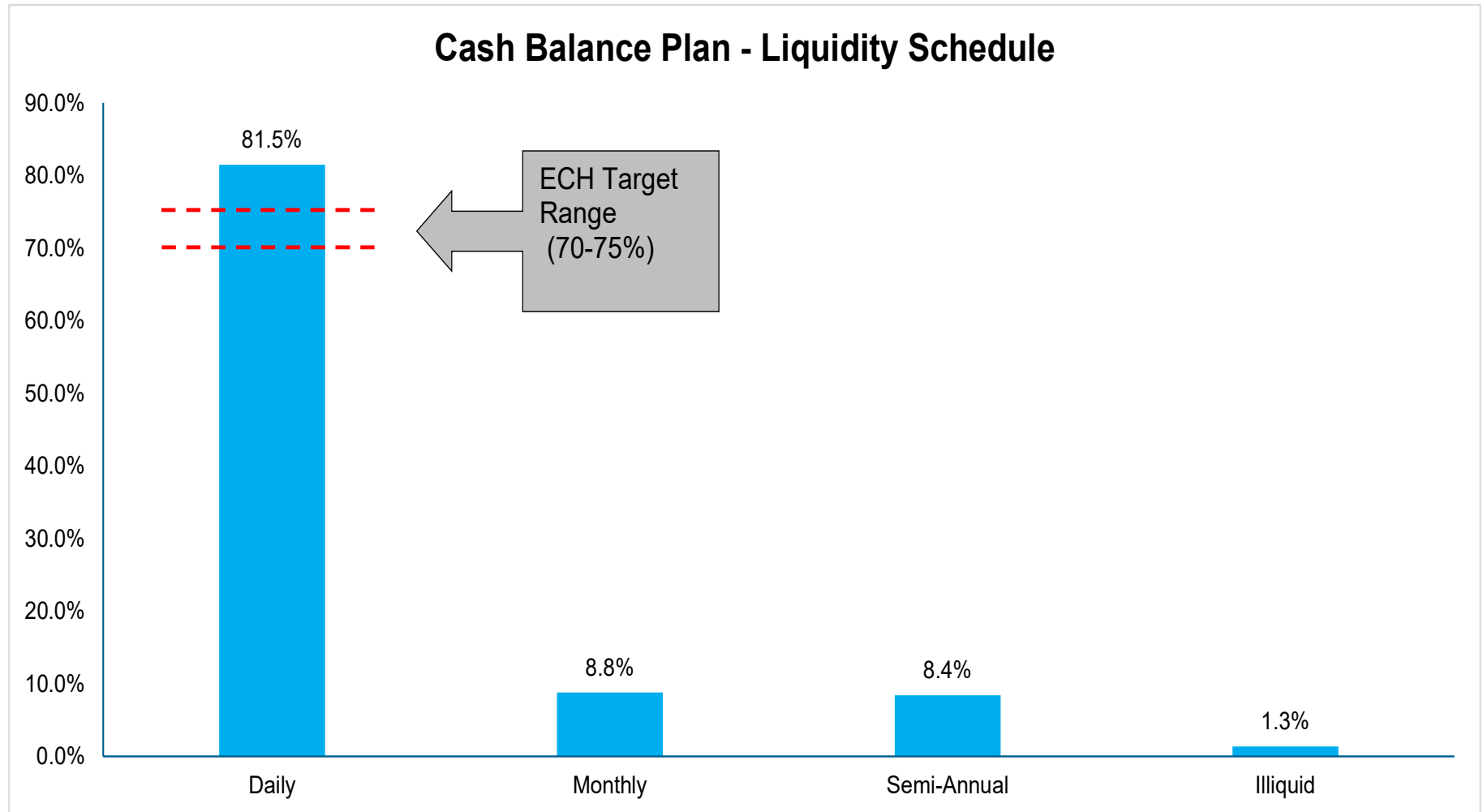


	2020	2021	2022	2023	2024	YTD
Beginning Market Value	294,011,221	336,670,516	363,545,097	306,271,592	350,697,272	386,660,166
Net Cash Flow	-1,866,120	-6,273,155	-4,168,515	1,126,675	480,725	3,794,493
Net Investment Change	44,525,415	33,147,735	-53,104,990	43,299,005	35,450,215	24,675,438
Ending Market Value	336,670,516	363,545,097	306,271,592	350,697,272	386,660,166	415,310,784
Net Change	42,659,295	26,874,581	-57,273,504	44,425,680	35,962,894	28,650,619



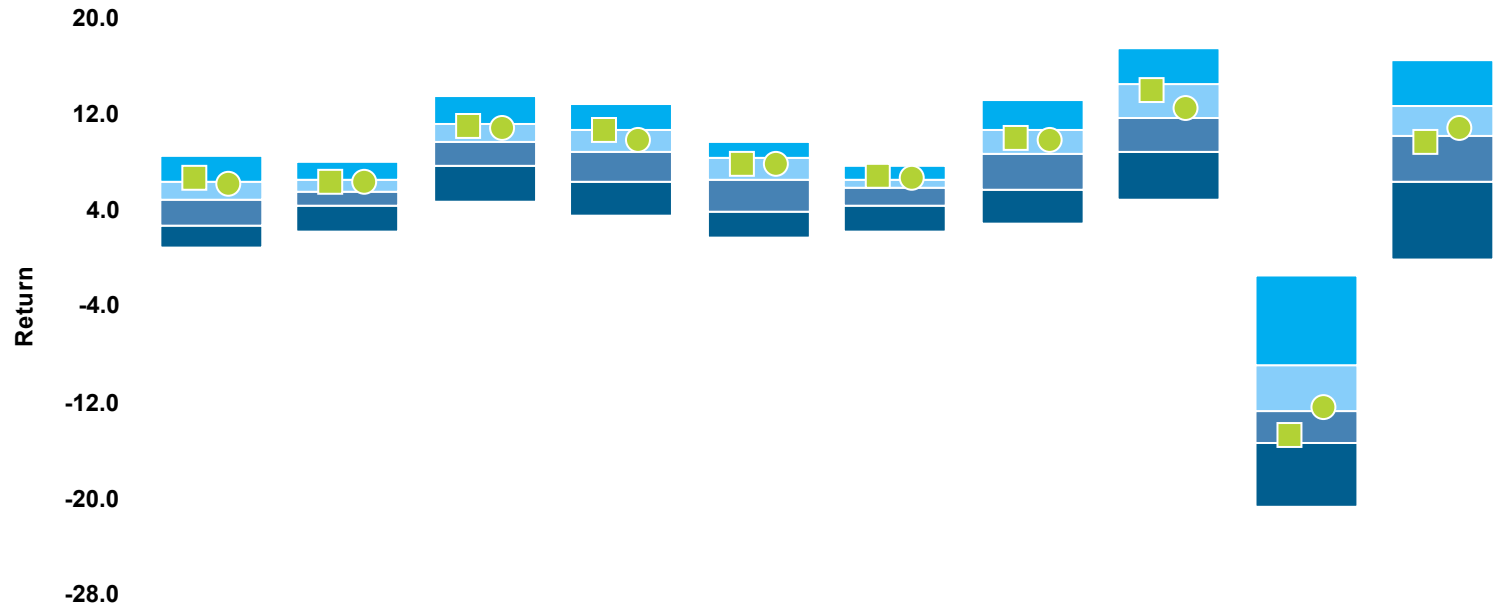
## Liquidity Schedule | As of June 30, 2025

Liquidity Schedule					
Investments	Market Value	Daily	Monthly	Illiquid	Notes
Total Cash Balance Plan	415,310,784	330,507,008	36,421,980	5,518,479	
Total Cash Balance Plan Ex Private Structures	409,792,305				
Total Equity Composite	234,054,116				
Domestic Equity Composite	153,967,685				
Large Cap Equity Composite	132,518,187				
Vanguard Institutional Index Fund (VIXX)	62,404,235	62,404,235			Daily, No Lock-Up
Barrow Hanley Large Cap Value	42,449,765	42,449,765			Daily, No Lock-Up
Touchstone Sands Capital Inst. Growth Fund (CISGX)	27,664,187	27,664,187			Daily, No Lock-Up
Small Cap Equity Composite	21,449,499				
Wellington Small Cap Value	12,584,517	12,584,517			Daily, No Lock-Up
Conestoga Small-Cap Fund I (CCALX)	8,864,982	8,864,982			Daily, No Lock-Up
International Equity Composite	80,086,431				
Causeway International Value (CIVIX)	38,209,428	38,209,428			Daily, No Lock-Up
BNY Mellon International Stock Fund (DISRX)	22,382,178	22,382,178			Daily, No Lock-Up
Harding Loevner Inst. Emerging Markets I (HLMEX)	19,494,824	19,494,824			Daily, No Lock-Up
Total Fixed Income Composite	104,522,257				
Short Duration Fixed Income Composite	16,494,623				
Barrow Hanley Short Fixed	8,425,258	8,425,258			Daily, No Lock-Up
Cash Composite	8,069,365				
Cash Account	8,043,042				
Disbursement Account	26,323				
Market Duration Fixed Income Composite	88,027,635				
Dodge & Cox Income Fund (DODIX)	45,484,131	45,484,131			Daily, No Lock-Up
Met West Total Return Fund I (MWTSX)	42,543,504	42,543,504			Daily, No Lock-Up
Total Alternatives Composite	76,734,411				
Hedge Fund of Fund Composite	71,215,932				
Lighthouse Diversified	36,421,980		36,421,980		90 Day Notice, No Lock-Up
Pointer Offshore LTD	34,793,952				Notice by Mar 15/Sep 15
Real Estate Composite	5,518,479				
Oaktree Real Estate Opportunities Fund VI, L.P.	1,346,238			1,346,238	Illiquid
Walton Street Real Estate Fund VII, L.P.	488,927			488,927	Illiquid
Walton Street Real Estate Fund VIII, L.P.	3,683,314			3,683,314	Illiquid



### Plan Sponsor Peer Group Analysis | As of June 30, 2025

#### Total Cash Balance Plan vs InvestmentMetrics All Health Care Peer Group



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)
■ Total Cash Balance Plan	6.7 (17)	6.3 (33)	11.0 (27)	10.7 (26)	7.9 (32)	6.9 (13)	10.0 (34)	14.0 (30)	-14.8 (71)	9.8 (52)
● Cash Balance Plan Total Benchmark	6.3 (27)	6.4 (31)	10.9 (32)	9.9 (40)	7.9 (33)	6.7 (23)	9.8 (37)	12.5 (45)	-12.5 (48)	10.9 (43)
5th Percentile	8.5	8.1	13.5	12.8	9.7	7.6	13.2	17.6	-1.3	16.5
1st Quartile	6.4	6.6	11.2	10.7	8.3	6.6	10.7	14.5	-8.9	12.7
Median	4.8	5.6	9.8	8.9	6.6	5.9	8.7	11.8	-12.6	10.2
3rd Quartile	2.7	4.4	7.7	6.3	3.9	4.4	5.8	8.9	-15.3	6.3
95th Percentile	0.8	2.2	4.7	3.6	1.7	2.3	3.0	4.9	-20.7	-0.1
Population	144	144	143	136	118	83	324	382	423	526

Parentheses contain percentile rankings.  
Calculation based on monthly periodicity.

Total Fund | As of June 30, 2025

Private Markets Investments Overview											
Investment Name	Vintage Year	Commitment	Unfunded Commitment	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	Net Benefit	DPI	TVPI	IRR
Oaktree Real Estate Opportunities Fund VI, L.P	2013	8,400,000	-2,572,987	10,972,987	11,654,934	1,346,238	13,001,172	2,028,185	1.06	1.18	4.64
Walton Street Real Estate Fund VII, L.P.	2013	8,400,000	1,093,155	7,306,845	9,318,175	488,927	9,807,102	2,474,834	1.27	1.34	8.07
Walton Street Real Estate Fund VIII, L.P.	2015	10,000,000	1,880,134	8,119,866	7,632,097	3,683,314	11,315,411	3,137,764	0.93	1.38	8.21
<b>Total</b>		<b>26,800,000</b>	<b>400,302</b>	<b>26,399,698</b>	<b>28,605,206</b>	<b>5,518,479</b>	<b>34,123,685</b>	<b>7,640,784</b>	<b>1.08</b>	<b>1.29</b>	<b>6.64</b>

Private assets valuations are lagged by one quarter

Oaktree Real Estate Opportunities Fund VI, Walton Street Real Estate Fund VII, and Walton Street Real Estate Fund VIII are within the harvesting period.

## Benchmark History | As of June 30, 2025

Benchmark History		
From Date	To Date	Benchmark
<b>Total Cash Balance Plan</b>		
07/01/2017	Present	32.0% Domestic Equity Benchmark, 18.0% MSCI AC World ex USA (Net), 5.0% Short Duration Fixed Income Benchmark, 25.0% Blmbg. U.S. Aggregate Index, 20.0% Total Alternatives Benchmark
01/01/2013	07/01/2017	50.0% Total Equity Benchmark, 35.0% Total Fixed Income Benchmark, 15.0% Total Alternatives Benchmark
11/01/2012	01/01/2013	50.0% Total Equity Benchmark, 45.0% Total Fixed Income Benchmark, 5.0% Total Alternatives Benchmark

## Benchmark History | As of June 30, 2025

Benchmark History		
From Date	To Date	Benchmark
<b>Total Equity Composite</b>		
11/01/2012	Present	54.0% Large Cap Equity Benchmark, 10.0% Small Cap Equity Benchmark, 36.0% MSCI AC World ex USA (Net)
10/01/1990	11/01/2012	100.0% Large Cap Equity Benchmark
<b>Domestic Equity Composite</b>		
11/01/2012	Present	84.4% Large Cap Equity Benchmark, 15.6% Small Cap Equity Benchmark
10/01/1990	11/01/2012	100.0% Large Cap Equity Benchmark
<b>Large Cap Equity Composite</b>		
11/01/2012	Present	25.0% Russell 1000 Value Index, 25.0% Russell 1000 Growth Index, 50.0% S&P 500 Index
10/01/1990	11/01/2012	100.0% Russell 1000 Value Index
<b>Small Cap Equity Composite</b>		
01/01/1979	Present	50.0% Russell 2000 Growth Index, 50.0% Russell 2000 Value Index
<b>International Equity Composite</b>		
11/01/2012	Present	MSCI AC World ex USA (Net)
<b>Total Fixed Income Composite</b>		
07/01/2017	Present	83.3% Blmbg. U.S. Aggregate Index, 16.7% Short Duration Fixed Income Benchmark
01/01/2013	07/01/2017	71.4% Blmbg. U.S. Aggregate Index, 28.6% Short Duration Fixed Income Benchmark
11/01/2012	01/01/2013	55.6% Blmbg. U.S. Aggregate Index, 44.4% Short Duration Fixed Income Benchmark
10/01/1990	11/01/2012	100.0% Blmbg. U.S. Aggregate Index
<b>Cash Composite</b>		
08/01/2011	Present	90 Day U.S. Treasury Bill
<b>Short Duration Fixed Income Composite</b>		
11/01/2012	Present	100.0% Bloomberg U.S. Gov/Credit 1-3 Year Index
10/01/1990	11/01/2012	100.0% 90 Day U.S. Treasury Bill
<b>Market Duration Fixed Income Composite</b>		
10/01/1990	Present	Blmbg. U.S. Aggregate Index
<b>Total Alternatives Composite</b>		
01/01/2013	Present	66.7% HFRI Fund of Funds Composite Index, 33.3% NCREIF Property Index

## Appendix

## Disclaimer, Glossary, and Notes



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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

**Credit Risk:** Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

**Duration:** Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

**Information Ratio:** This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

**Jensen's Alpha:** A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta\*(market return-Risk Free Rate)].

**Market Capitalization:** For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

**Market Weighted:** Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

**Maturity:** The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

**Prepayment Risk:** The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

**Price-Book Value (P/B) Ratio:** The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

**Price-Earnings (P/E) Ratio:** A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

**Quality Rating:** The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

**Sharpe Ratio:** A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

**STIF Account:** Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

**Standard Deviation:** A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

**Style:** The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

**Tracking Error:** A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

**Yield to Maturity:** The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

**Yield to Worst:** The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

**NCREIF Property Index (NPI):** Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

**NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE):** Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.  
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.