



OCTOBER 2024 MATERIALS

MEMORIAL HEALTHCARE SYSTEM

OCTOBER 2024

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SEPTEMBER 30, 2024
QUARTER IN REVIEW

NEPC ASSET ALLOCATION



PROPRIETARY & CONFIDENTIAL

MARKET OUTLOOK



The health of the labor market will drive expectations for the speed of the Fed moving to lower rates in coming years



Global equity strategies remain a strong opportunity and we encourage greater usage of active equity approaches



The 2024 global election “Supercycle” increases the likelihood of geopolitical surprises for the market



We encourage neutral duration positioning relative to strategic targets given the current rate environment



We recommend investors consider high yield bonds as a portfolio liquidity source and look to reduce overweights

TRAILING ANNUAL INDEX PERFORMANCE

Equity							
	Sep-24	QTD	YTD	1 YR	3 YR	5 YR	10 YR
MSCI ACWI	2.3%	6.6%	18.7%	31.8%	8.1%	12.2%	9.4%
S&P 500	2.1%	5.9%	22.1%	36.4%	11.9%	16.0%	13.4%
Russell 1000	2.1%	6.1%	21.2%	35.7%	10.8%	15.6%	13.1%
Russell 2000	0.7%	9.3%	11.2%	26.8%	1.8%	9.4%	8.8%
Russell 2500	1.5%	8.7%	11.3%	26.2%	3.5%	10.4%	9.5%
MSCI EAFE	0.9%	7.3%	13.0%	24.8%	5.5%	8.2%	5.7%
MSCI EM	6.7%	8.7%	16.9%	26.1%	0.4%	5.7%	4.0%

Credit							
	Sep-24	QTD	YTD	1 YR	3 YR	5 YR	10 YR
BBG Global Agg	1.7%	7.0%	3.6%	12.0%	-3.1%	-0.8%	0.6%
BBG US Agg	1.3%	5.2%	4.4%	11.6%	-1.4%	0.3%	1.8%
BBG Credit	1.7%	5.7%	5.2%	13.8%	-1.1%	1.1%	2.8%
BBG US HY	1.6%	5.3%	8.0%	15.7%	3.1%	4.7%	5.0%
BBG Muni	1.0%	2.7%	2.3%	10.4%	0.1%	1.4%	2.5%
BBG Muni HY	0.9%	3.2%	7.5%	17.4%	1.1%	3.1%	4.5%
BBG TIPS	1.5%	4.1%	4.9%	9.8%	-0.6%	2.6%	2.5%
BBG 20+ STRIPS	2.4%	10.2%	-0.4%	18.4%	-13.8%	-7.6%	0.5%
BBG Long Treasuries	2.0%	7.8%	2.4%	15.4%	-8.4%	-4.3%	1.1%
BBG Long Credit	2.6%	8.1%	4.5%	18.9%	-4.2%	-0.4%	3.2%
BBG Govt/Credit 1-3 Yr	0.8%	3.0%	4.4%	7.2%	1.5%	1.7%	1.6%
JPM EMBI Glob Div	1.8%	6.2%	8.6%	18.6%	-0.4%	0.9%	3.3%
JPM GBI-EM Glob Div	3.4%	9.0%	4.9%	13.4%	0.6%	0.6%	0.6%

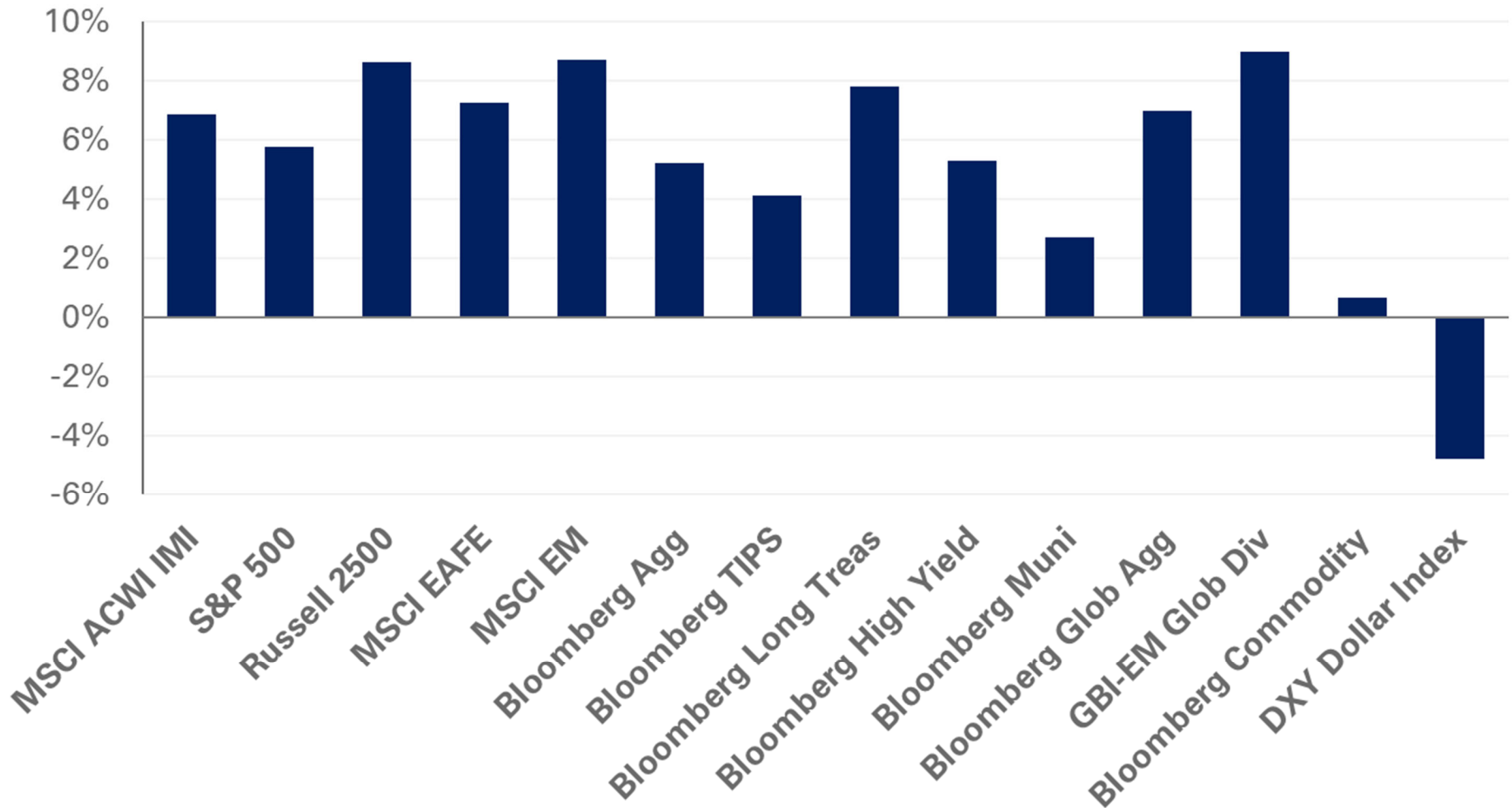
Real Assets							
	Sep-24	QTD	YTD	1 YR	3 YR	5 YR	10 YR
BBG Commodity	4.9%	0.7%	5.9%	1.0%	3.7%	7.8%	0.0%
Alerian Midstream Index	0.6%	9.7%	27.4%	35.6%	20.7%	13.9%	4.4%
NAREIT Composite Index	3.1%	16.5%	13.9%	34.0%	3.2%	4.8%	7.8%



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

MARKETS BROADLY POSTED STRONG RETURNS

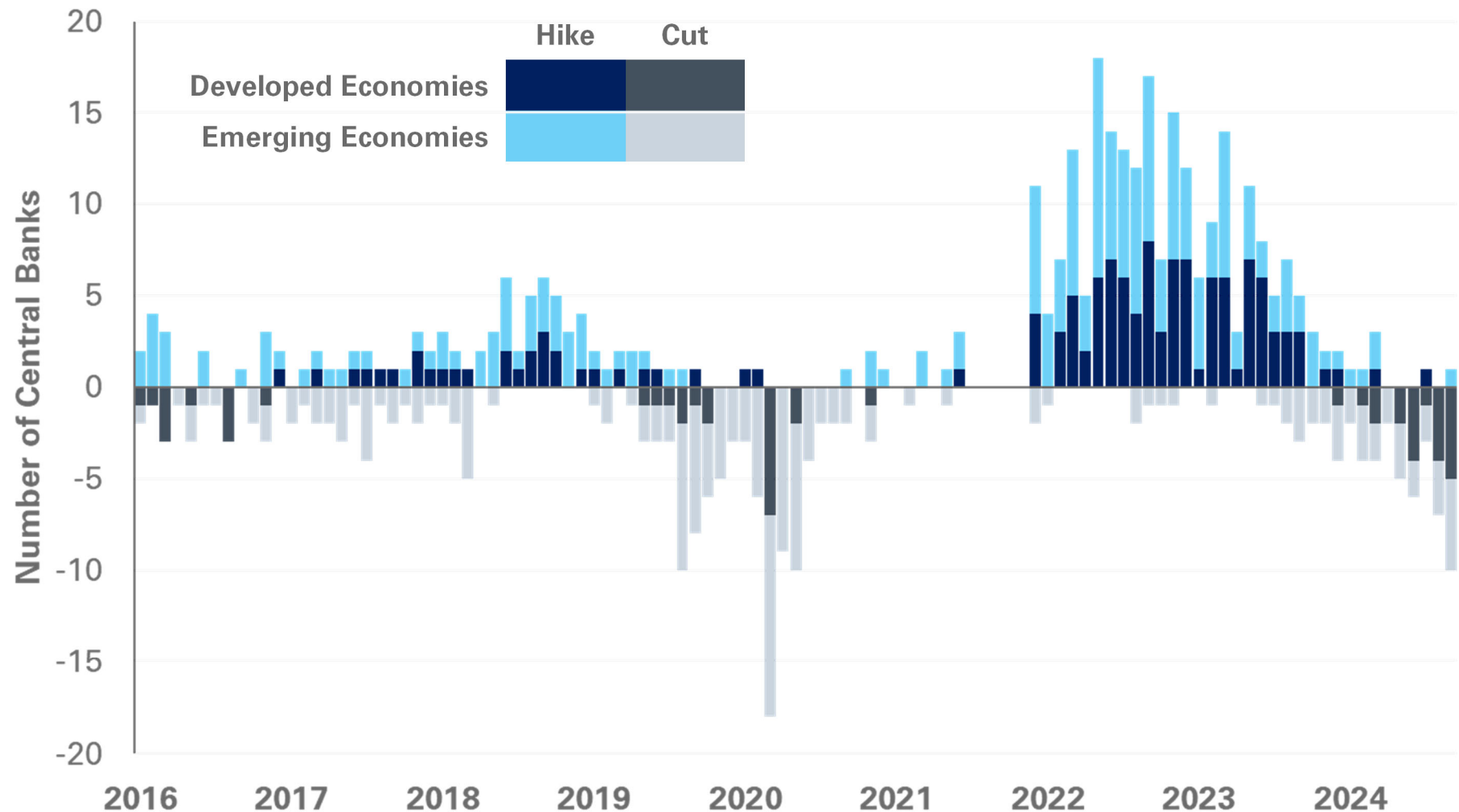
QUARTERLY TOTAL RETURNS



Sources: S&P, Russell, MSCI, JPM, Bloomberg, FactSet

THE MONETARY POLICY BACKDROP IS EASING

INTEREST RATE CHANGES BY GLOBAL CENTRAL BANKS



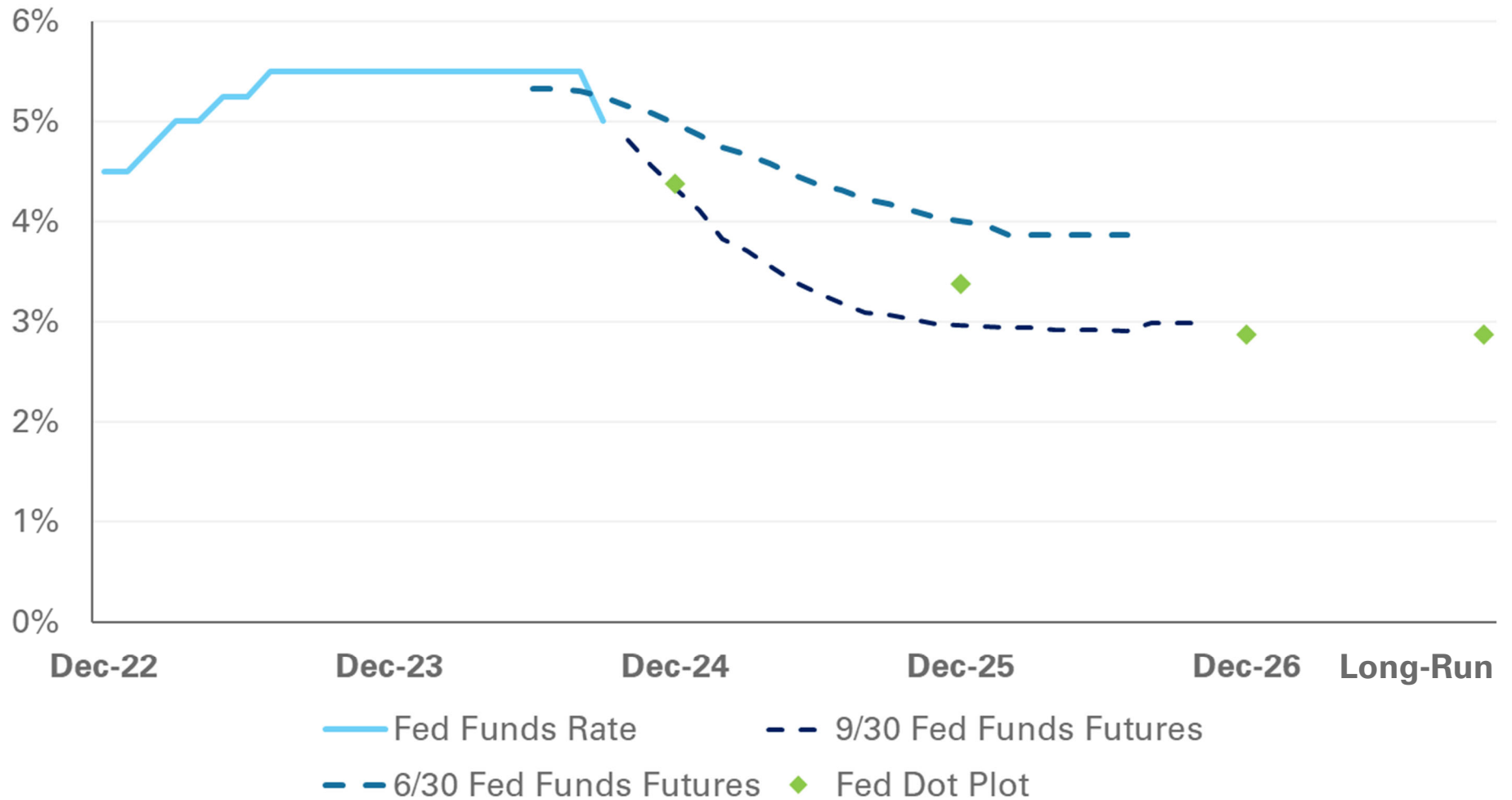
Notes: Developed Economies include Australia, Canada, countries governed by the European Central Bank, Japan, New Zealand, Norway, Sweden, Switzerland, United Kingdom, and the United States. Emerging Economies include Argentina, Brazil, Chile, China, Egypt, Ghana, India, Malaysia, Mexico, Pakistan, Peru, Philippines, South Africa, Thailand, and Turkey.

Source: FactSet



MARKETS EXPECT MORE CUTS TO COME

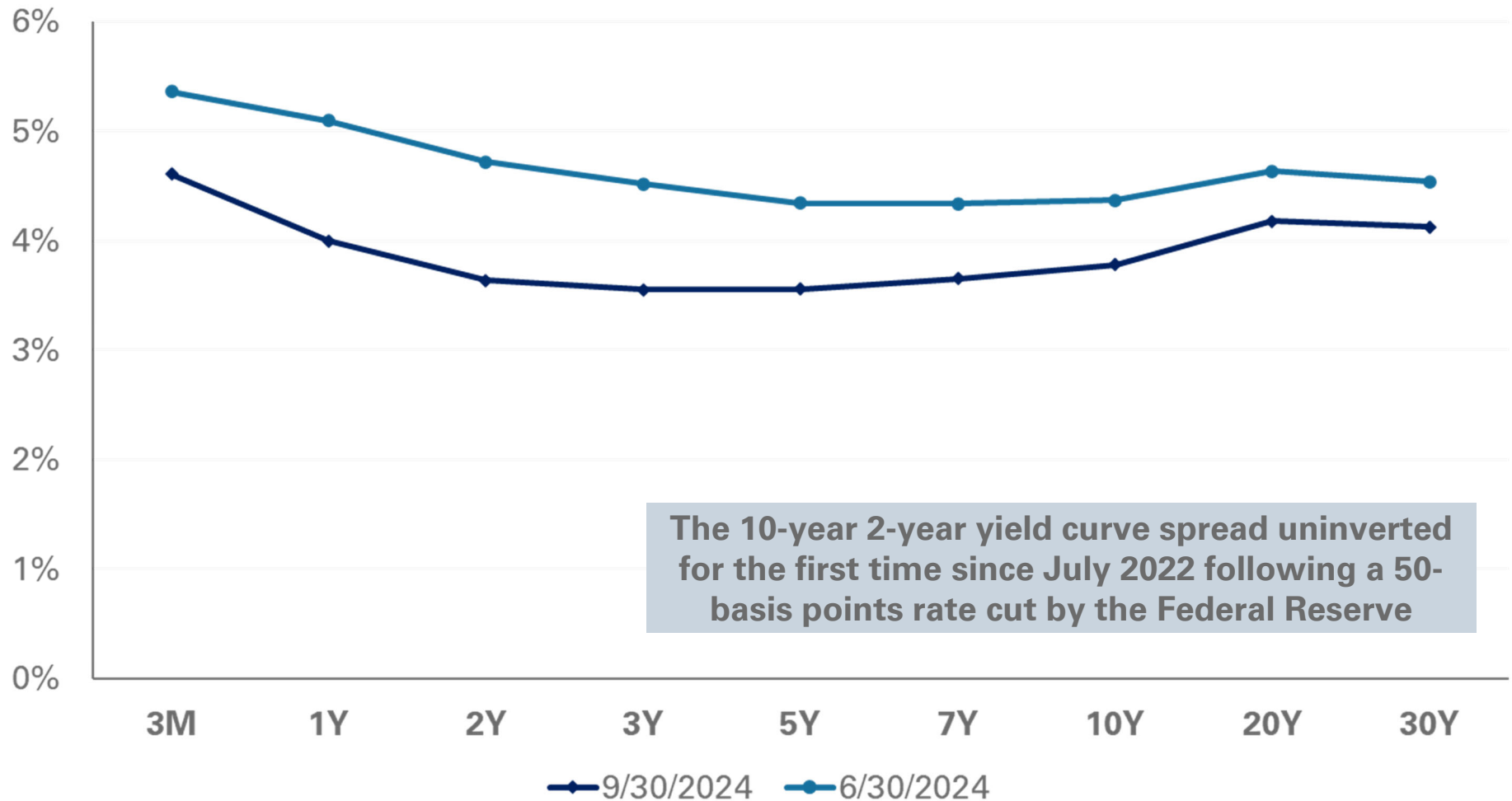
FED FUNDS RATE VERSUS MARKET RATE EXPECTATIONS



Source: FactSet

THE YIELD CURVE STEEPENED

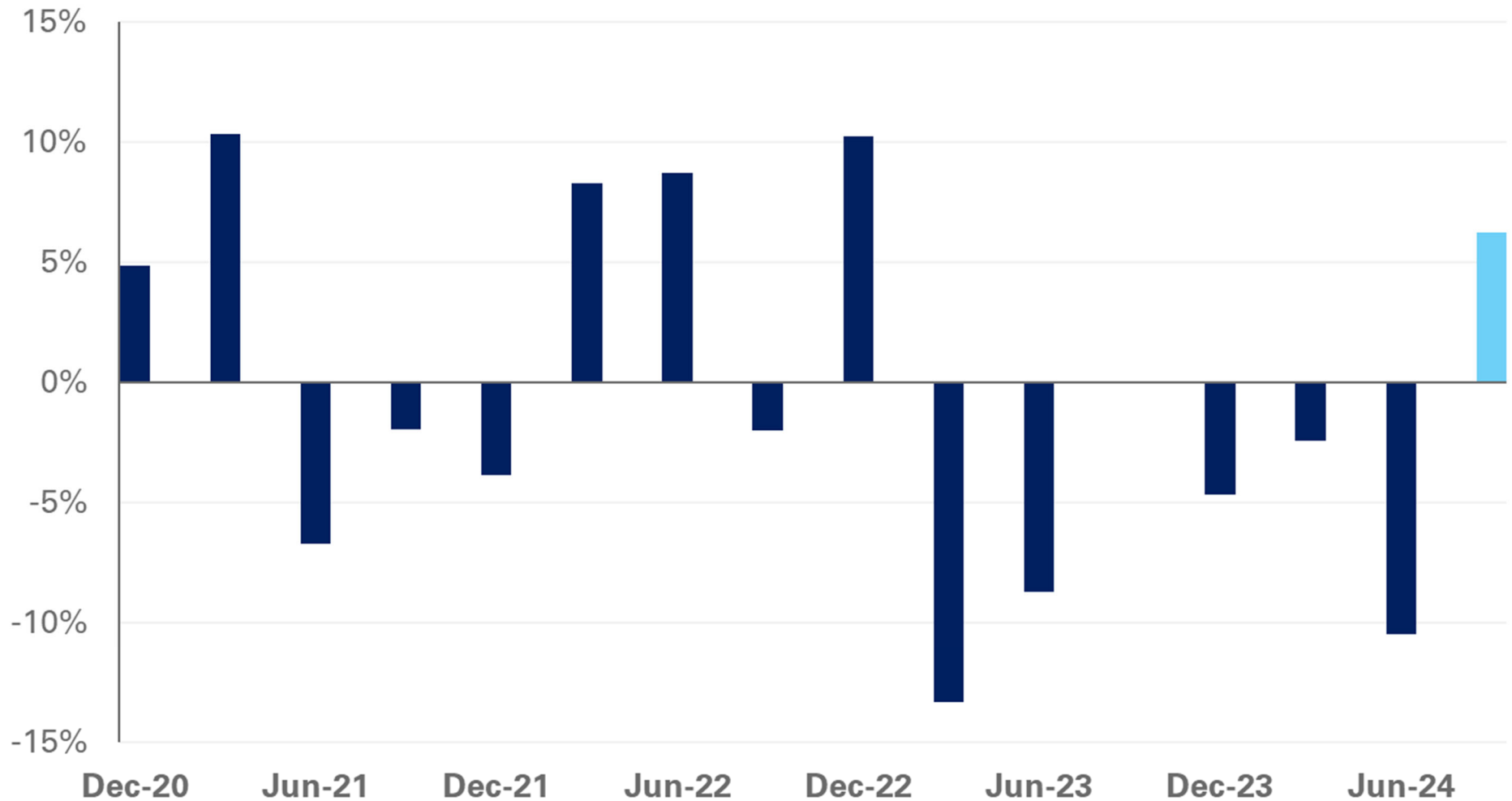
U.S. TREASURY CURVE



Source: FactSet

THE EQUITY RALLY EXTENDED BEYOND THE MAG-7

QUARTERLY RETURNS FOR R1000 VALUE VERSUS R1000 GROWTH



Notes: Reflects quarterly return differential between the Russell 1000 Value and Russell 1000 Growth.
Sources: Russell, FactSet





PERFORMANCE UPDATE

September 30, 2024



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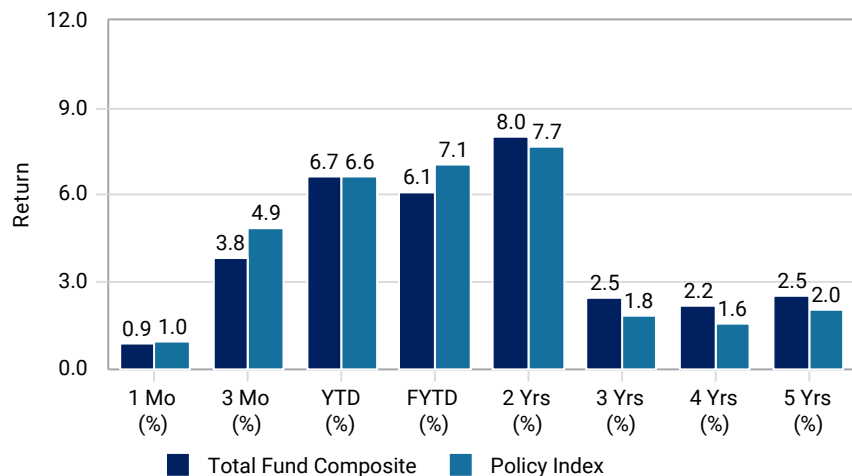
SOUTH BROWARD HOSPITAL DISTRICT – OPERATING FUNDS

September 30, 2024



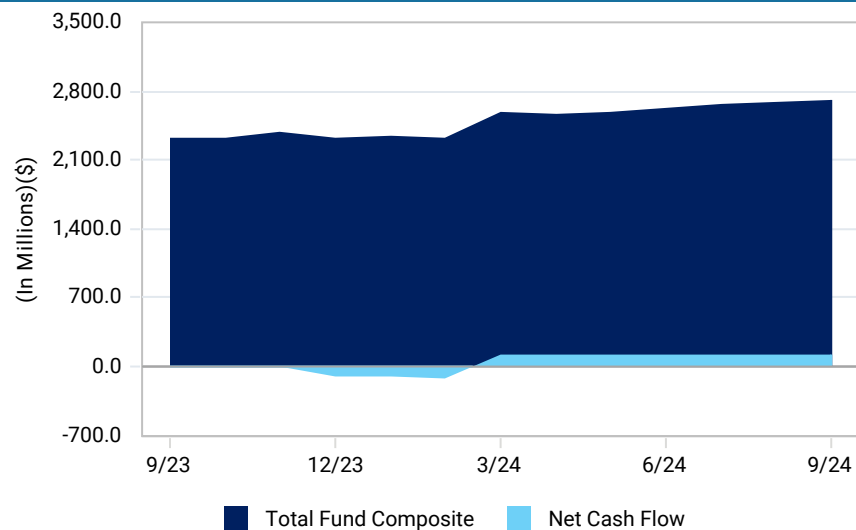
EXECUTIVE SUMMARY

Return Summary Ending September 30, 2024

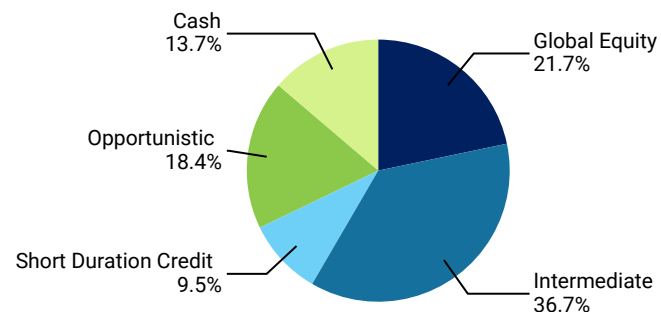


	Current (\$)	Current (%)	Policy (%)	Differences (%)
Global Equity	591,940,335	21.7	20.0	1.7
Intermediate	1,000,993,597	36.7	35.0	1.7
Short Duration Credit	258,018,520	9.5	10.0	-0.5
Opportunistic	502,977,030	18.4	20.0	-1.6
Cash	374,713,040	13.7	15.0	-1.3
Total	2,728,642,522	100.0	100.0	0.0

Market Value History 1 Year Ending September 30, 2024



Current Allocation

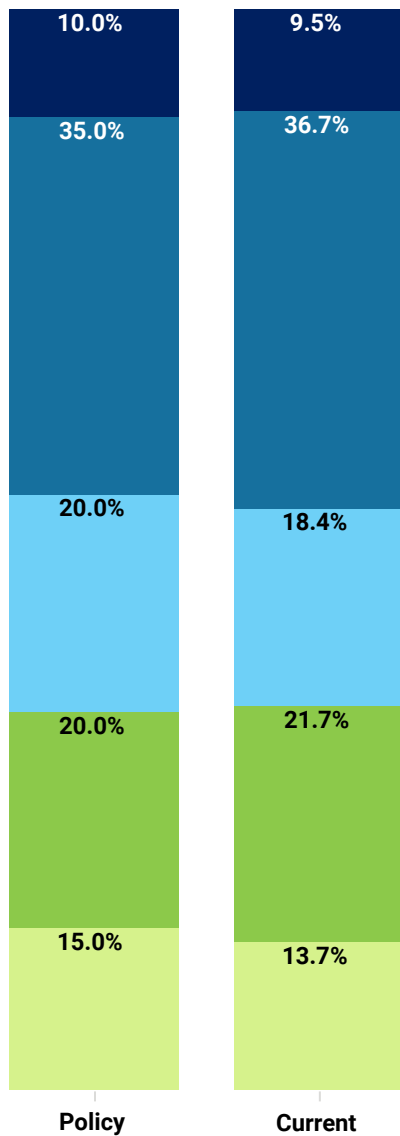


Summary of Cash Flows

	1 Month	FYTD	3 Years
Beginning Market Value	2,705,329,382	2,571,092,637	2,563,061,323
Net Cash Flow			-21,032,579
Net Investment Change	23,313,139	157,549,885	186,613,777
Ending Market Value	2,728,642,522	2,728,642,522	2,728,642,522

ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target

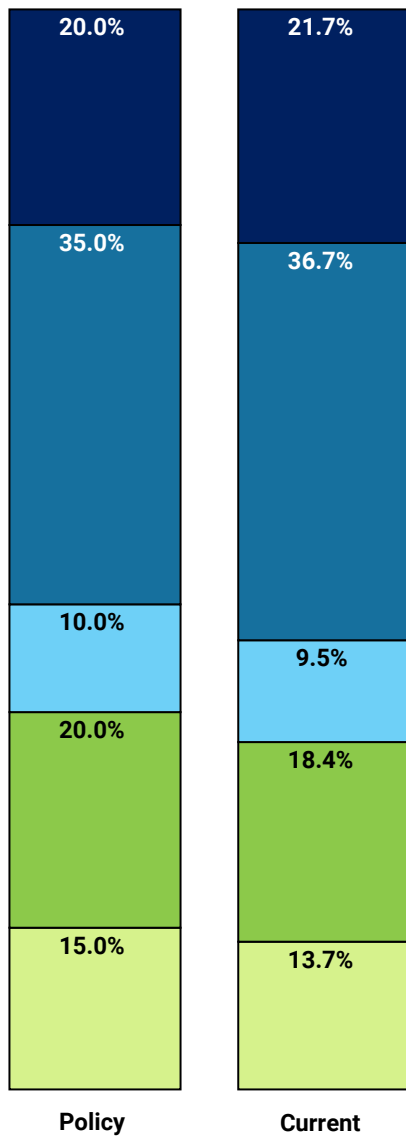


	Current (\$)	Current (%)	Policy (%)	Differences* (%)	Policy Range (%)	Within Range
Short Term Composite	258,018,520	9.5	10.0	-0.5	5.0 - 15.0	Yes
Intermediate Term Composite	1,000,993,597	36.7	35.0	1.7	30.0 - 40.0	Yes
Opportunistic Composite	502,977,030	18.4	20.0	-1.6	15.0 - 25.0	Yes
Global Equity Composite	591,940,335	21.7	20.0	1.7	15.0 - 25.0	Yes
Cash Composite	374,713,040	13.7	15.0	-1.3	15.0 - 20.0	No
Total Fund Composite	2,728,642,522	100.0	100.0	0.0		

*Difference between Policy and Current Allocation

ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target



	Current Balance (\$)	Policy (%)	Current Allocation (%)	Differences (%)	Policy Range (%)	Within Range
Global Equity	591,940,335	20.0	21.7	1.7	15.0 - 25.0	Yes
Vanguard Global Minimum Volatility Equity	280,352,712		10.3			
Parametric Global Defensive Equity	311,587,623		11.4			
Intermediate	1,000,993,597	35.0	36.7	1.7	30.0 - 40.0	Yes
Galliard Intermediate Government	243,406,863		8.9			
Merganser Intermediate Bond	235,601,967		8.6			
Fort Washington Intermediate Bond	202,499,961		7.4			
Lord Abbett Intermediate Bond	232,463,224		8.5			
PFM - Self Insurance Fund	48,301,783		1.8			
PFM - Disability Fund	21,381,616		0.8			
PFM - Workmen's Compensation Fund	11,628,994		0.4			
PFM - Health & Dental Fund	5,709,189		0.2			
Short Duration Credit	258,018,520	10.0	9.5	-0.5	5.0 - 15.0	Yes
Lord Abbett Short Duration	129,884,349		4.8			
Loop Capital Asset Management	128,134,171		4.7			
Opportunistic	502,977,030	20.0	18.4	-1.6	15.0 - 25.0	Yes
Galliard Opportunistic	155,343,560		5.7			
Merganser Opportunistic	155,067,984		5.7			
Fort Washington Active Fixed Income	192,565,486		7.1			
Cash	374,713,040	15.0	13.7	-1.3	15.0 - 20.0	No
PNC Treasury Management	374,708,850		13.7			
U.S. Bank Cash	4,190		0.0			
Total	2,728,642,522	100.0	100.0	0.0		

*Difference between Policy and Current Allocation

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Total Fund Composite	2,728,642,522	100.0	0.9	3.8	6.7	6.1	11.4	8.0	2.5	2.2	2.5
<i>Policy Index</i>			1.0	4.9	6.6	7.1	11.5	7.7	1.8	1.6	2.0
Fixed Income Composite	1,761,989,147	64.6	1.1	4.1	5.1	6.2	9.7	6.0	0.6	0.4	1.3
Short Term Composite	258,018,520	9.5	0.9	3.4	4.8	5.1	8.3	5.5	1.2	0.9	1.4
<i>Blmbg. 1-5 Year Gov/Credit</i>			0.9	3.5	4.5	5.2	8.1	5.3	0.9	0.7	1.5
Lord Abbett Short Duration	129,884,349	4.8	0.9	3.4	4.7	5.1	8.3	5.4	1.3		
<i>Blmbg. 1-5 Year Gov/Credit</i>			0.9	3.5	4.5	5.2	8.1	5.3	0.9		
Loop Capital Asset Management	128,134,171	4.7	0.9	3.4	4.8	5.1	8.2	5.5	1.1	0.8	1.4
<i>Blmbg. 1-5 Year Gov/Credit</i>			0.9	3.5	4.5	5.2	8.1	5.3	0.9	0.7	1.5
Intermediate Term Composite	1,000,993,597	36.7	1.1	4.1	5.1	6.2	9.7	6.0	0.6	0.4	1.3
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.1	4.2	4.7	6.3	9.4	5.8	0.2	0.0	1.3
Galliard Intermediate Government	243,406,863	8.9	1.1	4.4	5.6	6.7	10.6	6.3	0.7	0.6	1.5
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.1	4.2	4.7	6.3	9.4	5.8	0.2	0.0	1.3
Merganser Intermediate Bond	235,601,967	8.6	1.1	3.9	5.1	6.0	9.6	5.9	0.6	0.4	1.3
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.1	4.2	4.7	6.3	9.4	5.8	0.2	0.0	1.3
Fort Washington Intermediate Bond	202,499,961	7.4	1.1	4.2	5.1	6.3	9.8	6.1	0.5		
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.1	4.2	4.7	6.3	9.4	5.8	0.2		
Lord Abbett Intermediate Bond	232,463,224	8.5	1.0	4.1	4.9	6.2	9.6	5.9	0.5		
<i>Blmbg. Intermed. U.S. Government/Credit</i>			1.1	4.2	4.7	6.3	9.4	5.8	0.2		
PFM - Self Insurance Fund	48,301,783	1.8	0.9	3.5	4.6	5.1	8.2	5.4	1.2	0.9	1.7
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			0.9	3.4	4.2	5.0	7.4	4.8	0.8	0.5	1.3
PFM - Disability Fund	21,381,616	0.8	0.9	3.4	4.6	5.1	8.1	5.4	1.2	0.9	1.7
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			0.9	3.4	4.2	5.0	7.4	4.8	0.8	0.5	1.3
PFM - Workmen's Compensation Fund	11,628,994	0.4	0.8	2.6	4.2	3.8	6.8	5.0	1.9	1.4	1.8
<i>ICE BofA U.S. Agencies, 1-3yr</i>			0.7	2.5	4.0	3.7	6.7	4.7	1.4	1.1	1.5
PFM - Health & Dental Fund	5,709,189	0.2	0.7	2.6	4.2	3.8	6.8	5.0	1.8	1.4	1.8
<i>ICE BofA U.S. Agencies, 1-3yr</i>			0.7	2.5	4.0	3.7	6.7	4.7	1.4	1.1	1.5

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Opportunistic Composite	502,977,030	18.4	1.1	4.5	5.3	6.9	10.6	6.2	0.4	0.1	1.3
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.1	4.6	4.6	7.1	10.4	5.8	-0.3	-0.3	0.8
Galliard Opportunistic	155,343,560	5.7	1.2	4.7	5.4	7.3	11.1	6.2	0.2	0.1	1.3
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.1	4.6	4.6	7.1	10.4	5.8	-0.3	-0.3	0.8
Merganser Opportunistic	155,067,984	5.7	1.1	4.2	5.1	6.5	10.1	6.1	0.4	0.1	1.3
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.1	4.6	4.6	7.1	10.4	5.8	-0.3	-0.3	0.8
Fort Washington Active Fixed Income	192,565,486	7.1	1.2	4.5	5.3	6.9	10.5	6.3	0.5		
<i>Blmbg. U.S. Intermediate Aggregate</i>			1.1	4.6	4.6	7.1	10.4	5.8	-0.3		
Global Equity Composite	591,940,335	21.7	0.5	4.6	13.6	8.3	20.4	16.9	7.7	9.4	7.2
<i>MSCI AC World Minimum Volatility Index (Net)</i>			1.0	9.8	15.4	13.2	22.9	16.1	5.8	7.8	6.1
Vanguard Global Minimum Volatility Equity	280,352,712	10.3	-0.4	6.2	15.6	9.3	23.4	16.9	8.2	9.1	5.8
<i>MSCI AC World Minimum Volatility Index (Net)</i>			1.0	9.8	15.4	13.2	22.9	16.1	5.8	7.8	6.1
Parametric Global Defensive Equity	311,587,623	11.4	1.3	3.2	11.8	7.5	17.9	17.1	7.3	9.5	7.6
<i>50% MSCI ACWI / 50% 90 Day T-Bill</i>			1.4	4.0	11.2	7.7	18.1	15.4	6.1	7.9	7.6
Cash Composite	374,713,040	13.7	0.5	1.5	4.1	2.4	5.6	5.1	3.5	2.6	2.4
<i>90 Day U.S. Treasury Bill</i>			0.4	1.4	4.0	2.3	5.5	5.0	3.5	2.6	2.3
PNC Treasury Management	374,708,850	13.7	0.5	1.5	4.1	2.4	5.6	5.1	3.5	2.6	2.4
<i>90 Day U.S. Treasury Bill</i>			0.4	1.4	4.0	2.3	5.5	5.0	3.5	2.6	2.3
U.S. Bank Cash	4,190	0.0									
<i>90 Day U.S. Treasury Bill</i>			0.4	1.4	4.0	2.3	5.5	5.0	3.5	2.6	2.3

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

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

TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Fund Composite	2,728,642,522	100.0	6.7	-5.9	1.1	3.9	5.3	1.2	1.3	1.1	1.1
<i>Policy Index</i>			5.7	-7.1	1.0	3.9	5.7	1.2	0.8	0.9	0.8
Short Term Composite	258,018,520	9.5	5.1	-5.2	-1.0	3.2	3.5	1.6	0.7	0.8	0.6
<i>Blmbg. 1-5 Year Gov/Credit</i>			4.9	-5.5	-1.0	4.7	5.0	1.4	1.3	1.6	1.0
Lord Abbett Short Duration	129,884,349	4.8	5.1	-4.9							
<i>Blmbg. 1-5 Year Gov/Credit</i>			4.9	-5.5							
Loop Capital Asset Management	128,134,171	4.7	5.1	-5.6	-0.9	3.2	3.5	1.6	0.7	1.0	0.4
<i>Blmbg. 1-5 Year Gov/Credit</i>			4.9	-5.5	-1.0	4.7	5.0	1.4	1.3	1.6	1.0
Intermediate Term Composite	1,000,993,597	36.7	5.5	-7.5	-1.0	4.8	4.6	1.5	1.3	1.2	1.2
<i>Blmbg. Intermed. U.S. Government/Credit</i>			5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1	1.1
Galliard Intermediate Government	243,406,863	8.9	5.8	-8.1	-0.6	5.1	4.6	1.5	1.4	1.3	1.1
<i>Blmbg. Intermed. U.S. Government/Credit</i>			5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1	1.1
Merganser Intermediate Bond	235,601,967	8.6	5.5	-7.6	-1.0	4.6	4.6	1.5	1.3	1.2	1.0
<i>Blmbg. Intermed. U.S. Government/Credit</i>			5.2	-8.2	-1.4	6.4	6.8	0.9	2.1	2.1	1.1
Fort Washington Intermediate Bond	202,499,961	7.4	5.6	-7.9							
<i>Blmbg. Intermed. U.S. Government/Credit</i>			5.2	-8.2							
Lord Abbett Intermediate Bond	232,463,224	8.5	5.5	-7.7							
<i>Blmbg. Intermed. U.S. Government/Credit</i>			5.2	-8.2							
PFM - Self Insurance Fund	48,301,783	1.8	5.0	-5.0	-0.9	4.6	4.6	1.4	1.1	1.3	1.0
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			4.3	-5.2	-1.1	4.2	4.2	1.5	0.7	1.1	1.0
PFM - Disability Fund	21,381,616	0.8	5.0	-5.1	-0.9	4.6	4.6	1.3	1.1	1.3	1.0
<i>ICE BofA 1-5 Yr Treasury & Agency</i>			4.3	-5.2	-1.1	4.2	4.2	1.5	0.7	1.1	1.0
PFM - Workmen's Compensation Fund	11,628,994	0.4	5.1	-3.0	-0.5	2.8	3.5	1.6	0.7	1.0	0.7
<i>ICE BofA U.S. Agencies, 1-3yr</i>			4.7	-3.7	-0.4	2.7	3.5	1.8	0.7	1.0	0.7
PFM - Health & Dental Fund	5,709,189	0.2	5.0	-3.1	-0.5	2.8	3.5	1.7	0.7	1.0	0.7
<i>ICE BofA U.S. Agencies, 1-3yr</i>			4.7	-3.7	-0.4	2.7	3.5	1.8	0.7	1.0	0.7

TOTAL FUND PERFORMANCE DETAIL

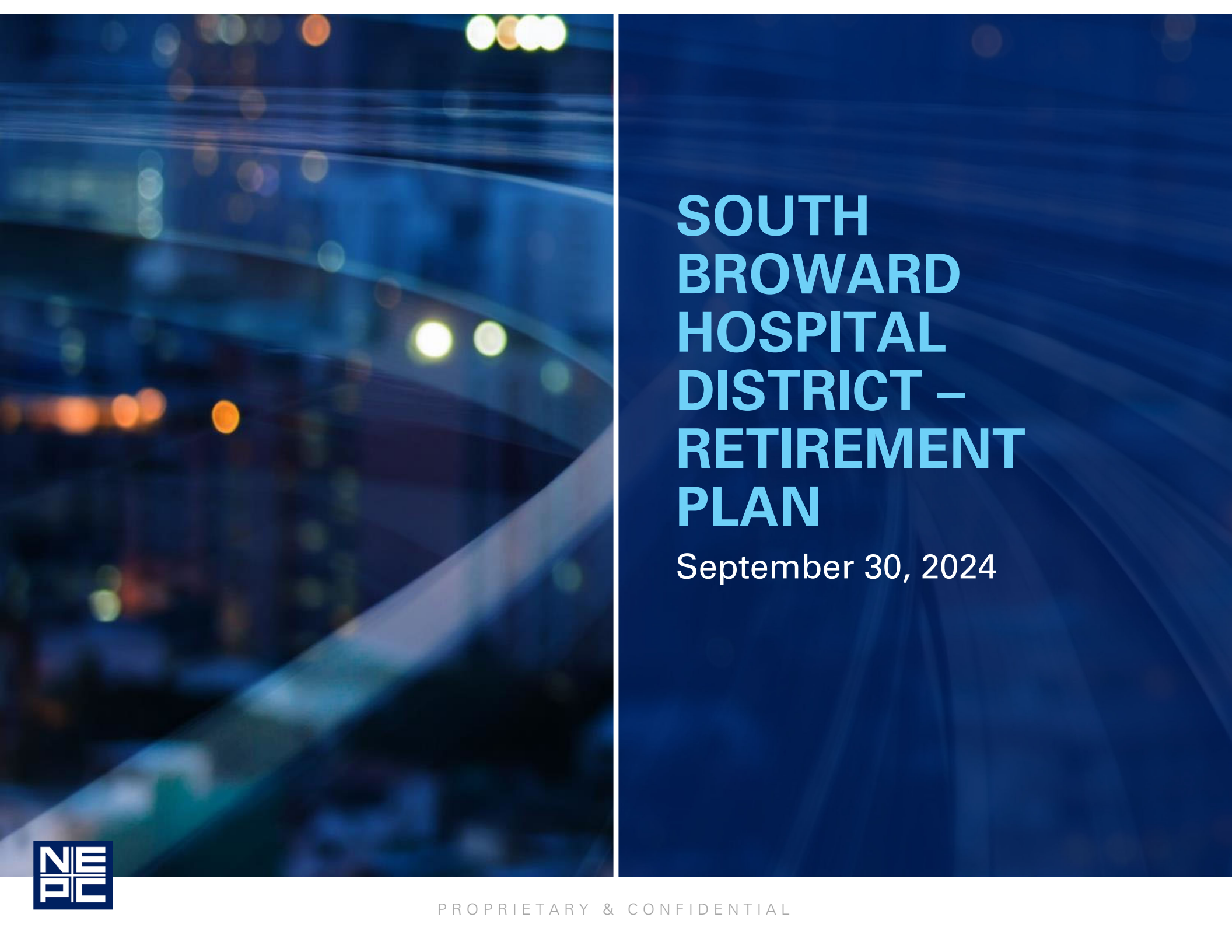
	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2023	2022	2021	2020	2019	2018	2017	2016	2015
Opportunistic Composite	502,977,030	18.4	5.7	-8.5	-1.4	6.3	5.9	1.3	2.0	1.6	1.5
<i>Blmbg. U.S. Intermediate Aggregate</i>			5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0	1.2
Galliard Opportunistic	155,343,560	5.7	5.7	-9.2	-1.1	6.6	5.9	1.3	2.2	1.6	1.4
<i>Blmbg. U.S. Intermediate Aggregate</i>			5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0	1.2
Merganser Opportunistic	155,067,984	5.7	5.6	-8.3	-1.4	5.9	5.8	1.4	1.7	1.6	1.2
<i>Blmbg. U.S. Intermediate Aggregate</i>			5.2	-9.5	-1.3	5.6	6.7	0.9	2.3	2.0	1.2
Fort Washington Active Fixed Income	192,565,486	7.1	5.8	-8.2							
<i>Blmbg. U.S. Intermediate Aggregate</i>			5.2	-9.5							
Global Equity Composite	591,940,335	21.7	11.2	-6.0	12.7	1.4	17.0				
<i>MSCI AC World Minimum Volatility Index (Net)</i>			7.7	-10.3	13.9	2.7	21.1				
Vanguard Global Minimum Volatility Equity	280,352,712	10.3	8.0	-4.5	12.0	-3.9	22.7				
<i>MSCI AC World Minimum Volatility Index (Net)</i>			7.7	-10.3	13.9	2.7	21.1				
Parametric Global Defensive Equity	311,587,623	11.4	14.6	-7.5	13.1	2.6	14.1				
<i>50% MSCI ACWI / 50% 90 Day T-Bill</i>			13.6	-8.5	9.0	9.1	14.1				
Cash Composite	374,713,040	13.7	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5	
PNC Treasury Management	374,708,850	13.7	5.1	1.3	0.1	0.8	2.4	1.9	0.9	0.5	0.2
<i>90 Day U.S. Treasury Bill</i>			5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3	0.0
U.S. Bank Cash	4,190	0.0									
<i>90 Day U.S. Treasury Bill</i>			5.0	1.5	0.0	0.7	2.3				

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

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

CASH FLOW SUMMARY BY MANAGER

	1 Month Ending September 30, 2024					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/Loss	Ending Market Value
Lord Abnett Short Duration	\$128,742,028	-	-	-	\$1,142,321	\$129,884,349
Loop Capital Asset Management	\$127,018,808	-	-	-	\$1,115,363	\$128,134,171
Galliard Intermediate Government	\$240,640,066	-	-	-	\$2,766,797	\$243,406,863
Merganser Intermediate Bond	\$233,146,111	-	-	-	\$2,455,857	\$235,601,967
Fort Washington Intermediate Bond	\$200,327,892	-	-	-	\$2,172,069	\$202,499,961
Lord Abnett Intermediate Bond	\$230,072,387	-	-	-	\$2,390,837	\$232,463,224
PFM - Self Insurance Fund	\$47,853,272	-	-	-	\$448,511	\$48,301,783
PFM - Disability Fund	\$21,183,528	-	-	-	\$198,087	\$21,381,616
PFM - Workmen's Compensation Fund	\$11,542,412	-	-	-	\$86,581	\$11,628,994
PFM - Health & Dental Fund	\$5,666,935	-	-	-	\$42,254	\$5,709,189
Galliard Opportunistic	\$153,509,142	-	-	-	\$1,834,418	\$155,343,560
Merganser Opportunistic	\$153,407,373	-	-	-	\$1,660,611	\$155,067,984
Fort Washington Active Fixed Income	\$190,358,674	-	-	-	\$2,206,813	\$192,565,486
Vanguard Global Minimum Volatility Equity	\$281,385,953	-	-	-	-\$1,033,241	\$280,352,712
Parametric Global Defensive Equity	\$307,537,441	-	-	-	\$4,050,182	\$311,587,623
PNC Treasury Management	\$372,933,190	-	-	-	\$1,775,660	\$374,708,850
U.S. Bank Cash	\$4,172	-	-	-	\$18	\$4,190
Total	\$2,705,329,382	-	-	-	\$23,313,139	\$2,728,642,522



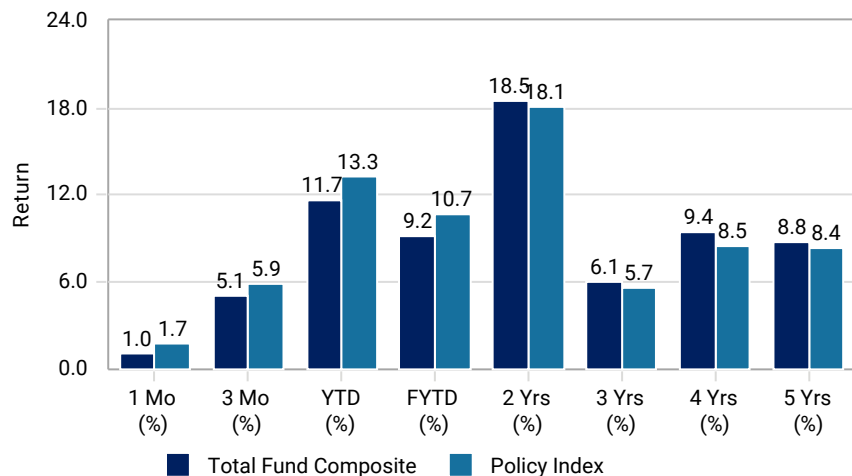
SOUTH BROWARD HOSPITAL DISTRICT – RETIREMENT PLAN

September 30, 2024



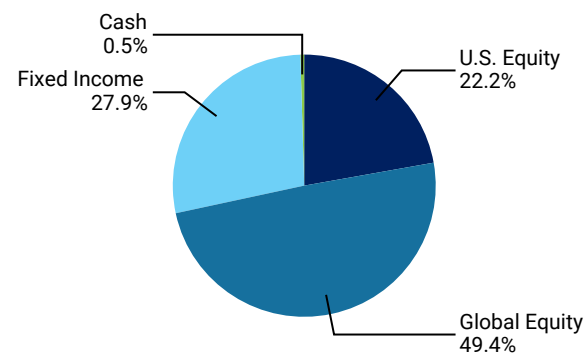
EXECUTIVE SUMMARY

Return Summary Ending September 30, 2024

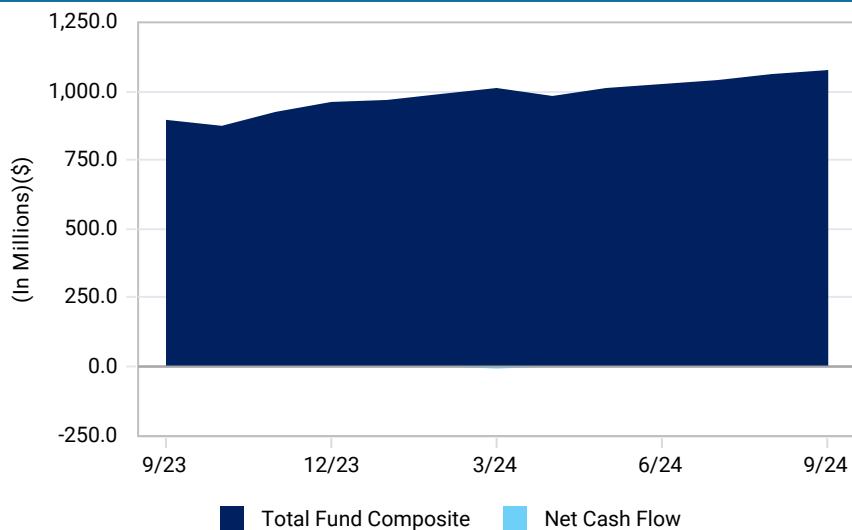


	Current (\$)	Current (%)	Policy (%)	Differences (%)
U.S. Equity	239,305,780	22.2	20.0	2.2
Global Equity	533,214,067	49.4	45.0	4.4
Fixed Income	300,969,816	27.9	35.0	-7.1
Cash	5,100,637	0.5	0.0	0.5
Total	1,078,590,299	100.0	100.0	0.0

Current Allocation



Market Value History 1 Year Ending September 30, 2024

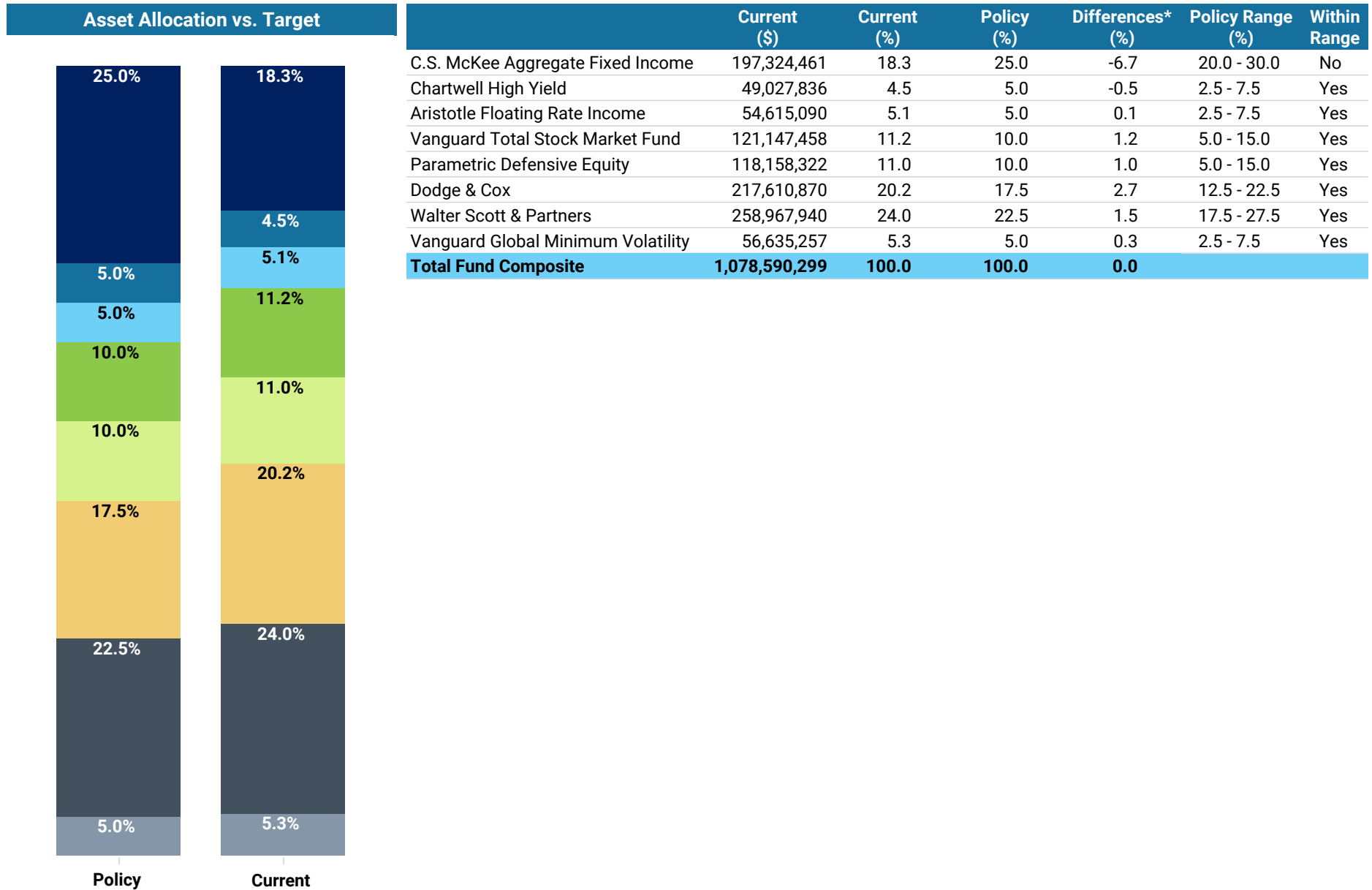


Summary of Cash Flows

	1 Month	FYTD	3 Years
Beginning Market Value	1,067,379,099	987,517,133	904,310,691
Net Cash Flow	60,683	572,970	-4,495,256
Net Investment Change	11,150,517	90,500,196	178,774,863
Ending Market Value	1,078,590,299	1,078,590,299	1,078,590,299



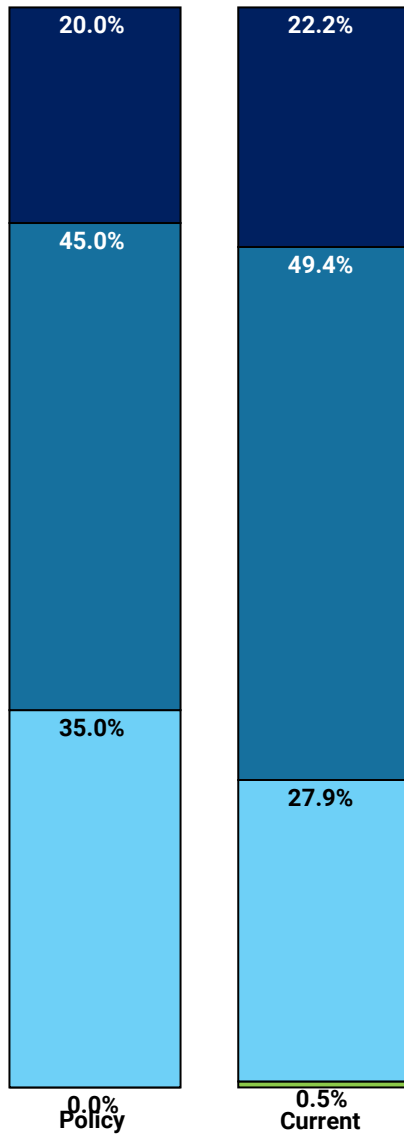
ASSET ALLOCATION VS. POLICY



*Difference between Policy and Current Allocation

ASSET ALLOCATION VS. POLICY

Asset Allocation vs. Target



	Current Balance (\$)	Policy (%)	Current Allocation (%)	Differences (%)	Policy Range (%)	Within Range
U.S. Equity	239,305,780	20.0	22.2	2.2	15.0 - 25.0	Yes
Vanguard Total Stock Market Fund	121,147,458		11.2			
Parametric Defensive Equity	118,158,322		11.0			
Global Equity	533,214,067	45.0	49.4	4.4	40.0 - 50.0	Yes
Dodge & Cox	217,610,870		20.2			
Walter Scott & Partners	258,967,940		24.0			
Vanguard Global Minimum Volatility	56,635,257		5.3			
Fixed Income	300,969,816	35.0	27.9	-7.1	30.0 - 40.0	No
C.S. McKee Aggregate Fixed Income	197,324,461		18.3			
Chartwell High Yield	49,027,836		4.5			
Aristotle Floating Rate Income	54,615,090		5.1			
Wellington LCP Legacy Portfolio	2,428		0.0			
Cash	5,100,637	0.0	0.5	0.5	0.0 - 0.0	No
Money Market	1,133,989		0.1			
Vanguard Treasury Money Market	3,966,648		0.4			
Total	1,078,590,299	100.0	100.0	0.0		

*Difference between Policy and Current Allocation



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)
Total Fund Composite	1,078,590,299	100.0	1.0	5.1	11.7	9.2	20.7	18.5	6.1	9.4	8.8
Policy Index			1.7	5.9	13.3	10.7	22.8	18.1	5.7	8.5	8.4
Fixed Income Composite	300,969,816	27.9	1.2	4.3	5.5	6.8	11.3	7.9	0.9	0.9	1.8
Custom Index			1.2	4.4	5.0	6.8	11.1	7.1	0.5	0.7	1.7
C.S. McKee Aggregate Fixed Income	197,324,461	18.3	1.5	5.5	5.4	8.6	12.3	6.9	-1.0	-1.0	0.6
Blmbg. U.S. Aggregate Index			1.3	5.2	4.4	8.0	11.6	6.0	-1.4	-1.3	0.3
Chartwell High Yield	49,027,836	4.5	0.7	2.8	5.7	4.5	10.0	8.3	3.6	3.9	3.6
ICE BofA U.S. High Yield Cash Pay BB 1-3 Year			0.9	3.0	5.9	4.5	10.1	8.8	3.9	4.6	4.3
Aristotle Floating Rate Income	54,615,090	5.1	0.7	1.6	5.8	2.7	8.9	11.0	6.3	6.4	5.1
Credit Suisse Leveraged Loan Index			0.7	2.0	6.6	3.3	9.6	11.0	6.3	6.8	5.6
Wellington LCP Legacy Portfolio	2,428	0.0									
U.S. Equity Composite	239,305,780	22.2	1.5	4.4	16.5	11.2	26.7	22.8	9.3	13.3	12.5
CRSP U.S. Total Market TR Index			2.0	6.2	20.6	14.7	35.2	27.6	10.1	15.2	15.2
Vanguard Total Stock Market Fund	121,147,458	11.2	2.0	6.2	20.6	14.7	35.2	27.6	10.1	15.2	15.2
CRSP U.S. Total Market TR Index			2.0	6.2	20.6	14.7	35.2	27.6	10.1	15.2	15.2
Parametric Defensive Equity	118,158,322	11.0	1.1	2.6	12.6	7.8	18.9	18.5	8.7	11.2	9.4
50% S&P 500/50% 90 Day T-Bill			1.3	3.6	12.8	8.6	20.2	16.6	8.0	9.6	9.4
Global Equity Composite	533,214,067	49.4	0.7	5.8	13.3	9.7	24.1	24.1	8.0	13.4	11.6
MSCI AC World Index (Net)			2.3	6.6	18.7	13.4	31.8	26.2	8.1	12.6	12.2
Dodge & Cox	217,610,870	20.2	2.1	7.7	13.4	9.9	22.2	24.3	9.9	17.8	12.8
MSCI AC World Index Value (Net)			2.1	9.4	16.2	12.1	26.9	21.8	8.5	13.8	9.0
Walter Scott & Partners	258,967,940	24.0	-0.1	4.2	12.7	9.6	25.8	25.8	6.5	10.8	11.4
MSCI World Growth (Net)			2.0	3.5	21.3	14.6	37.5	31.9	8.4	12.5	15.9
Vanguard Global Minimum Volatility	56,635,257	5.3	-0.4	6.2	15.6	9.3	23.4	16.9	8.2	9.1	5.8
MSCI AC World Minimum Volatility Index (Net)			1.0	9.8	15.4	13.2	22.9	16.1	5.8	7.8	6.1
Cash Composite	5,100,637	0.5	0.4	0.9	3.8	1.7	5.5	4.2	2.9	2.2	1.9
90 Day U.S. Treasury Bill			0.4	1.4	4.0	2.3	5.5	5.0	3.5	2.6	2.3

- All data is preliminary.
- Memorial Health Systems' Fiscal Year ends in April.
- All data prior to 5/2023 was received from Marquette Associates.
- Policy Index consist of 40% MSCI ACWI, 5% MSCI ACWI Minimum Volatility, 25% Bloomberg U.S. Aggregate, 10% CRSP US Total Market Index, 10% CBOE Put Write Index, 5% BofAML 1-3 Year High Yield BB, and 5% Credit Suisse Leveraged Loan Index.
- Custom Index consist of 71.4% Bloomberg U.S. Aggregate, 14.3% BofA Merrill Lynch 1-3 Yrs High Yield BB, and 14.3% Credit Suisse Leveraged Loan Index.



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)				
	Market Value (\$)	% of Portfolio	2023	2022	2021	2020	2019
Total Fund Composite	1,078,590,299	100.0	16.3	-11.9	13.4	11.0	19.5
<i>Policy Index</i>			15.7	-13.9	12.6	11.7	19.6
Fixed Income Composite	300,969,816	27.9	7.5	-9.5	-0.2	6.3	8.6
<i>Custom Index</i>			7.1	-10.0	0.1	6.7	8.7
C.S. McKee Aggregate Fixed Income	197,324,461	18.3	5.9	-12.9	-1.8	7.6	8.9
<i>Blmbg. U.S. Aggregate Index</i>			5.5	-13.0	-1.5	7.5	8.7
Chartwell High Yield	49,027,836	4.5	8.1	-3.0	2.3	4.2	7.0
<i>ICE BofA U.S. High Yield Cash Pay BB 1-3 Year</i>			8.9	-3.1	3.2	5.4	8.7
Aristotle Floating Rate Income	54,615,090	5.1	13.4	-0.8	4.6	1.6	8.3
<i>Credit Suisse Leveraged Loan Index</i>			13.0	-1.1	5.4	2.8	8.2
Wellington LCP Legacy Portfolio	2,428	0.0					
U.S. Equity Composite	239,305,780	22.2	21.0	-13.8	21.8	13.6	23.5
<i>CRSP U.S. Total Market TR Index</i>			26.0	-19.5	25.7	21.0	30.8
Vanguard Total Stock Market Fund	121,147,458	11.2	26.0	-19.5	25.7	21.0	30.7
<i>CRSP U.S. Total Market TR Index</i>			26.0	-19.5	25.7	21.0	30.8
Parametric Defensive Equity	118,158,322	11.0	16.9	-7.7	17.2	5.0	16.0
<i>50% S&P 500/50% 90 Day T-Bill</i>			15.5	-8.2	13.7	10.1	16.3
Global Equity Composite	533,214,067	49.4	20.2	-12.8	19.0	12.4	27.1
<i>MSCI AC World Index (Net)</i>			22.2	-18.4	18.5	16.3	26.6
Dodge & Cox	217,610,870	20.2	20.3	-5.8	20.8	6.0	23.8
<i>MSCI AC World Index Value (Net)</i>			11.8	-7.5	19.6	-0.3	20.6
Walter Scott & Partners	258,967,940	24.0	23.1	-19.6	18.7	18.9	30.5
<i>MSCI World Growth (Net)</i>			37.0	-29.2	21.2	33.8	33.7
Vanguard Global Minimum Volatility	56,635,257	5.3	8.0	-4.5	12.0	-3.9	22.7
<i>MSCI AC World Minimum Volatility Index (Net)</i>			7.7	-10.3	13.9	2.7	21.1
Cash Composite	5,100,637	0.5	4.2	0.7	0.0	0.4	2.0
<i>90 Day U.S. Treasury Bill</i>			5.0	1.5	0.0	0.7	2.3

- All data is preliminary.
- Memorial Health Systems' Fiscal Year ends in April.
- All data prior to 5/2023 was received from Marquette Associates.
- Policy Index consist of 40% MSCI ACWI, 5% MSCI ACWI Minimum Volatility, 25% Bloomberg U.S. Aggregate, 10% CRSP US Total Market Index, 10% CBOE Put Write Index, 5% BofAML 1-3 Year High Yield BB, and 5% Credit Suisse Leveraged Loan Index.
- Custom Index consist of 71.4% Bloomberg U.S. Aggregate, 14.3% BofA Merrill Lynch 1-3 Yrs High Yield BB, and 14.3% Credit Suisse Leveraged Loan Index.



CASH FLOW SUMMARY BY MANAGER

	1 Month Ending September 30, 2024					
	Beginning Market Value	Contributions	Withdrawals	Net Cash Flows	Gain/Loss	Ending Market Value
C.S. McKee Aggregate Fixed Income	\$194,497,445	-	-	-	\$2,827,016	\$197,324,461
Chartwell High Yield	\$48,676,778	-	-	-	\$351,058	\$49,027,836
Aristotle Floating Rate Income	\$54,229,053	-	-\$8,893	-\$8,893	\$394,929	\$54,615,090
Wellington LCP Legacy Portfolio	\$2,350	-	-	-	\$78	\$2,428
Vanguard Total Stock Market Fund	\$119,102,378	-	-\$372,521	-\$372,521	\$2,417,601	\$121,147,458
Parametric Defensive Equity	\$116,921,513	-	-	-	\$1,236,809	\$118,158,322
Dodge & Cox	\$213,109,463	-	-	-	\$4,501,407	\$217,610,870
Walter Scott & Partners	\$259,343,224	-	-	-	-\$375,284	\$258,967,940
Vanguard Global Minimum Volatility	\$56,843,987	-	-	-	-\$208,729	\$56,635,257
Money Market	\$719,835	\$420,664	-\$9,640	\$411,024	\$3,130	\$1,133,989
Vanguard Treasury Money Market	\$3,933,073	\$3,932,190	-\$3,901,118	\$31,073	\$2,502	\$3,966,648
Total	\$1,067,379,099	\$4,352,854	-\$4,292,171	\$60,683	\$11,150,517	\$1,078,590,299

MEMORIAL HEALTHCARE SYSTEM DEFINED CONTRIBUTION PLANS

September 30, 2024



ASSET ALLOCATION VS. POLICY

Current Allocation		Current (\$)	Current (%)
<p>62.5%</p> <p>0.3%</p> <p>1.7%</p> <p>0.6%</p> <p>7.8%</p> <p>5.7%</p> <p>2.7%</p> <p>1.2%</p> <p>2.1%</p> <p>2.3%</p> <p>1.0%</p> <p>Current</p>	JPMorgan Target Date Funds	1,076,011,857	62.5
	Transamerica Stable Value	1,657,498	0.1
	Transamerica Guaranteed Investment Option	142,909,439	8.3
	Dodge & Cox Income X (DOXIX)	28,403,524	1.7
	Fidelity US Bond Index (FXNAX)	9,585,902	0.6
	Fidelity Inflation Protected Bond Index (FIPDX)	18,453,682	1.1
	American Beacon Large Cap Value Fund (AALRX)	28,116,691	1.6
	Fidelity Spartan 500 Index (FXAIX)	133,458,121	7.8
	Fidelity Large Cap Growth Index (FSPGX)	98,209,054	5.7
	Fidelity Extended Market Index (FSMAX)	46,663,927	2.7
	Dimensional US Targeted Value Strategy (DFFVX)	20,450,622	1.2
	T. Rowe Price New Horizons (PRJIX)	36,706,326	2.1
	Vanguard International-Growth (VWILX)	40,318,050	2.3
	Fidelity Global ex US Index (FSGGX)	16,423,271	1.0
	Charles Schwab Personal Choice	23,052,279	1.3
	Total Fund Composite	1,720,420,244	100.0

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	1,432,258,124	100.0
JP Morgan Target Date Funds	884,610,229	61.8
JPMorgan SmartRetirement Blend Income (JIYBX)	42,138,835	2.9
JPMorgan SmartRetirement Blend 2020 (JSYRX)	66,173,609	4.6
JPMorgan SmartRetirement Blend 2025 (JBYSX)	139,024,457	9.7
JPMorgan SmartRetirement Blend 2030 (JRBYX)	152,281,030	10.6
JPMorgan SmartRetirement Blend 2035 (JPYRX)	133,145,074	9.3
JPMorgan SmartRetirement Blend 2040 (JOBYX)	104,824,526	7.3
JPMorgan SmartRetirement Blend 2045 (JMYAX)	92,299,076	6.4
JPMorgan SmartRetirement Blend 2050 (JNYAX)	82,806,867	5.8
JPMorgan SmartRetirement Blend 2055 (JTYBX)	44,446,956	3.1
JPMorgan SmartRetirement Blend 2060 (JAAYX)	23,860,533	1.7
JPMorgan SmartRetirement Blend 2065 (JSBYX)	3,609,266	0.3
Core Funds	528,647,421	36.9
Transamerica Stable Value	941,189	0.1
Transamerica Guaranteed Investment Option	131,040,831	9.1
Dodge & Cox Income X (DOXIX)	23,776,303	1.7
Fidelity US Bond Index (FXNAX)	8,767,028	0.6
Fidelity Inflation Protected Bond Index (FIPDX)	15,655,268	1.1
American Beacon Large Cap Value Fund (AALRX)	24,800,913	1.7
Fidelity Spartan 500 Index (FXAIX)	109,218,868	7.6
Fidelity Large Cap Growth Index (FSPGX)	78,791,675	5.5
Fidelity Extended Market Index (FSMAX)	39,208,772	2.7
Dimensional US Targeted Value Strategy (DFFVX)	17,316,245	1.2
T. Rowe Price New Horizons (PRJIX)	30,640,905	2.1
Vanguard International-Growth (VWILX)	33,734,807	2.4
Fidelity Global ex US Index (FSGGX)	14,754,616	1.0
Brokerage	19,000,474	1.3
Charles Schwab Personal Choice	19,000,474	1.3

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	111,511,552	100.0
JPMorgan Target Date Funds	93,388,645	83.7
JPMorgan SmartRetirement Blend Income (JIYBX)	1,189,251	1.1
JPMorgan SmartRetirement Blend 2020 (JSYRX)	2,533,500	2.3
JPMorgan SmartRetirement Blend 2025 (JBYSX)	6,557,729	5.9
JPMorgan SmartRetirement Blend 2030 (JRBYX)	8,944,171	8.0
JPMorgan SmartRetirement Blend 2035 (JPYRX)	11,866,051	10.6
JPMorgan SmartRetirement Blend 2040 (JOBYX)	12,281,258	11.0
JPMorgan SmartRetirement Blend 2045 (JMYAX)	15,230,755	13.7
JPMorgan SmartRetirement Blend 2050 (JNYAX)	16,372,460	14.7
JPMorgan SmartRetirement Blend 2055 (JTYBX)	12,028,467	10.8
JPMorgan SmartRetirement Blend 2060 (JAAYX)	5,622,586	5.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)	762,418	0.7
Core Funds	18,014,010	16.2
Transamerica Stable Value	625,881	0.6
Transamerica Guaranteed Investment Option	1,283,354	1.2
Dodge & Cox Income X (DOXIX)	287,423	0.3
Fidelity US Bond Index (FXNAX)	697,840	0.6
Fidelity Inflation Protected Bond Index (FIPDX)	589,800	0.5
American Beacon Large Cap Value Fund (AALRX)	1,002,845	0.9
Fidelity Spartan 500 Index (FXAIX)	4,431,011	4.0
Fidelity Large Cap Growth Index (FSPGX)	3,508,838	3.1
Fidelity Extended Market Index (FSMAX)	1,224,152	1.1
Dimensional US Targeted Value Strategy (DFFVX)	899,402	0.8
T. Rowe Price New Horizons (PRJIX)	843,419	0.8
Vanguard International-Growth (VWILX)	1,062,842	1.0
Fidelity Global ex US Index (FSGGX)	1,557,202	1.4
Brokerage	108,897	0.1
Charles Schwab Personal Choice	108,897	0.1

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	150,358,551	100.0
JPMorgan Target Date Funds	75,083,089	49.9
JPMorgan SmartRetirement Blend Income (JIYBX)	4,143,084	2.8
JPMorgan SmartRetirement Blend 2020 (JSYRX)	5,578,389	3.7
JPMorgan SmartRetirement Blend 2025 (JBYSX)	12,554,524	8.3
JPMorgan SmartRetirement Blend 2030 (JRBYX)	13,059,273	8.7
JPMorgan SmartRetirement Blend 2035 (JPYRX)	11,704,327	7.8
JPMorgan SmartRetirement Blend 2040 (JOBYX)	9,071,135	6.0
JPMorgan SmartRetirement Blend 2045 (JMYAX)	9,062,077	6.0
JPMorgan SmartRetirement Blend 2050 (JNYAX)	6,853,279	4.6
JPMorgan SmartRetirement Blend 2055 (JTYBX)	2,127,198	1.4
JPMorgan SmartRetirement Blend 2060 (JAAYX)	884,123	0.6
JPMorgan SmartRetirement Blend 2065 (JSBYX)	45,680	0.0
Core Funds	71,332,554	47.4
Transamerica Stable Value	2,278	0.0
Transamerica Guaranteed Investment Option	10,298,580	6.8
Dodge & Cox Income X (DOXIX) - 457(b) Retirement Plan	4,227,564	2.8
Fidelity US Bond Index (FXNAX) - 457(b) Plan	121,034	0.1
Fidelity Inflation Protected Bond Index (FIPDX)	1,838,444	1.2
American Beacon Large Cap Value Fund (AALRX)	2,239,633	1.5
Fidelity Spartan 500 Index (FXAIX)	18,724,609	12.5
Fidelity Large Cap Growth Index (FSPGX)	14,976,309	10.0
Fidelity Extended Market Index (FSMAX)	6,111,837	4.1
Dimensional US Targeted Value Strategy (DFFVX)	2,234,975	1.5
T. Rowe Price New Horizons (PRJIX)	4,996,000	3.3
Vanguard International-Growth (VWILX)	5,449,838	3.6
Fidelity Global ex US Index (FSGGX)	111,453	0.1
Brokerage	3,942,908	2.6
Charles Schwab Personal Choice	3,942,908	2.6

MULTI PERIOD ASSET ALLOCATION

	<i>Total Fund</i>	
	\$	%
Total Fund Composite	26,292,017	100.0
JPMorgan Target Date Funds	22,929,894	87.2
JPMorgan SmartRetirement Blend Income (JIYBX)	1,420,148	5.4
JPMorgan SmartRetirement Blend 2020 (JSYRX)	225,204	0.9
JPMorgan SmartRetirement Blend 2025 (JBYSX)	7,212,670	27.4
JPMorgan SmartRetirement Blend 2030 (JRBYX)	6,694,229	25.5
JPMorgan SmartRetirement Blend 2035 (JPYRX)	4,537,606	17.3
JPMorgan SmartRetirement Blend 2040 (JOBYX)	2,375,628	9.0
JPMorgan SmartRetirement Blend 2045 (JMYAX)	419,696	1.6
JPMorgan SmartRetirement Blend 2050 (JNYAX)	44,714	0.2
JPMorgan SmartRetirement Blend 2055 (JTYBX)		0.0
JPMorgan SmartRetirement Blend 2060 (JAAYX)		0.0
JPMorgan SmartRetirement Blend 2065 (JSBYX)		0.0
Core Funds	3,362,124	12.8
Transamerica Stable Value	88,149	0.3
Transamerica Guaranteed Investment Option	286,674	1.1
Dodge & Cox Income X (DOXIX)	112,234	0.4
Fidelity US Bond Index (FXNAX)		0.0
Fidelity Inflation Protected Bond Index (FIPDX)	370,170	1.4
American Beacon Large Cap Value Fund (AALRX)	73,299	0.3
Fidelity Spartan 500 Index (FXAIX)	1,083,633	4.1
Fidelity Large Cap Growth Index (FSPGX)	932,232	3.5
Fidelity Extended Market Index (FSMAX)	119,166	0.5
Dimensional US Targeted Value Strategy (DFFVX)		0.0
T. Rowe Price New Horizons (PRJIX)	226,002	0.9
Vanguard International-Growth (VWILX)	70,563	0.3
Fidelity Global ex US Index (FSGGX)		0.0
Brokerage		0.0
Charles Schwab Personal Choice		0.0

PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Total Fund Composite	1,720,420,244	100.0								
JPMorgan Target Date Funds	1,076,011,857	62.5								
JPMorgan SmartRetirement Blend Income (JIYBX)	48,891,317	2.8	1.7	5.7	10.5	19.2	3.0	5.0	4.9	4.9
<i>S&P Target Date Retirement Income Index</i>			1.5	5.2	8.8	16.9	2.8	4.7	4.7	4.5
JPMorgan SmartRetirement Blend 2020 (JSYRX)	74,510,703	4.3	1.7	5.7	10.5	19.2	3.0	5.2	5.2	5.4
<i>S&P Target Date 2020 Index</i>			1.6	5.4	10.2	19.0	3.7	6.2	5.9	5.9
JPMorgan SmartRetirement Blend 2025 (JBYSX)	165,349,380	9.6	1.7	5.9	11.1	20.7	3.4	6.2	5.9	6.2
<i>S&P Target Date 2025 Index</i>			1.7	5.6	10.7	19.8	4.1	7.0	6.5	6.6
JPMorgan SmartRetirement Blend 2030 (JRBYX)	180,978,703	10.5	1.8	6.2	12.6	23.2	4.4	7.5	6.9	7.0
<i>S&P Target Date 2030 Index</i>			1.8	6.0	12.1	22.2	5.0	8.1	7.4	7.3
JPMorgan SmartRetirement Blend 2035 (JPYRX)	161,253,058	9.4	1.9	6.4	14.1	25.5	5.4	8.7	7.8	7.8
<i>S&P Target Date 2035 Index</i>			1.9	6.3	13.6	24.6	5.8	9.2	8.2	8.0
JPMorgan SmartRetirement Blend 2040 (JOBYX)	128,552,546	7.5	1.9	6.5	15.2	27.2	6.2	9.7	8.5	8.4
<i>S&P Target Date 2040 Index</i>			1.9	6.5	14.9	26.6	6.6	10.2	8.9	8.6
JPMorgan SmartRetirement Blend 2045 (JMYAX)	117,011,603	6.8	2.0	6.6	16.1	28.6	6.8	10.4	9.0	8.8
<i>S&P Target Date 2045 Index</i>			2.0	6.7	15.8	27.9	7.2	10.8	9.3	9.0
JPMorgan SmartRetirement Blend 2050 (JNYAX)	106,077,320	6.2	2.1	6.7	16.5	29.3	7.0	10.6	9.1	8.9
<i>S&P Target Date 2050 Index</i>			2.1	6.7	16.2	28.7	7.4	11.1	9.5	9.2
JPMorgan SmartRetirement Blend 2055 (JTYBX)	58,602,621	3.4	2.0	6.6	16.6	29.3	7.0	10.5	9.1	8.9
<i>S&P Target Date 2055 Index</i>			2.1	6.8	16.4	28.8	7.5	11.1	9.6	9.3
JPMorgan SmartRetirement Blend 2060 (JAAYX)	30,367,242	1.8	2.1	6.6	16.6	29.3	7.1			
<i>S&P Target Date 2060 Index</i>			2.1	6.9	16.4	28.9	7.5			
JPMorgan SmartRetirement Blend 2065 (JSBYX)	4,417,364	0.3	1.9	6.6	16.6	28.9				
<i>S&P Target Date 2065+ Index</i>			2.1	6.8	16.7	29.3				

PERFORMANCE DETAIL

	Allocation		Performance (%)							
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	7 Yrs (%)	10 Yrs (%)
Core Funds	604,932,837	35.2								
Transamerica Stable Value	1,657,498	0.1	0.2	0.6	1.9	2.6	2.1	1.7	1.6	1.4
<i>90 Day U.S. Treasury Bill</i>			0.4	1.4	4.0	5.5	3.5	2.3	2.2	1.6
Transamerica Guaranteed Investment Option	142,909,439	8.3	0.2	0.6	1.9	2.6	2.4	2.2	2.0	1.7
<i>90 Day U.S. Treasury Bill</i>			0.4	1.4	4.0	5.5	3.5	2.3	2.2	1.6
Dodge & Cox Income X (DOXIX)	28,403,524	1.7	1.4	5.6	5.8	13.6	0.4	2.2	2.8	2.9
<i>Blmbg. U.S. Aggregate Index</i>			1.3	5.2	4.4	11.6	-1.4	0.3	1.5	1.8
Fidelity US Bond Index (FXNAX)	9,585,902	0.6	1.4	5.2	4.6	11.5	-1.4	0.3	1.5	1.8
<i>Blmbg. U.S. Aggregate Index</i>			1.3	5.2	4.4	11.6	-1.4	0.3	1.5	1.8
Fidelity Inflation Protected Bond Index (FIPDX)	18,453,682	1.1	1.4	4.0	5.0	9.8	-0.6	2.5	2.9	2.5
<i>Blmbg. U.S. TIPS</i>			1.5	4.1	4.9	9.8	-0.6	2.6	2.9	2.5
American Beacon Large Cap Value Fund (AALRX)	28,116,691	1.6	0.8	8.0	16.9	28.9	10.6	12.5	10.4	9.6
<i>Russell 1000 Value Index</i>			1.4	9.4	16.7	27.8	9.0	10.7	9.5	9.2
Fidelity Spartan 500 Index (FXAIX)	133,458,121	7.8	2.1	5.9	22.1	36.3	11.9	16.0	14.5	13.4
<i>S&P 500 Index</i>			2.1	5.9	22.1	36.4	11.9	16.0	14.5	13.4
Fidelity Large Cap Growth Index (FSPGX)	98,209,054	5.7	2.8	3.1	24.5	42.2	12.0	19.7	18.2	
<i>Russell 1000 Growth Index</i>			2.8	3.2	24.6	42.2	12.0	19.7	18.2	
Fidelity Extended Market Index (FSMAX)	46,663,927	2.7	1.5	8.1	11.7	28.6	1.2	10.8	9.3	9.6
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>			1.5	8.1	11.6	28.2	1.0	10.6	9.1	9.5
Dimensional US Targeted Value Strategy (DFFVX)	20,450,622	1.2	0.2	7.8	8.3	23.9	9.7	14.0	9.6	9.5
<i>Russell 2000 Value Index</i>			0.1	10.2	9.2	25.9	3.8	9.3	6.6	8.2
T. Rowe Price New Horizons (PRJIX)	36,706,326	2.1	1.5	6.6	3.5	13.6	-8.6	8.4	10.9	12.1
<i>Russell 2000 Growth Index</i>			1.3	8.4	13.2	27.7	-0.4	8.8	7.6	8.9
Vanguard International-Growth (VWILX)	40,318,050	2.3	3.5	7.4	15.8	28.9	-3.6	10.8	8.3	9.0
<i>MSCI AC World ex USA (Net)</i>			2.7	8.1	14.2	25.4	4.1	7.6	5.4	5.2
Fidelity Global ex US Index (FSGGX)	16,423,271	1.0	2.4	7.7	13.9	25.3	4.3	7.6	5.4	5.2
<i>MSCI AC World ex USA (Net)</i>			2.7	8.1	14.2	25.4	4.1	7.6	5.4	5.2
Brokerage	23,052,279	1.3								
Charles Schwab Personal Choice	23,052,279	1.3								

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

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

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

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



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Fund Composite	1,720,420,244										
JPMorgan SmartRetirement Blend Income (JIYBX)	48,891,317		11.8	-13.7	6.3	9.6	14.1	-3.8	10.7	5.8	-0.7
<i>S&P Target Date Retirement Income Index</i>			10.3	-11.2	5.1	8.8	13.3	-2.5	8.5	5.0	-0.2
JPMorgan SmartRetirement Blend 2020 (JSYRX)	74,510,703		12.0	-13.7	6.4	10.1	15.5	-4.5	13.4	6.8	-0.7
<i>S&P Target Date 2020 Index</i>			12.3	-12.8	8.8	10.2	16.5	-4.2	12.8	7.2	-0.2
JPMorgan SmartRetirement Blend 2025 (JBYSX)	165,349,380		13.4	-15.2	9.1	11.3	18.3	-5.7	15.6	7.2	-0.7
<i>S&P Target Date 2025 Index</i>			13.0	-13.1	10.7	11.2	18.4	-5.0	14.6	7.8	-0.3
JPMorgan SmartRetirement Blend 2030 (JRBYX)	180,978,703		15.3	-16.1	11.3	12.2	20.4	-6.6	17.4	7.9	-0.8
<i>S&P Target Date 2030 Index</i>			14.8	-14.0	12.6	11.9	20.4	-6.0	16.2	8.3	-0.3
JPMorgan SmartRetirement Blend 2035 (JPYRX)	161,253,058		17.1	-16.7	14.1	12.6	22.3	-7.4	18.9	8.3	-1.0
<i>S&P Target Date 2035 Index</i>			16.6	-15.0	14.9	12.8	22.2	-6.9	17.8	8.9	-0.3
JPMorgan SmartRetirement Blend 2040 (JOBYSX)	128,552,546		18.4	-17.2	15.9	13.0	23.8	-8.0	20.3	8.8	-1.1
<i>S&P Target Date 2040 Index</i>			18.2	-15.6	16.5	13.4	23.4	-7.4	18.9	9.2	-0.4
JPMorgan SmartRetirement Blend 2045 (JMYAX)	117,011,603		19.5	-17.6	17.7	13.1	24.6	-8.3	20.5	8.8	-1.0
<i>S&P Target Date 2045 Index</i>			19.1	-15.8	17.5	13.7	24.0	-7.7	19.6	9.5	-0.5
JPMorgan SmartRetirement Blend 2050 (JNYAX)	106,077,320		19.8	-17.6	17.8	13.4	24.6	-8.3	20.5	8.8	-1.1
<i>S&P Target Date 2050 Index</i>			19.6	-16.0	18.0	13.9	24.4	-7.9	20.2	9.7	-0.5
JPMorgan SmartRetirement Blend 2055 (JTYBX)	58,602,621		19.7	-17.6	17.8	13.2	24.7	-8.4	20.4	8.8	-1.0
<i>S&P Target Date 2055 Index</i>			19.6	-16.0	18.2	13.9	24.5	-8.0	20.5	9.9	-0.5
JPMorgan SmartRetirement Blend 2060 (JAAYX)	30,367,242		19.7	-17.4	17.8						
<i>S&P Target Date 2060 Index</i>			19.7	-16.0	18.0						
JPMorgan SmartRetirement Blend 2065 (JSBYX)	4,417,364		19.1								
<i>S&P Target Date 2065+ Index</i>			19.8								
Transamerica Stable Value	1,657,498		2.5	1.6	1.0	1.2	1.8	1.3	1.0	1.0	1.0
<i>90 Day U.S. Treasury Bill</i>			5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3	0.0
Transamerica Guaranteed Investment Option	142,909,439		2.5	2.2	2.3	1.6	1.8	1.3	1.0	1.0	1.0
<i>90 Day U.S. Treasury Bill</i>			5.0	1.5	0.0	0.7	2.3	1.9	0.9	0.3	0.0



TOTAL FUND PERFORMANCE DETAIL

	Allocation		Performance (%)								
	Market Value (\$)	% of Portfolio	2023	2022	2021	2020	2019	2018	2017	2016	2015
Dodge & Cox Income X (DOXIX)	28,403,524		7.8	-10.8	-0.9	9.5	9.7	-0.3	4.4	5.6	-0.6
<i>Blmbg. U.S. Aggregate Index</i>			5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5
Fidelity US Bond Index (FXNAX)	9,585,902		5.5	-13.0	-1.8	7.8	8.5	0.0	3.5	2.5	0.6
<i>Blmbg. U.S. Aggregate Index</i>			5.5	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5
Fidelity Inflation Protected Bond Index (FIPDX)	18,453,682		3.8	-12.0	5.9	10.9	8.3	-1.4	3.0	4.9	-1.7
<i>Blmbg. U.S. TIPS</i>			3.9	-11.8	6.0	11.0	8.4	-1.3	3.0	4.7	-1.4
American Beacon Large Cap Value Fund (AALRX)	28,116,691		13.5	-5.2	28.0	3.4	29.7	-12.0	17.1	16.0	-6.1
<i>Russell 1000 Value Index</i>			11.5	-7.5	25.2	2.8	26.5	-8.3	13.7	17.3	-3.8
Fidelity Spartan 500 Index (FXAIX)	133,458,121		26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4
<i>S&P 500 Index</i>			26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4
Fidelity Large Cap Growth Index (FSPGX)	98,209,054		42.8	-29.2	27.6	38.4	36.4	-1.6	30.1		
<i>Russell 1000 Growth Index</i>			42.7	-29.1	27.6	38.5	36.4	-1.5	30.2		
Fidelity Extended Market Index (FSMAX)	46,663,927		25.4	-26.4	12.4	32.2	28.0	-9.4	18.2	16.1	-3.3
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>			25.0	-26.5	12.4	32.2	27.9	-9.6	18.1	15.7	-3.4
Dimensional US Targeted Value Strategy (DFFVX)	20,450,622		19.3	-4.6	38.8	3.8	21.5	-15.8	9.6	26.9	-5.7
<i>Russell 2000 Value Index</i>			14.6	-14.5	28.3	4.6	22.4	-12.9	7.8	31.7	-7.5
T. Rowe Price New Horizons (PRJIX)	36,706,326		21.5	-36.9	9.8	57.9	37.8	4.2	31.7	7.9	4.5
<i>Russell 2000 Growth Index</i>			18.7	-26.4	2.8	34.6	28.5	-9.3	22.2	11.3	-1.4
Vanguard International-Growth (VWILX)	40,318,050		14.8	-30.8	-0.7	59.7	31.5	-12.6	43.2	1.8	-0.5
<i>MSCI AC World ex USA (Net)</i>			15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7
Fidelity Global ex US Index (FSGGX)	16,423,271		15.6	-15.7	7.8	10.7	21.3	-13.9	27.4	4.6	-5.6
<i>MSCI AC World ex USA (Net)</i>			15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7
Charles Schwab Personal Choice	23,052,279										

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





INVESTMENT TOPICS



PROPRIETARY & CONFIDENTIAL

ENTERPRISE RISK ANALYSIS AND ASSET ALLOCATION

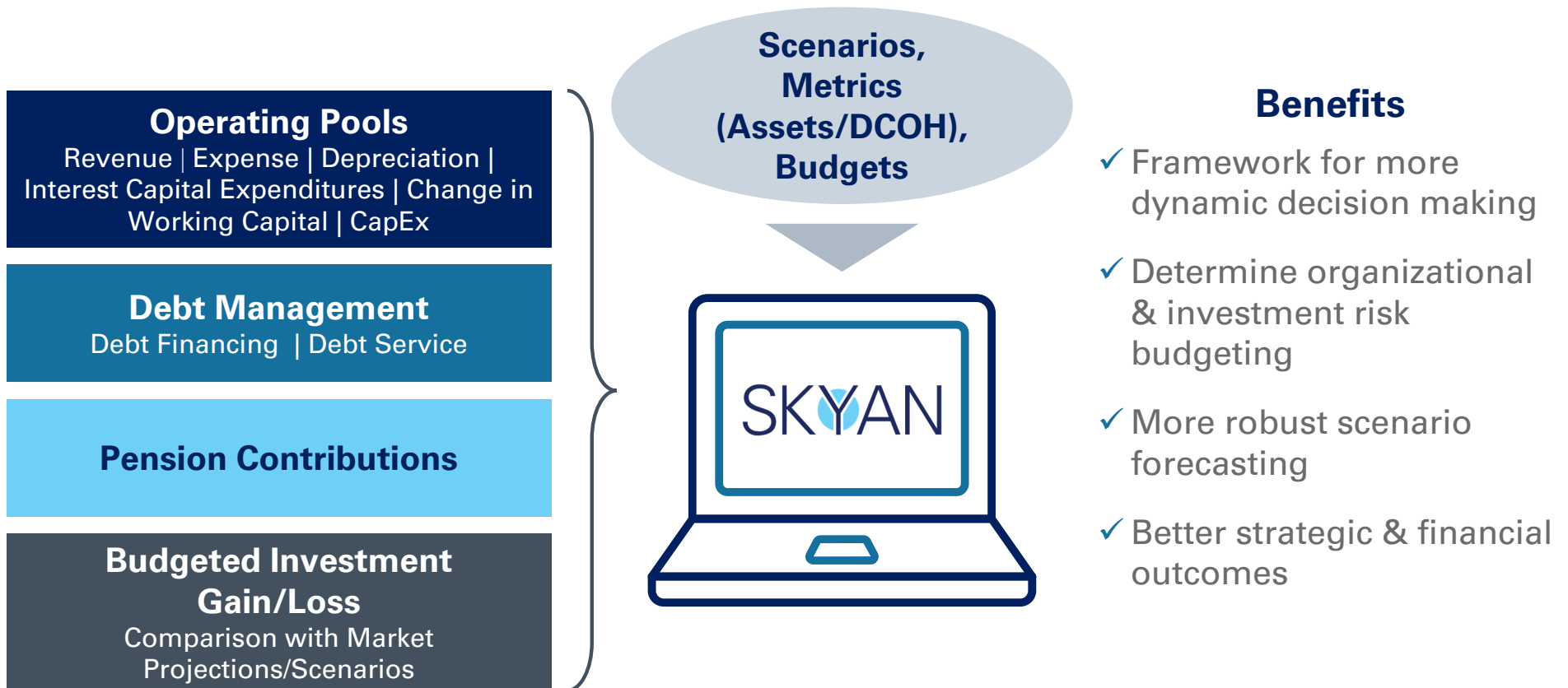


PROPRIETARY & CONFIDENTIAL

ENTERPRISE RISK MANAGEMENT TOOLS

NEPC'S SKYAN – OVERVIEW

Online NEPC ERM application allowing you to integrate organizational risks (operations, debt, pension contributions) when considering how much risk to take in your investment program



SCENARIO ANALYSIS: REGIME DEFINITIONS

- **NEPC scenario analysis highlights the impact of shifting economic and market regimes on the portfolio and potential asset allocation mixes**
 - Asset returns are informed by changes in real growth, inflation, and credit spreads experienced across market regimes
 - Scenario returns are sensitive to current market pricing

Expansion

A high growth—low inflation regime with declining interest rates and declining inflation. Equity valuations expand, earnings growth above expectations, and tightening credit spreads,

Stagflation

A low growth—high inflation regime with rising interest rates and rising inflation. Equity valuations contract, negative real earnings growth, and widening credit spreads

Depression

A negative growth—deflation regime with negative interest rates and deflation. All-time low equity valuations, negative earnings growth, and all-time high credit spreads

Recession

A low growth—low inflation regime with declining interest rates and declining inflation. Equity valuations contract, earnings growth below expectations, and widening credit spreads

Overextension

A high growth—high inflation regime with rising interest rates and rising inflation. Equity valuations contract, negative real earnings growth, and tightening credit spreads

ERM ANALYSIS OVERVIEW

- **Memorial Healthcare's Operating portfolio currently has an allocation which is forecasted to have a more conservative risk profile than the average Healthcare Operating fund**
 - Memorial Operating Standard Deviation: 4.6%
 - InvMetrics Healthcare Operating Funds >\$500mm (Net) Standard Deviation: 11.1%
- **Given the results of the ERM analysis, it does appear that the portfolio could take on additional, measured risk**
 - As the analysis will show, implementing the changes to achieve Phase II has the ability to increase the overall risk/return of the portfolio, while still maintaining a conservative approach
 - We also modeled a mix with private markets, and it does show that we can potentially add to the overall risk/return profile of the portfolio
 - Under either allocation (Phase II and Phase IV), Memorial's overall risk profile is forecasted to be lower than peers as demonstrated on the following page

ASSET ALLOCATION ROADMAP

	Current Policy	Phase II	Broward Health Policy	Phase IV	Average HC Operating Universe > \$500M
Cash	15%	15%	0%	15%	-
Total Cash	15%	15%	0%	15%	5%
Global Equity	0%	25%	36%	25%	-
Defensive Equity	10%	0%	0%	0%	-
Global Low Volatility	10%	0%	0%	0%	-
Total Equity	20%	25%	36%	25%	48%
US Corporate Bond	0%	5%	0%	5%	-
US Opportunistic	20%	15%	20%	10%	-
High Quality High Yield Corporate	0%	5%	0%	5%	-
Global Multi-Sector Fixed Income	0%	5%	10%	5%	-
Short Term Pool	10%	10%	0%	10%	-
Intermediate Pool	35%	20%	0%	15%	-
Total Fixed Income	65%	60%	30%	50%	35%
Core Real Estate	0%	0%	12%	0%	-
Infrastructure	0%	0%	5%	0%	-
Total Real Assets	0%	0%	17%	0%	0%
Hedge Fund	0%	0%	10%	0%	-
Private Equity	0%	0%	8%	5%	-
Private Debt	0%	0%	0%	5%	-
Total Multi Asset	0%	0%	18%	10%	12%
Asset Duration	3.1	2.8	1.7	2.3	2.1
Liability Duration	9.4	9.4	9.4	9.4	9.4
Interest Rate Hedge Ratio	33%	30%	18%	24%	23%

Expected Return 10 yrs	5.1%	5.3%	6.1%	5.7%	5.6%
Expected Return 30 yrs	5.3%	5.9%	7.1%	6.4%	6.7%
Standard Dev	4.6%	6.4%	11.5%	7.7%	11.1%
Sharpe Ratio (10 years)	0.21	0.19	0.17	0.21	0.13
Sharpe Ratio (30 years)	0.40	0.37	0.31	0.38	0.29

Phase II Completion Mix

- Phase II increases risk by expanding the equity profile from 20% to 25% and introduces US Corporate bonds and Higher Quality High Yield Fixed Income
- US Aggregate bonds, Intermediate Treasuries and Intermediate Corporate allocations are reduced to allow for a more diversified fixed income approach

Phase IV

- Illustrative allocation to demonstrate the increase in return potential and further diversifies assets

Average HC Operating Universe

- The final column shows the breakdown of the average asset allocation for the InvMetrics Healthcare Operating Funds >\$500mm Net universe, and the resulting metrics using NEPC's asset class assumptions

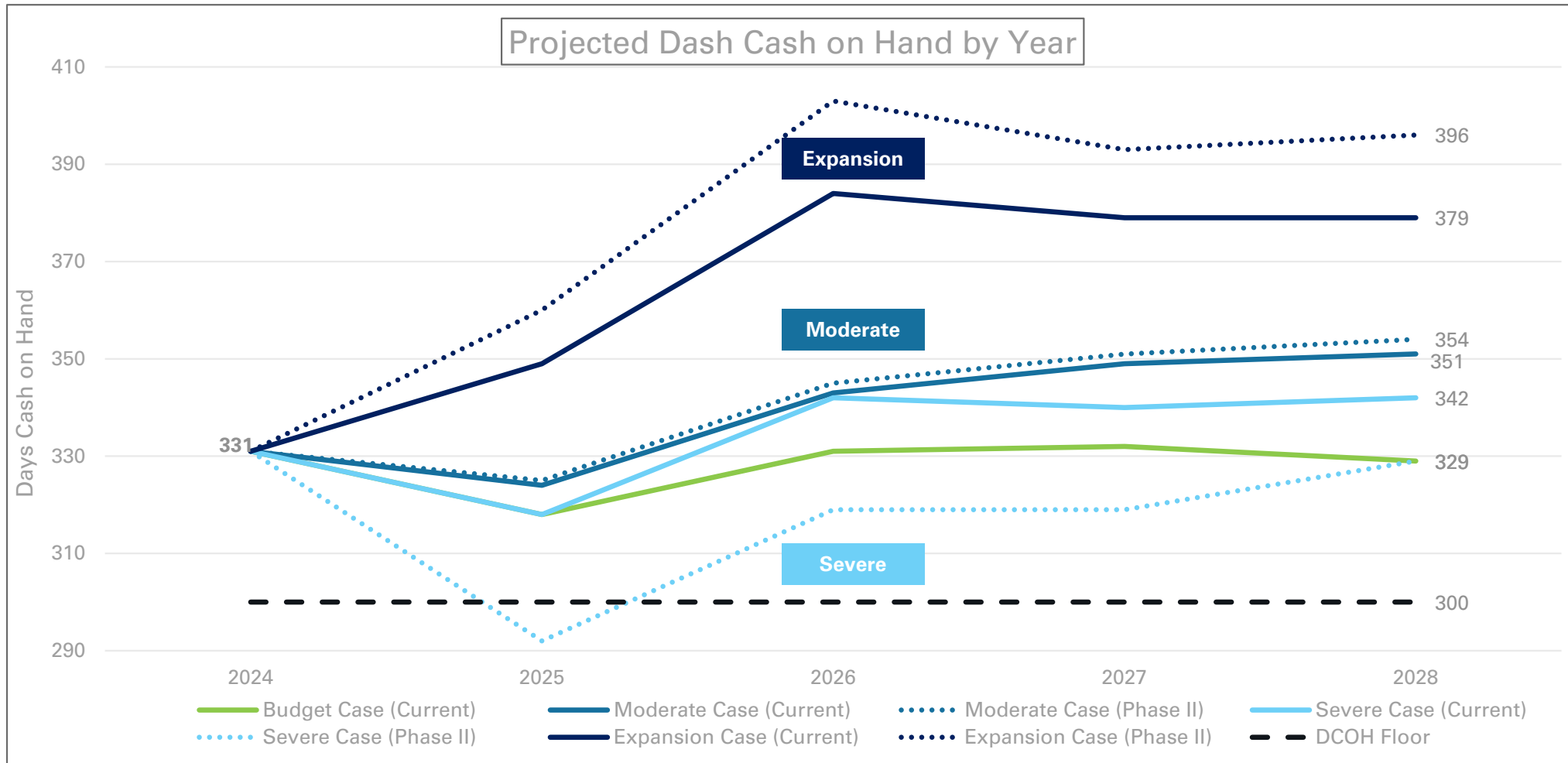


The Average HC Operating Universe > \$500M Total Alternatives is comprised of 50% Private Equity and 50% Hedge Funds
Broward Health Policy allocation was provided to NEPC by Staff and is available publicly on the Broward Health website

OVERVIEW OF SCENARIOS

FIVE-YEAR PROJECTIONS – DAYS CASH ON HAND AT YEAR-END

NEPC modeled Phase II and Phase IV to show how a shift from the current asset allocation impacts the projected DCOH in each ERM scenario



FIXED INCOME MANAGER GUIDELINE ADJUSTMENTS



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OVERVIEW OF FIXED INCOME GUIDELINE REVIEW

- **NEPC reviewed (and discussed with respective managers) the guidelines for each fixed income manager in the MHS Operating portfolio to assess three key areas**
 - Are the fixed income IPS restrictions limiting and/or presenting an obstacle to maximizing yield given specific manager mandates?
 - Are there differences in the guidelines amongst managers – both what is included and their interpretation?
 - Are there restrictions that are included in the investment management agreement (IMA) that are not in the IPS?
- **Results showed that all three situations are taking place – which is limiting the potential of the fixed income portfolio**
 - Many restrictions were discussed/implemented with managers at different points several years ago during different market conditions

OVERVIEW OF IPS CHANGES

- **A complete list of the recommended changes is included in the Appendix and are focused on the following key areas:**
 - Relaxing select credit requirements, especially those leading to unintended consequences
 - Broadening the range of fixed income assets that can be held – e.g. Yankee bonds, securitized and corporate assets, 144A, and certain investment grade securities
 - Bringing consistency to trading practices
 - Cleaning up IPS language and specifically providing ability to use commingled funds

- **After a complete review with the Committee, NEPC and Staff would recommend the changes to the IPS outlined on the slides in the appendix. The goals of the changes are as follows:**
 - Improve fixed income yield/return while still maintaining a reasonable level of market risk
 - Bring a degree of uniformity to the fixed income guidelines and remove unintended outcomes
 - MHS and NEPC will further work with managers to assess and potentially remove non-IPS restrictions that currently exist



GLOBAL EQUITY



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POTENTIAL CHANGE TO GLOBAL EQUITY ALLOCATION

- **Replace Vanguard Global Minimum Volatility Equity with a passive MSCI ACWI Index option**
 - Positions the portfolio to participate more broadly in positive market environments and improves long-term return expectations
 - Potential to realize gains of ~\$43M on sale of Vanguard assets in the Operating Pool
 - Ability to lower fee as Vanguard fee is 14bps while SSgA ACWI Index Commingled Fund is ~3.6bps*
 - Fee savings is estimated at over \$600k annually based on current values
 - Vanguard is ~10% (\$280.3M) of the MHS Operating Portfolio
 - Recommend SSgA ACWI be funded at 10% in the Operating portfolio

*Based on current asset values. SSgA proposed a tiered fee schedule of 6bps for the first \$50M, 4bps for the next \$75M, 3 bps thereafter for their commingled offering with securities lending. Fee breaks will apply to the combined asset value invested.





APPENDIX



SAMPLE INVESTMENT TIMETABLE



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SAMPLE INVESTMENT TIMETABLE

- NEPC has developed an investment workplan detail that provides a tentative path to a modified portfolio
- Laid out in “phases” to provide a sequence that aims to (1) provide a clear road map to potential allocation changes, (2) allow a pace to ensure Committee education and support of each move, and (3) be flexible to make changes as we progress

Phase I, 2nd Half of 24

- Enterprise Risk analysis, assess System’s ability to take additional investment risk
- Suggested potential asset allocation shifts (potential destination)
- Review Fixed Income Manager Guidelines

Phase II, 2nd Half of 24

- Revisit Fixed Income opportunities – High Quality HY and Global Multi Sector, ACWI investment and commingled funds
- Develop plan going forward for Core Fixed Income – separating Treasury and Credit exposures
- Potential increase to and modify equity allocation
 - Discuss implementation
- Update IPS to include all approvals

Phase III, 1st Half of 25

- Additional education on private market investing
- Separate education session which would include NEPC experts in Private Markets space
- Evaluate the ‘why’ in utilizing private markets, and how they are different from a legal, regulatory, reporting, and terms perspective relative to public investments

Phase IV, 2025

- Potential to approve/finalize asset allocation that allows for a strong risk/reward tradeoff
- IPS updated and codified to reflect new asset allocation
- Depending on structure approved, new work plan to be updated and approved – could include private market pacing and any subsequent implementation steps

ENTERPRISE RISK ANALYSIS



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ERM ANALYSIS OVERVIEW

- **Memorial Healthcare's Operating portfolio currently has an allocation which is forecasted to have a more conservative risk profile than the average Healthcare Operating fund**
 - Memorial Operating Standard Deviation: 4.6%
 - InvMetrics Healthcare Operating Funds >\$500mm (Net) Standard Deviation: 11.1%
- **Given the results of the ERM analysis, it does appear that the portfolio could take on additional, measured risk**
 - As the analysis will show, implementing the changes to achieve Phase II has the ability to increase the overall risk/return of the portfolio, while still maintaining a conservative approach
 - We also modeled a mix with private markets, and it does show that we can potentially add to the overall risk/return profile of the portfolio
 - Under either allocation (Phase II and Phase IV), Memorial's overall risk profile is forecasted to be lower than peers as demonstrated on the following page

REVIEW OF HISTORICAL ASSET ALLOCATION

Asset Allocation	3-year Annualized Return
Current Policy	0.20%
Phase II	1.08%
Phase IV	1.46%
Average HC Operating Universe > \$500M	2.09%

Asset Allocation	Estimated Market Value	Estimated Cumulative Difference
Current Policy	\$ 2,588,454,286	n/a
Phase II	\$ 2,657,533,770	\$ 69,079,484
Phase IV	\$ 2,687,640,361	\$ 99,186,075
Average HC Operating Universe > \$500M	\$ 2,737,721,354	\$ 149,267,068

- This analysis represents Memorial Healthcare’s current and proposed asset allocations if each had been invested passively (e.g. benchmark performance)**
 - If MHS had been invested passively in the Phase II allocation, the portfolio could have returned an estimated ~1.1%
 - Had MHS been fully invested in Phase IV, including the private markets programs built to targets, the portfolio could have returned an estimated 1.46%
- Based on a comparable universe, MHS has historically been more conservative in its asset allocation**
 - Based upon MHS’s strong operating performance and financial strength, it does appear there is more ability to take incremental risk in the investment portfolio to generate potentially higher returns

Starting point for market value calculations is June 2021 Operating market value of \$2,572,985,476.93
 Annualized returns are calculated from multiplying asset allocation by respective asset class benchmark
 Estimated market values were calculated by taking the June 2021 market value and annualizing the return for 3 years
 Estimated cumulative difference is the difference between the respective asset allocation market value and the current policy market value if invested passively



SCENARIO ANALYSIS: REGIME RETURNS

Expansion Scenario Returns*

Cash: 3.0%
Treasuries: 6.0%
Long Treasuries: 9.6%
U.S. TIPS: 6.7%
U.S. IG Credit: 8.2%
High Yield Bonds: 6.8%
U.S. Large-Cap Equity: 11.5%
Emerging Market Equity: 19.6%
Commodities: -1.9%

Stagflation Scenario Returns*

Cash: 6.7%
Treasuries: 3.1%
Long Treasuries: -0.1%
U.S. TIPS: 6.3%
U.S. IG Credit: 3.0%
High Yield Bonds: 4.1%
U.S. Large-Cap Equity: -1.1%
Emerging Market Equity: -0.4%
Commodities: 7.7%

Depression Scenario Returns*

Cash: 1.0%
Treasuries: 6.0%
Long Treasuries: 10.9%
U.S. TIPS: 8.2%
U.S. IG Credit: 6.4%
High Yield Bonds: -2.7%
U.S. Large-Cap Equity: -15.2%
Emerging Market Equity: -42.4%
Commodities: -4.3%

Recession Scenario Returns*

Cash: 1.5%
Treasuries: 5.5%
Long Treasuries: 9.5%
U.S. TIPS: 7.3%
U.S. IG Credit: 7.1%
High Yield Bonds: 4.4%
U.S. Large-Cap Equity: -7.5%
Emerging Market Equity: -18.3%
Commodities: -3.0%

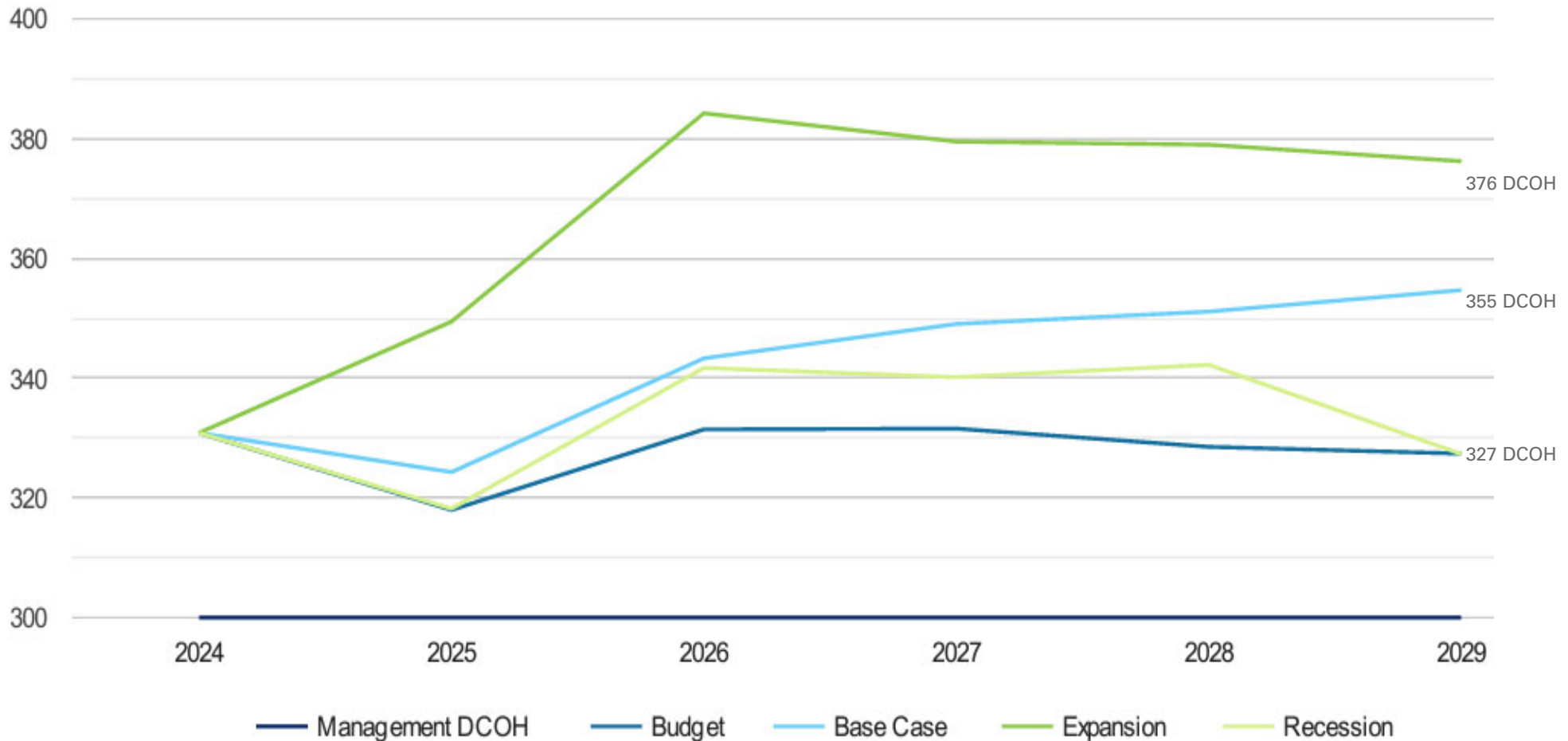
Overextension Scenario Returns*

Cash: 5.7%
Treasuries: 4.6%
Long Treasuries: 4.1%
U.S. TIPS: 4.9%
U.S. IG Credit: 5.0%
High Yield Bonds: 4.7%
U.S. Large-Cap Equity: 4.5%
Emerging Market Equity: 8.2%
Commodities: 2.8%

Notes: *Scenario returns are 5-year annualized returns, as of 6/30/2024



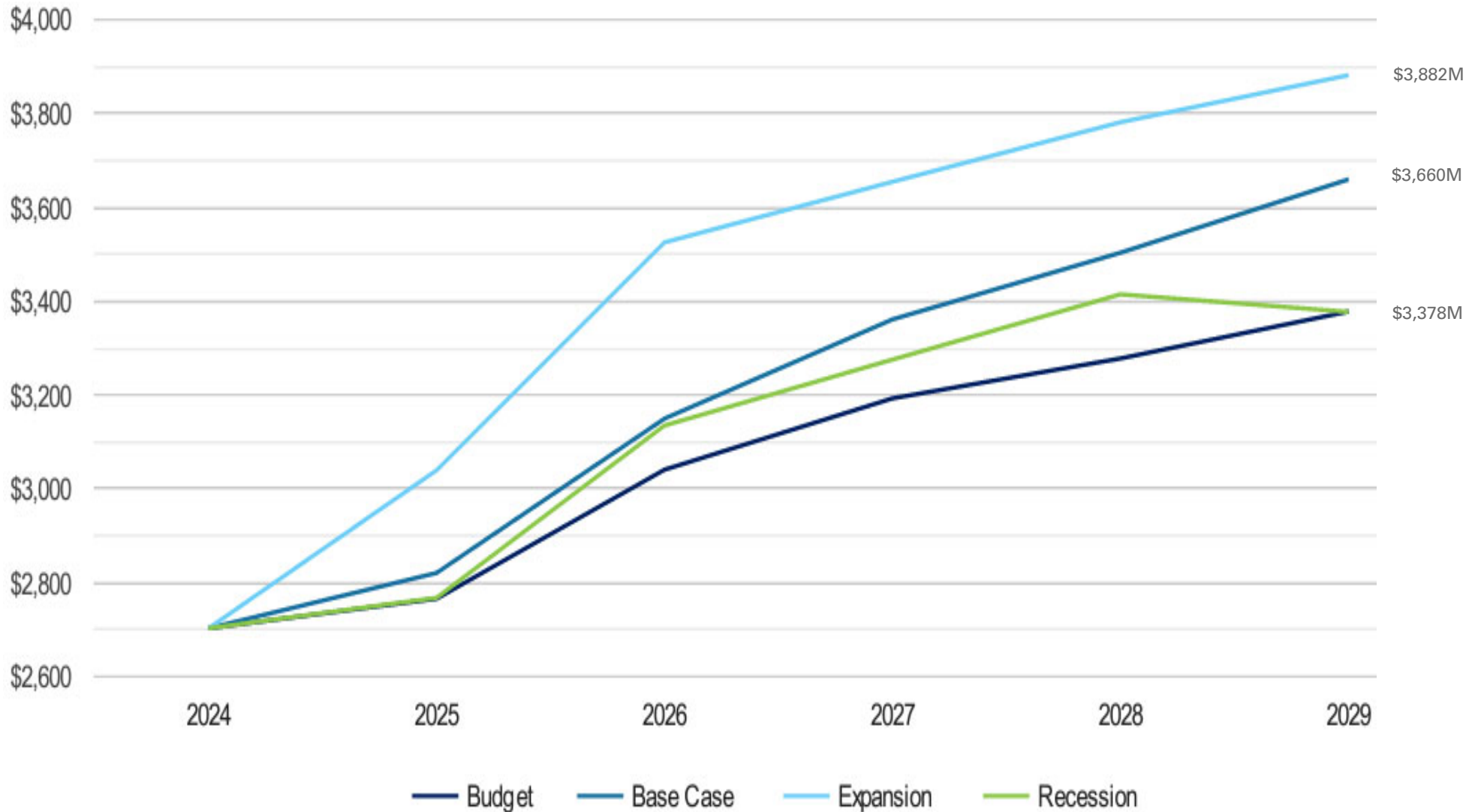
MEMORIAL ERM – CURRENT POLICY



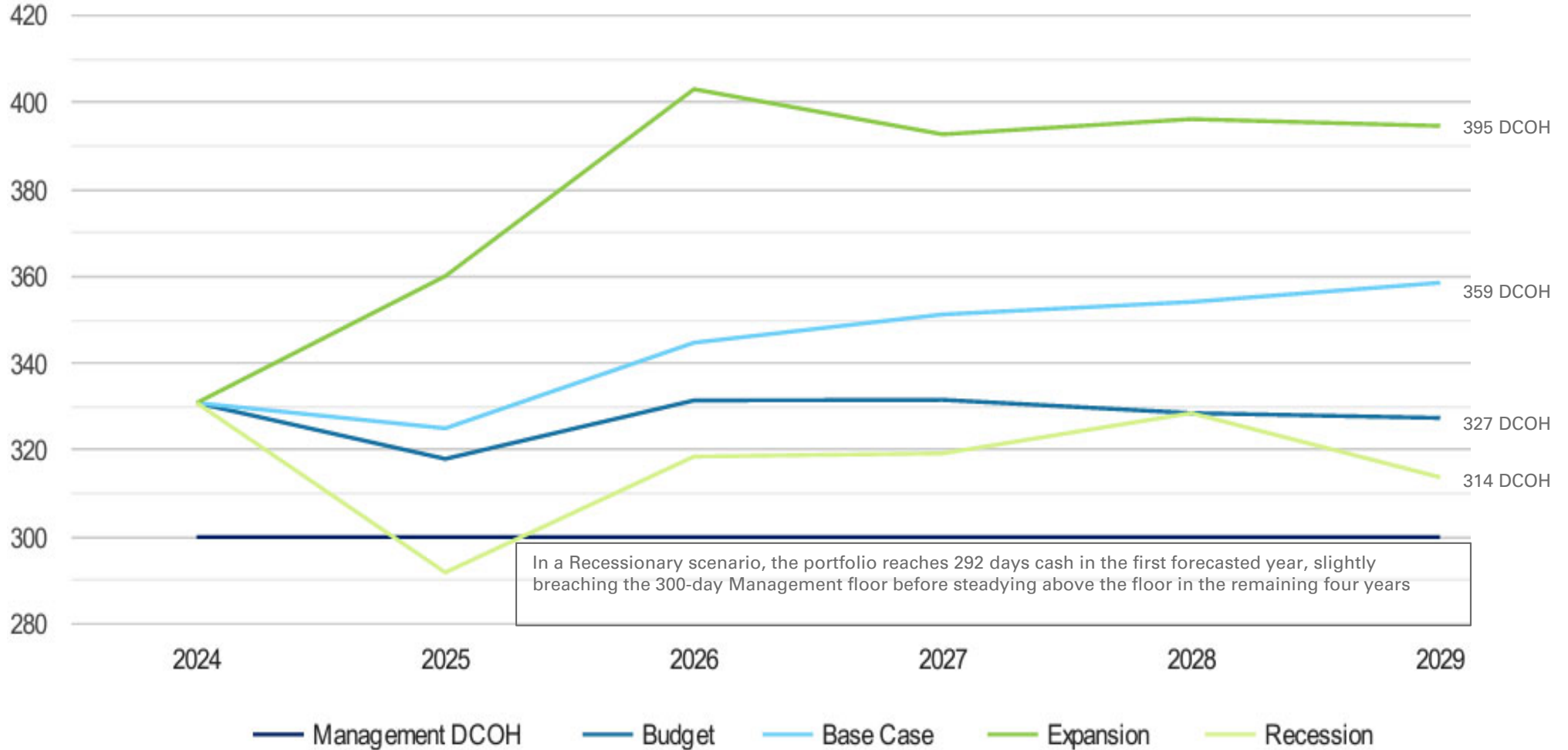
- Memorial Healthcare’s Operating portfolio, using the current policy set forth in the IPS, has a base case scenario which gradually increases Days Cash On Hand over the course of the next five years
- In an Expansionary period, the portfolio’s DCOH will rise to 384 days cash before a marginal decline in the remaining three years
- In a Recessionary scenario, the portfolio could dip down to a DCOH level of 318 days but staying well above the 300-day Management floor



SCENARIO ANALYSIS – CURRENT POLICY

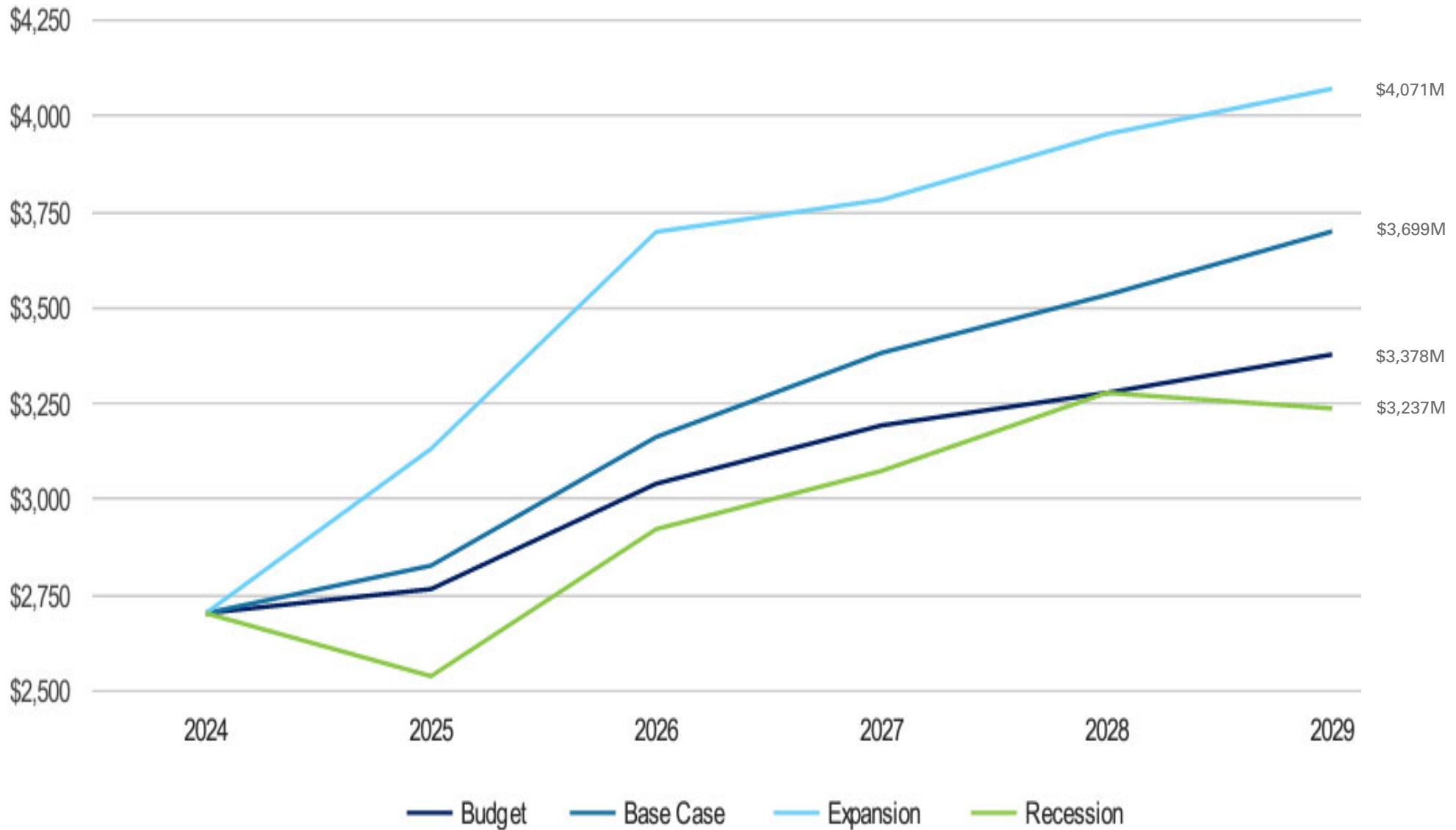


MEMORIAL ERM – PHASE II COMPLETION

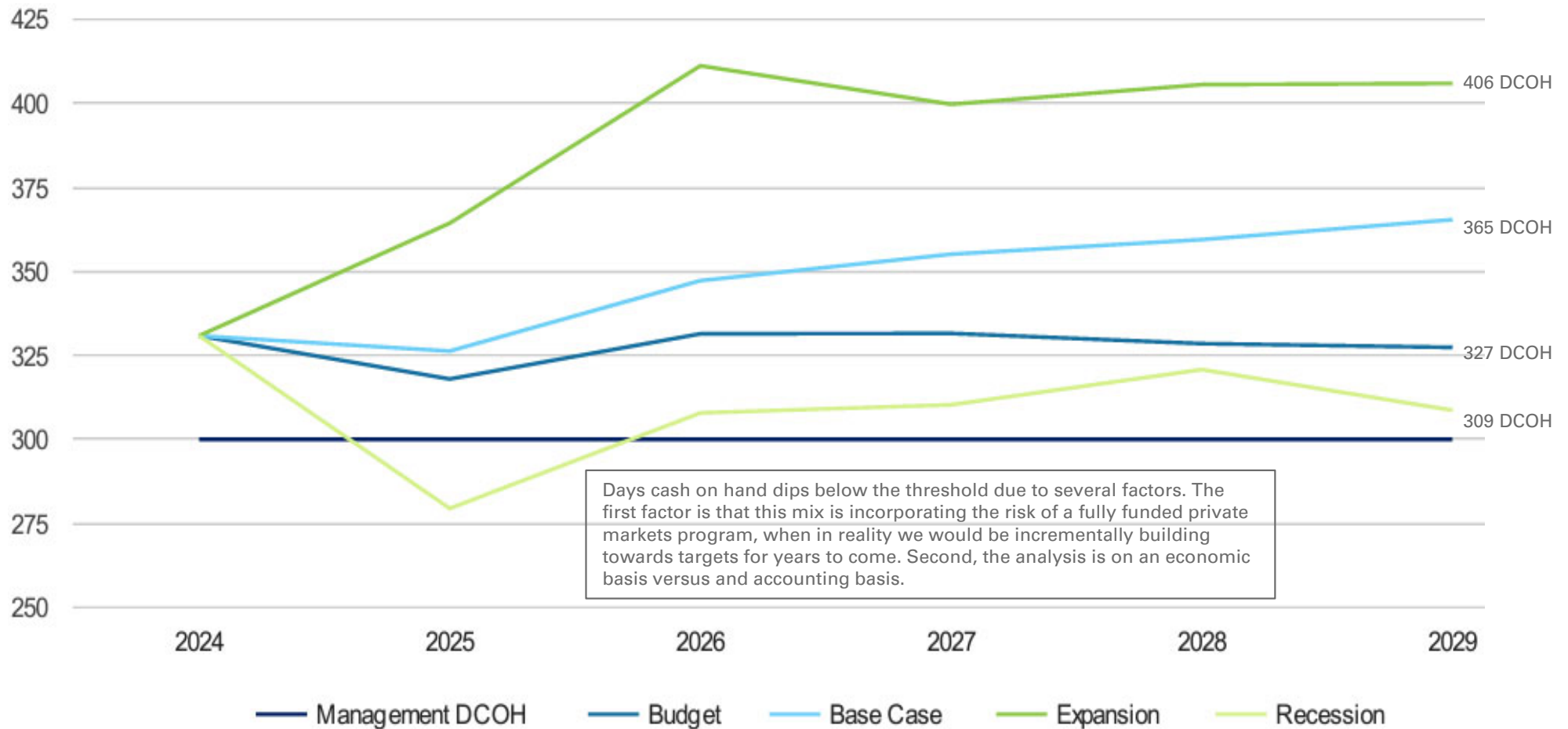


- Memorial Healthcare’s Operating portfolio, using the Phase 1 Completion mix has a base case scenario which gradually increases Days Cash On Hand over the course of the next five years
- In an Expansionary period, the portfolio’s DCOH will rise to 403 days cash before flattening in the remaining three years

SCENARIO ANALYSIS – PHASE II COMPLETION



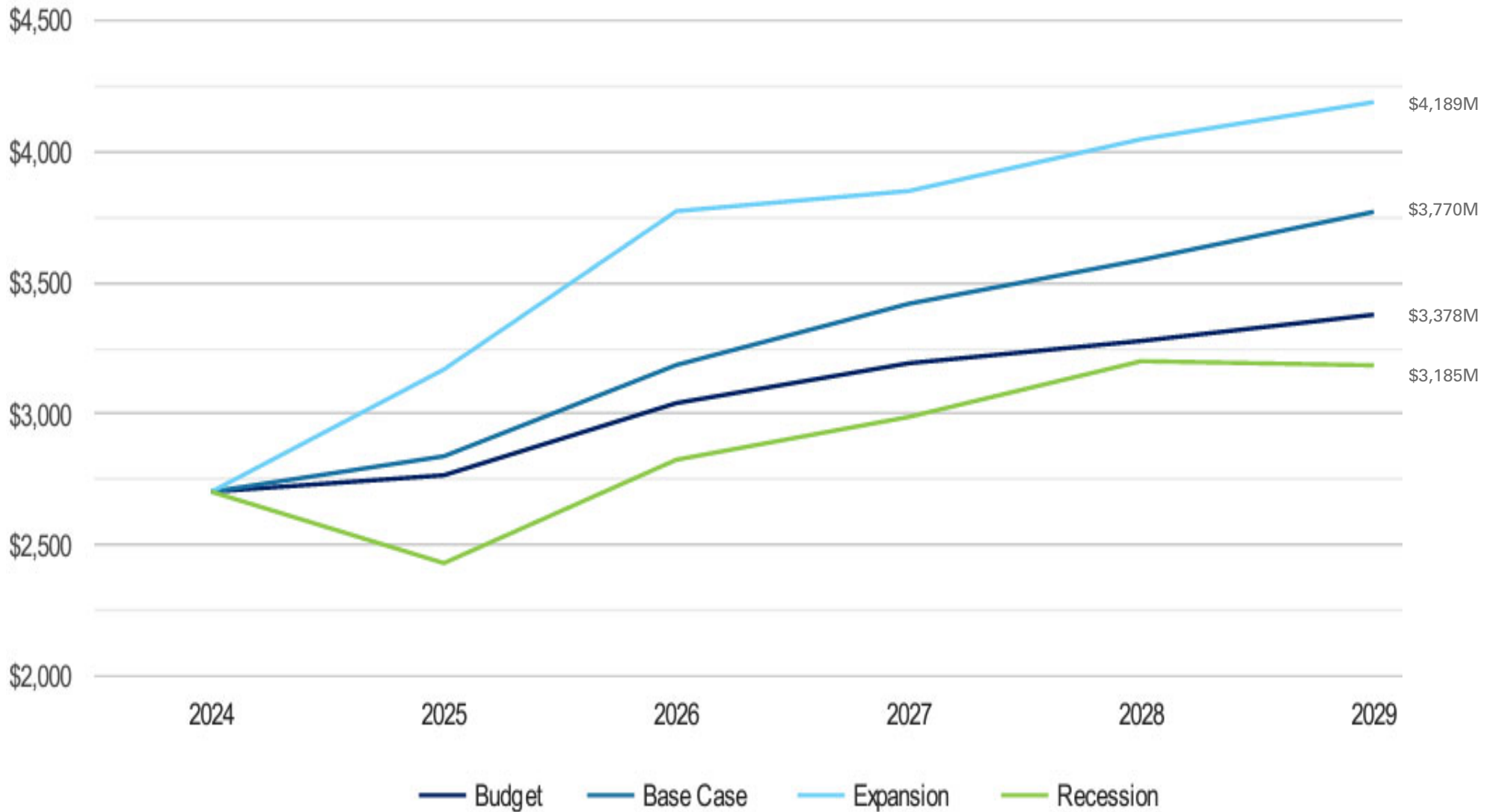
MEMORIAL ERM – PHASE IV



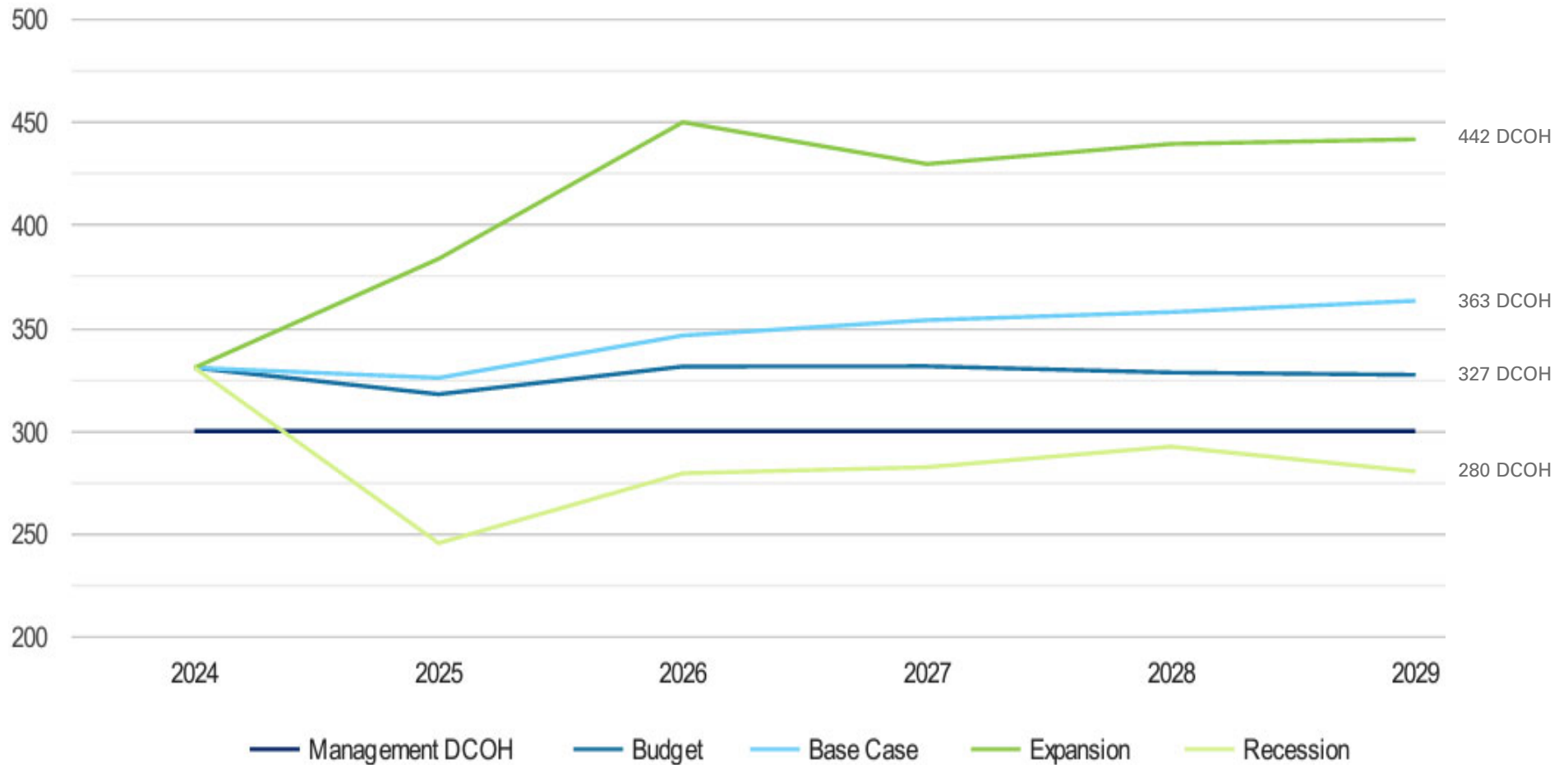
- Memorial Healthcare’s Operating portfolio, using NEPC’s preferred asset allocation, has a base case scenario which results in DCOH increasing steadily over the next five years
- In an Expansionary period, the portfolio’s DCOH will rise to 411 days before flattening out and stabilizing for the remaining three years
- Alternatively, in a Recessionary scenario, the portfolio drops to 279 days cash, breaching the 300-day Management threshold, before exceeding the floor after year 2
 - DCOH remains stable over the final three years after the initial recessionary shock



SCENARIO ANALYSIS – PHASE IV



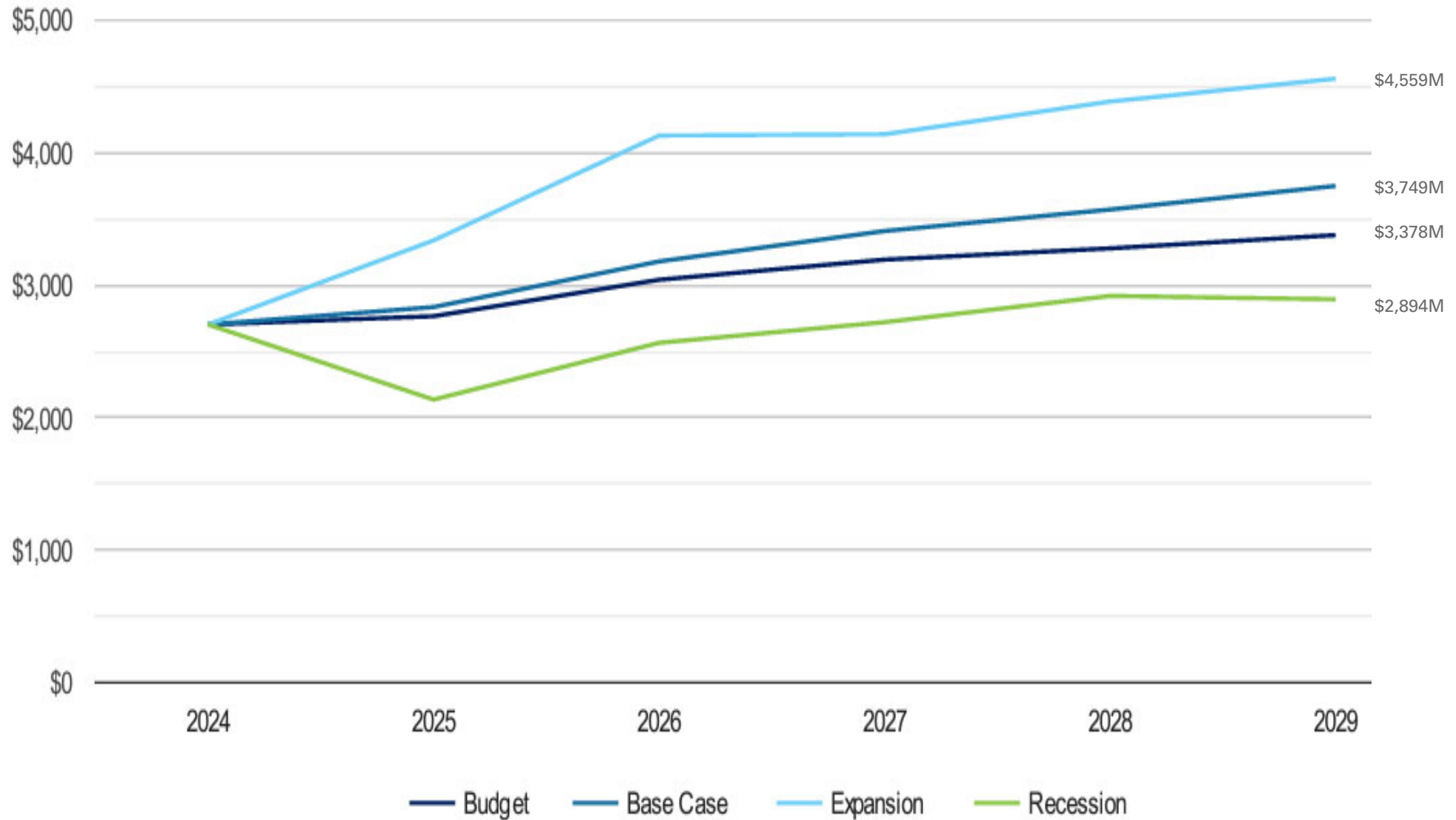
MEMORIAL ERM – AVERAGE HC UNIVERSE



- Memorial Healthcare’s Operating portfolio, using the Average Healthcare Universe mix has a base case scenario which gradually increases Days Cash On Hand over the course of the next five years
- The Average HC Universe mix incorporates riskier assets classes such as Private Equity and Hedge Funds which, in turn, benefits the portfolio significantly on the upside but struggles mightily on the downside
- In a Recessionary scenario, the portfolio hits 246 days cash in the first forecasted year, and then steadies below the threshold for the remaining years



SCENARIO ANALYSIS – AVERAGE HC UNIVERSE



IPS GUIDELINE CHANGES – FIXED INCOME

- **Change restriction requiring the average duration of the total fixed income portfolio not exceed four years**
 - Propose a duration limit equal to that of the Bloomberg Aggregate Index
- **Increase maximum amount in BBB rated securities from 15% to 20%**
 - Currently creates a structural underweight vs. the benchmark
 - Minimum average credit quality of A is preserved in guidelines limiting risk associated with change
- **Increase the maximum combined Corporate and Securitized bond restriction from 50% to 65%**
- **Allow holdings in “Yankee bonds”**
 - US Dollar denominated securities of a foreign bank or corporation

IPS GUIDELINE CHANGES – FIXED INCOME (CONT.)

- **Eliminate restriction to only trade with Primary Security Dealers**
 - Current restriction can result in higher trading costs
- **Eliminate guideline requiring corporate bonds have a listed equity security on a national exchange**
- **Increase final maturity maximum from 10 years to 10 years and one quarter**
 - Current restriction eliminates a fair number of bonds on the edges
 - 10 years + 1 quarter would fix approximately 95% of this
- **Reduce minimum rating on securitized from AAA to AA**
 - Still high quality and allows managers to “ride the credit quality up”
- **Increase the 144A restriction from 10% to 20%**
 - 144A securities issuance has increased and these securities do not face the same liquidity issues as previously

OTHER GUIDELINE UPDATES

- **Removed references to the prior asset allocation and the date of the change to the current one**
- **Added language to allow for commingled funds to be held**
 - Will be utilized when doing so results in fee saving
- **Updated the naming convention to Bloomberg from previous Bloomberg Barclays for several fixed income indices**
- **Updated name of peer universe due to InvestorForce being acquired by Investment Metrics**
- **Added language regarding securities lending**
 - This language is directly from the MHS Pension Investment Policy Statement
- **Simplified Return and Growth description**
 - Allows for current implementation but also future flexibility

GLOSSARY OF TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

INFORMATION DISCLAIMER

Past performance is no guarantee of future results.

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

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

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

