

AGENDA
INVESTMENT COMMITTEE OF THE
EL CAMINO HOSPITAL BOARD OF DIRECTORS

Monday, February 10, 2025 – 5:30 pm
 El Camino Health | 2500 Grant Road Mountain View, CA 94040

John Zoglin will be participating via teleconference from 5 Milton Place, Rancho Mirage, CA 92270

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: 917 4525 3950#**. **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)-988-7609** 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.	CALL TO ORDER / ROLL CALL	Brooks Nelson, Chair	Information	5:30 pm
2.	CONSIDER APPROVAL OF AB 2449 REQUEST	Brooks Nelson, Chair	Possible Motion	5:30 pm
3.	POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Brooks Nelson, Chair	Information	5:30 pm
4.	PUBLIC COMMUNICATION 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	5:30 pm
5.	CONSENT CALENDAR <i>Items removed from the consent calendar will be considered separately.</i> a. Approve Minutes of the Open Session of the Investment Committee Meeting (12/03/2024) b. Approve IC Charter and Receive Committee Governance Policy c. Receive Progress against FY2025 IC Committee Goals d. Receive FY2025 Pacing Plan e. Receive Article(s) of Interest	Brooks Nelson, Chair	Motion Required	5:30 – 5:41

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
6.	<u>CFO REPORT OUT</u>	Carlos Bohorquez, CFO	Information	5:41 – 5:51
7.	FY2026 COMMITTEE PLANNING: PRELIMINARY REVIEW a. <u>FY2026 Committee Meeting Dates</u> b. <u>FY2026 Pacing Plan</u> c. <u>FY2026 Committee Goals</u>	Brooks Nelson, Chair Carlos Bohorquez, CFO	Discussion	5:51 – 6:06
8.	<u>INVESTMENT ADVISOR UPDATE</u> - Capital Markets Review, Tactical Asset Allocation Positioning and Market Outlook - Surplus Cash and Cash Balance Portfolio Performance	Laura Wirick, Managing Principal Consultant, Meketa Mika Malone, Managing Principal Consultant, Meketa	Information	6:06 – 6:26
9.	RECESS TO CLOSED SESSION	Brooks Nelson, Chair	Motion Required	6:26 – 6:27
10.	APPROVE MINUTES OF THE CLOSED SESSION OF THE INVESTMENT COMMITTEE (12/03/2024) <i>Report involving Gov't Code Section 54957.2 for closed session minutes</i>	Brooks Nelson, Chair	Motion Required	6:27 – 6:28
11.	ALTERNATIVE INVESTMENTS – STRATEGIC OPTIONS <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	6:28 – 7:05
12.	RECONVENE TO OPEN SESSION	Brooks Nelson, Chair	Motion Required	7:06
13.	CLOSED SESSION REPORT OUT To report any required disclosures regarding permissible actions taken during Closed Session.	Gabe Fernandez, Governance Services Coordinator		7:06 – 7:07
14.	CLOSING COMMENTS	Brooks Nelson, Chair	Information	7:07 – 7:09
15.	ADJOURNMENT	Brooks Nelson, Chair	Motion Required	7:10 pm

Upcoming Meetings: February 24, 2025 (Joint FC-IC), May 12, 2025

**Minutes of the Open Session of the
Investment Committee of the
El Camino Hospital Board of Directors
Tuesday, December 3, 2024
El Camino Hospital, 2500 Grant Road, Mountain View, California**

Members Present

Brooks Nelson, Chair
Nicola Boone
John Conover
Robin Driscoll
Ken Frier
Peter Fung, MD, MBA
John Zoglin

Members Absent

None

Staff Present

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

**via teleconference

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
Brian Montanez, Principal, Multnomah
Group

Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER	The open session meeting of the Investment Committee of the El Camino Hospital Board of Directors (the "Committee") was called to order at 5:31 p.m. by Chair Brooks Nelson. A verbal roll call was taken. All Committee Members were present at the roll call, constituting a quorum.	Meeting called to order at 5:31 p.m.
2. CONSIDER APPROVAL OF AB 2449 REQUEST	No consideration of approval for an AB-2449 request was necessary.	
3. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Nelson asked if any Committee members had a conflict of interest regarding any of the agenda items. No conflicts were noted.	
4. PUBLIC COMMUNICATION	There were no comments from the public and no written correspondence.	
5. CONSENT CALENDAR	<p>Chair Nelson asked if any Committee member wished to remove any items from the consent calendar for discussion. No items were removed for further discussion.</p> <p>Motion: To approve the consent calendar: (a) Minutes of the Open Session of the Investment Committee Meeting on (08/12/2024) (b) Minutes of the Open Session of the Investment Committee Special Meeting on (08/26/2024) and for information; (c) Progress against FY2025 IC Goals (d) FY2025 Pacing Plan and (e) Article(s) of Interest</p> <p>Movant: Frier Second: Zoglin Ayes: Boone, Conover, Driscoll, Frier, Fung, Nelson, Zoglin Noes: None Abstentions: None Absent: None</p>	Consent Calendar Approved

	<p>Recused: None</p>	
<p>6. CFO REPORT OUT</p>	<p>Carlos Bohorquez, Chief Financial Officer, presented the YTD FY2025 Operational/ Financial Results (as of 10/31/2024), and highlighted the following:</p> <p><u>YTD FY2024 Results</u></p> <ul style="list-style-type: none"> • Total operating revenue of \$555.3M is \$12.7M / 2.3% favorable to budget and \$55.2M / 11.0% higher than the same period last fiscal year. • Operating EBIDA of \$78.0M is \$0.5M / 0.6% favorable to budget and \$2.1M / 2.8% higher than the same period last fiscal year. • Net income of \$102.5M is \$40.1M / 64.1.4% favorable to budget and \$79.6M / 347.0% higher than the same period last fiscal year. Favorable net income is attributed to stable financial performance and unrealized gains on the investment portfolio. 	
<p>7. INVESTMENT ADVISOR UPDATE</p>	<p>Laura Wirick, Managing Principal Consultant, Meketa Mika Malone, 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><u>Capital Markets Review:</u></p> <ul style="list-style-type: none"> • The beginning of the third quarter of 2024 was marked by improving inflation metrics and a cooling labor market. The combination of these economic trends paved the way for the first rate cut from the Federal Reserve since 2020. The Federal Reserve reduced the Fed Funds rate by 50 basis points at their September meeting. While markets experienced extreme volatility at the beginning of August due to an unexpected rate hike from the Central Bank of Japan, nearly all major asset classes finished Q3 with positive returns. • Stifled global trade and a potential reduction in domestic labor supply due to the immigration policies of the incoming administration have stoked fears of reaccelerating inflation. As a result, rates have increased, and fixed-income markets have declined. <p><u>ECH Portfolio Performance Update:</u></p> <p>Surplus Cash</p> <ul style="list-style-type: none"> • The Total Surplus (Reserve Cash) portfolio had a total market value of \$1.78 billion as of September 30th, 2024 • The fund gained 4.6% during Q3 and has gained 17.5% over the trailing one-year period. These impressive absolute returns trailed the benchmark by 70 bps and 60 bps, respectively. 	

	<p>Cash Balance Plan:</p> <ul style="list-style-type: none"> • The Cash Balance Plan was valued at \$389.4 million at the end of September 2024. • The plan gained 5.6% vs. the benchmark return of 5.3% over the third quarter. The plan also outperformed the benchmark return over the trailing 1-year period, gaining 20.7% vs. the benchmark return of 19.7%. <p><u>Onboarding Update:</u></p> <ul style="list-style-type: none"> • Hedge Fund Program Restructuring: Meketa recommended transitioning the direct hedge fund program into Risk Mitigating Strategies (RMS), focusing on strategies like long volatility and tail-risk hedging that cannot be replicated in traditional equity or bond markets. They emphasized prioritizing funds with lower fees and greater liquidity to support rebalancing and cash flow needs during down markets. • Fee Reduction Opportunity: Meketa highlighted a potential \$400,000 annual savings by moving the \$116 million Causeway International Value Equity mutual fund investment to a commingled vehicle with a reduced Meketa-negotiated fee of 0.55%, compared to the current 0.90% 	
<p>8. 403 (b) INVESTMENT PERFORMANCE</p>	<p>Brian Montanez, Multnomah Group, presented the 403(b) Investment Performance and highlighted the following as further detailed in the materials:</p> <p><u>Capital Markets Performance:</u></p> <p>Capital market performance has been strong in the last quarter and over the past year:</p> <ul style="list-style-type: none"> • Top Performing 3 month: REITs and U.S. Small Cap Stocks • Top Performing 1 year: U.S. Large Cap Stocks and REITs <p><u>403(b), 457(b) and Supplemental Executive Retirement Plan Assets:</u></p> <ul style="list-style-type: none"> • As of 9/30/2024, total plan assets were \$958.1M, which represents a \$69.1M / 7.8% increase since 3/31/2024. <p><u>Fund Scorecard – Fidelity:</u></p> <ul style="list-style-type: none"> • There are no recommendations to RPAC for changes in the investment funds for the plan 	
<p>9. IC SURVEY RESULTS & ACTION PLAN</p>	<p>Motion: To recommend the committee action plan for approval by the Governance Committee and Board of Directors.</p> <p>Movant: Conover Second: Fung Ayes: Boone, Conover, Driscoll, Frier, Fung, Nelson, Zoglin</p>	

	<p>Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>10. RECESS TO CLOSED SESSION</p>	<p>Motion: To recess to closed session at 7:01 p.m. Movant: Conover Second: Boone Ayes: Boone, Conover, Driscoll, Frier, Fung, Nelson, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Recessed to Closed Session at 7:01 p.m.</i></p>
<p>11. AGENDA ITEM 13: CLOSED SESSION REPORT OUT</p>	<p>Mr. Fernandez reported that during the closed session the Investment Committee approved the closed session minutes of the August 12th Regular Meeting and the August 26th Special Meeting.</p>	
<p>12. AGENDA ITEM 14: CLOSING COMMENTS</p>	<p>The Committee did not have any additional comments.</p>	
<p>13. AGENDA ITEM 15: ADJOURNMENT</p>	<p>Motion: To adjourn at 7:05 p.m. Movant: Conover Second: Frier Ayes: Boone, Conover, Driscoll, Frier, Fung, Nelson, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 7:05 p.m.</i></p>

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

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 Charter

Purpose

The purpose of the Investment Committee (the “Committee”) is to develop and recommend to the El Camino Hospital (“Hospital”) ECH Board of Directors (“Board”) the organization’s investment policies, maintain current knowledge of the management and investment of the invested funds of the Hospital and its pension plan(s), provide guidance to management in its investment management role, and provide oversight of the allocation of the investment assets for the Hospital and the Hospital’s affiliated entities where the Hospital is the sole corporate member pursuant to the operating agreements and governing documents of those entities (the “organization”).

Authority

All governing authority for the Hospital ECH resides with the Hospital Board except that which may be lawfully delegated to a specific Board committee or subcommittee. All of the recommendations of the Committee flow to the El Camino Hospital Board for action. Reports of the Committee will be provided to the subsequently scheduled Board meeting. The Committee has the authority to recommend one or more investment managers for the hospital, monitor the performance of such investment managers, and monitor adherence to the investment policies of the hospital.

Voting members of the Committee shall include the directors assigned to the Committee and external (non-director) members appointed to the Committee.

The Committee, by resolution, may adopt a temporary advisory committee (ad hoc) of less than a quorum of the members of the Committee. The resolution shall state the total number of members, the number of board members to be appointed, and the specific task or assignment to be considered by the advisory committee.

Membership

- The Investment Committee shall be comprised of two (2) or more Hospital Board members. ~~The Chair of the Committee shall be appointed by the Board Chair, subject to approval by the Board. All members of the Committee shall be eligible to serve as Chair of the Committee.~~
- The Investment Committee may also include 2-5 Community Members with expertise in areas such as finance, banking, and investment management.
- ~~All Committee members, Chairs, and Vice-Chairs shall be appointed and removed pursuant to the El Camino Hospital Board Committee Governance Policy. with the exception of new Community members, shall be appointed by the Board Chair, subject to approval by the Board. New Community members shall be appointed by the Committee, subject to approval of the Board. All Committee appointments shall be for a term of one year expiring on June 30th, renewable annually.~~

- ~~• It shall be within the discretion of the Chair of the Committee to appoint a Vice Chair from among the members of the Committee. If the Chair of the Committee is not a Hospital Board member, the Vice Chair must be a Hospital Board member.~~
- All members of the Committee must be independent with no conflicts of interest regarding hospital investments. Should there be a potential conflict, the determination regarding independence shall follow the criteria approved by the Board.

Staff Support and Participation

The CFO shall serve as the primary staff support to the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair's consideration. Additional members of the management team may participate in the Committee meetings as deemed necessary.

General Responsibilities

The Committee's primary role is to provide oversight and to advise the management team and the Board on matters pertaining to this Committee. With input from the Committee, the management team shall work with its investment advisor(s) to develop dashboard metrics that will be used to measure and track investment performance for the Committee's review and subsequent approval by the Board. It is the management team's responsibility to develop and provide the Committee with reports, plans, assessments, and other pertinent materials to inform, educate, and update the Committee, thereby allowing Committee members to engage in meaningful, data-driven discussions. The Committee is responsible for ensuring that performance metrics are being met to the Board's expectations and that the Board is apprised of any deviations therefrom.

Specific Duties

The specific duties of the Investment Committee include the following:

A. Investment

- Define the necessary skill sets, diversity and other attributes required for Board members to support Hospital strategy, goals, community needs and current market conditions.
- Review and recommend for approval by the Board the investment policies for corporate assets and Cash Balance Plan assets. Review and make recommendations to the Board regarding the selection of an independent investment advisor. The Board will appoint the investment advisor, and management, in consultation with the Committee, will appoint the investment managers.
- Monitor the performance of the investment managers through reports from the independent investment advisor and make recommendations for changes when appropriate.
- Monitor investment allocations and make recommendations to the Board if assets are managed inconsistently with approved investment policies.
- Monitor the financial stability and safety of the institutions which have custody of the Hospital's assets and make recommendations for changes when appropriate.

- Monitor the investment performance of the specific investment vehicles made available to employees through their 403(b) Retirement Plan.
- Review recommendations from the Retirement Plan Administrative Committee (RPAC) regarding the selection of an independent investment advisor for the employees' 403(b) Retirement Plan and make recommendations to the Board. The Board will appoint the investment advisor, and the RPAC will monitor, select, and replace the Core investment choices.

B. Ongoing Education

- Endorse and encourage Investment Committee education and dialogue relative to the work of the Committee.

Committee Effectiveness

The Committee is responsible for establishing its annual goals, objectives and pacing plan in alignment with the Board and Hospital's strategic goals. The Committee shall be focused on continuous improvement with regard to its processes, procedures, materials, and meetings, and other functions to enhance its contribution to the full Board.

Meetings and Minutes

The Committee shall meet at least once per quarter. The Committee Chair, in collaboration with hospital management, shall determine the frequency of meetings based on the Committee's annual goals and work plan and the operational needs of the organization. Minutes shall be kept by the assigned staff and shall be delivered to all members of the Committee when the agenda for the subsequent meeting is delivered. The approved minutes shall be forwarded to the Board for information.

Meetings and actions of all Advisory committees of the Board shall be governed by, and held and taken in accordance with, the provisions of Article VI of the Bylaws, concerning meetings and actions of directors. Special meetings of Advisory committees may also be called by resolution of the Board or by the Committee Chair. Notice of any special meetings of the Committee requires a 24-hour notice.

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TITLE: El Camino Hospital Board Committee Governance Policy

CATEGORY: Administrative

FIRST APPROVAL: [ECHB August XX, 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.

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.

TITLE: El Camino Hospital Board Committee Governance Policy

CATEGORY: Administrative

FIRST APPROVAL: [ECHB August XX, 2024](#)

Term

~~Director Members and Chairs shall serve Members of the committee, excluding Directors and Chairs, 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.

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:

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 ~~absent or virtual~~ 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 absent or virtual~~ to not 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

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

CATEGORY: Administrative

FIRST APPROVAL: [ECHB August XX, 2024](#)

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 of 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.

Only members of the committee are entitled to make, second or vote on any motion or other action of the committee. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

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.

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CATEGORY: Administrative

FIRST APPROVAL: ECHB August XX, 2024

Coverage:

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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.

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.

TITLE: El Camino Hospital Board Committee Governance Policy

CATEGORY: Administrative

FIRST APPROVAL: ECHB August XX, 2024

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.

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:

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.

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

CATEGORY: Administrative

FIRST APPROVAL: ECHB August XX, 2024

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 of 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.

Only members of the committee are entitled to make, second or vote on any motion or other action of the committee. Each committee member shall be entitled to one vote on all matters considered by the committee. A simple majority vote of the members of the Committee shall designate approval of a motion.

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.

DRAFT

FY2025 COMMITTEE GOALS

Investment Committee

PURPOSE

The purpose of the Investment Committee is to develop and recommend to the El Camino Hospital (ECH) Board of Directors (“Board”) the investment policies governing the Hospital’s assets, maintain current knowledge of the management and investment funds of the Hospital, and provide oversight of the allocation of the investment assets.

STAFF: Carlos Bohorquez, Chief Financial Officer (Executive Sponsor)

The CFO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the Executive Team or hospital staff may participate in the meetings upon the recommendation of the CFO and at the discretion of the Committee Chair. The CEO is an ex-officio member of this Committee.

GOALS	TIMELINE	METRICS	STATUS
1. Review performance Surplus Cash and Cash Balance Portfolios & Recommendations of Adjustments to Managers / Allocations	Each Quarter	Committee review / approval of recommendations by management / consultant (if needed)	In progress
2. Implementation of Updated Investment Policy	FY2025 Q1-Q4	August 2024 – May 2025: Alternative Investments	In progress
3. Review 403(b) Performance	FY2025 Q2	November 2024	Completed
4. Enterprise Risk Management Update	FY2024 Q3	February 2025	In progress
5. Investment Policy Review	FY2025 Q4	May 2025: Committee approval of updated policy (if needed)	In progress
6. Education Topics – Impact of AI	FY2025: Q2 & Q4	November 2024: TBD; May 2025: TBD	In progress

SUBMITTED BY:

Chair: Brooks Nelson

Executive Sponsor: Carlos Bohorquez, CFO

Morgan Stanley



Morgan Stanley

Morgan Stanley Public Finance: Weekly Healthcare Update

Week Ended January 17th, 2025

Contact: Morgan Stanley Not-for-Profit Healthcare | MS.Healthcare@morganstanley.com

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Morgan Stanley Public Finance: Weekly Market Update

Morgan Stanley Team

Contact Information @morganstanley.com

Adam Bryan	303-572-4027	adam.g.bryan
David Stephan	212-761-1860	david.stephan
David Gallin	212-761-9069	david.gallin
Joan Marron	212-761-9049	joan.marron
John Landers	415-576-2071	john.landern
John Badwick	415-576-8768	john.d.badwick
Alison Davidson	212-761-9062	alison.davidson
Barbara Scudder	212-761-9082	barbara.scudder
Will Brewster	212-761-9134	will.brewster
Jacqueline Lu	415-576-2077	jacqueline.lu
Jerry Yeh	212-761-9071	jerry.yeh
Tony Young	212-761-9051	tony.young
Joseph Coates	415-576-2048	joseph.coates
Alexandra Farmer	212-761-3962	alexandra.farmer
Lisa Smoluk	212-761-1660	lisa.smoluk
Nick Barnouw	212-296-4865	nick.barnouw
Sarah Yabroudy	212-761-7617	sarah.yabroudy

Upcoming Economic Calendar

- KC Fed Manuf. (1/23, 11:00am)
- S&P Flash Manuf. (1/24, 9:45am)
- Univ. of Mich. Consumer Sentiment (1/24, 10:00am)
- Existing Home Sales (1/24, 10:00am)

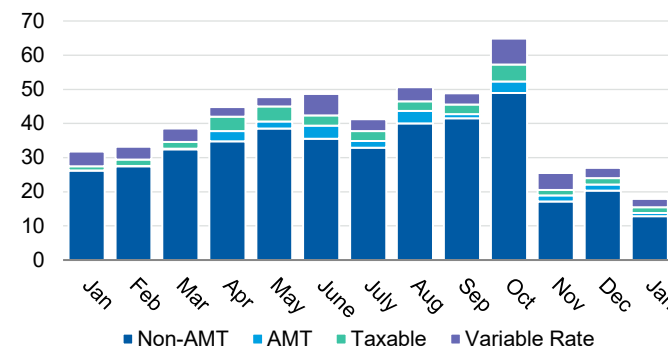
Market Snapshot

	1/17/2025	1/10/2025	Change	% Change
U.S. Treasury Rates				
5 Year	4.41%	4.59%	-0.18%	-3.82%
10 Year	4.61%	4.77%	-0.16%	-3.43%
30 Year	4.84%	4.96%	-0.12%	-2.38%
MMD Index (Municipals)				
5 Year	2.92%	2.95%	-0.03%	-1.02%
10 Year	3.15%	3.17%	-0.02%	-0.63%
30 Year	4.04%	4.06%	-0.02%	-0.49%
SIFMA	2.54%	1.83%	0.71%	38.80%
Equities				
DJIA	43,487.83	41,938.45	1,549.38	3.69%
S&P 500	5,996.66	5,827.04	169.62	2.91%

Source: Morgan Stanley Matrix

Long-Term Municipal Issuance

2025 YTD = \$17,929 MM
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
January 17	4.375%	4.27%	4.41%	4.61%	4.84%	4.41%	4.61%	4.84%
2Q25	3.875%	3.35%	3.50%	3.75%	4.05%	3.99%	4.20%	4.42%
4Q25	3.875%	3.05%	3.30%	3.55%	3.95%	3.93%	4.16%	4.39%

Sources:

1. Bloomberg, Morgan Stanley
2. Morgan Stanley Research, January 18, 2025, "A Fond Farewell," Matthew Hornbach, Andrew M Watrous, et al Research, <https://ny.matrix.ms.com/eqr/article/webapp/a466f75a-d41e-11ef-9565-25cf7089cbc2?ch=rp&sch=ar>

Notes:

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

Morgan Stanley Public Finance: Recent Market Movements

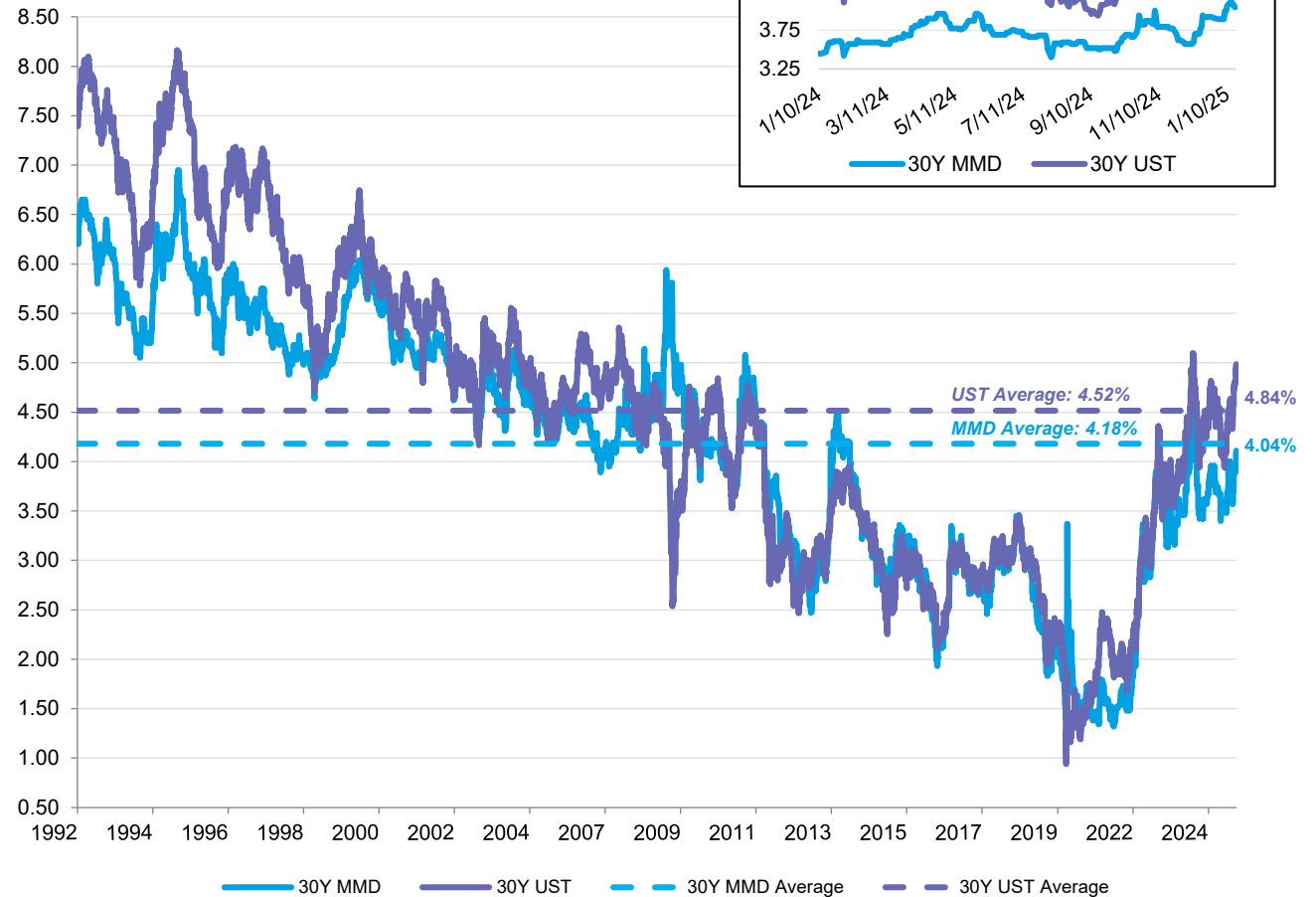
Week Ended January 17th, 2025

Market Driving Themes

- Softer than expected December inflation reports point toward promising economic progress
 - On Wednesday, the CPI surprised to the downside as the CPI ex-food and energy MoM came in at 0.2% (v. consensus 0.3%) and YoY came in at 3.2% (v. consensus 3.3%), representing the first drop in the yearly core rate since September 2024; however, overall CPI remained unchanged
 - In tandem with the release of the CPI and PPI reports, the market rejuvenated its bets that a rate cut would occur in the first half of 2025, with Fed Funds Futures calling for a 25 bp cut by June or July, versus by September from the week prior
- The muni bond market saw \$251.0 MM of outflows this week, bringing YTD net inflows to \$588.3 MM
 - During the week of January 20th, \$5.9 BN of new negotiated muni issuance is expected, \$1.4 BN of which is new healthcare supply
- Investment grade new issue supply this week saw \$58.5 BN price across 28 transactions:
 - Orderbooks were 3.2x oversubscribed
 - New issue concession was 2.4 bps
 - Tightening from initial price talk was 24.3 bps

Benchmark 30Y US Treasury and 30Y MMD

January 1, 1992 – January 17, 2025



Notes:

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 January 17th, 2025

Healthcare Rating Updates

January 13 to January 17, 2025

Moody's

- Baptist Healthcare System (KY): Assigned/Affirmed A1; Outlook Stable
- ECU Health (NC): Affirmed A2; Outlook Stable
- Washington Township Health Care District (CA): Affirmed Baa3; Outlook Stable
- Wellstar Health System (GA): Affirmed A2; Outlook Revised to Positive from Stable

S&P

- CHRISTUS Health (TX): Downgraded to A from A+; Outlook Stable
- Deaconess Health System (IN): Affirmed A+; Outlook Revised to Positive from Stable
- Grand View Hospital (PA): Affirmed B+; Outlook Revised to Developing from Negative
- H. Lee Moffitt Cancer Center (FL): Affirmed A; Outlook Stable
- Lake Regional Health System (MO): Affirmed BBB+; Outlook Stable
- Scotland Memorial Hospital (NC): Upgraded to A from A-; Outlook Stable
- Trinity Health (ND): Affirmed BB-; Outlook Negative

Fitch

- Berkshire Health System (MA): Affirmed AA-; Outlook Stable
- Blanchard Valley Health System (OH): Affirmed A+; Outlook Stable
- Brown University Health (RI): Affirmed BBB+; Outlook Revised to Negative from Stable
- Crouse Health System (NY): Affirmed BB; Outlook Revised to Negative from Stable
- Willis-Knighton Medical Center (LA): Affirmed AA-; Outlook Positive

Select Fixed Rate Healthcare New Issuance

Sale Date	Obligor (State)	Par (\$MM)	Ratings (M/S/F)	Maturity ⁽¹⁾	Coupon / Yield / Spread
1/16/25	Memorial Hospital at Gulfport (MS)	71.285	Baa2 / NR / BBB	2055	5.500% / 4.770% / +70
1/15/25	Orlando Health (FL) – Corporate ⁽²⁾	400.000	NR / A+ / AA-	2035	5.475% / 5.475% / +80
1/15/25	Orlando Health (FL)	853.080	NR / A+ / AA-	2056	5.250% / 4.610% / +54
1/15/25	Children's Health Care (MN)	182.620	NR / AA- / AA	2044	5.000% / 4.190% / +37
10/30/24	Thomas Jefferson University (PA) ⁽³⁾ – Taxable	168.725	A1 / AA / A	2037	5.362% / 5.362% / +110
10/30/24	Thomas Jefferson University (PA)	862.135	A3 / A / A	2054	5.000% / 4.580% / +71
10/24/24	LifeBridge Health (MD)	116.100	A1 / A+ / NR	2054	5.250% / 4.330% / +44
10/22/24	Beaufort Memorial Hospital (SC)	115.135	NR / BB / NR	2054	5.750% / 5.100% / +131
10/17/24	White Plains Hospital (NY) ⁽³⁾	500.000	A1 / AA / NR	2054	5.500% / 4.210% / +55
10/17/24	Montefiore (NY)	125.000	Baa3 / BBB- / NR	2047	5.500% / 4.330% / +80
10/16/24	El Paso County Hospital District (TX)	54.800	NR / AA / A-	2044	5.000% / 4.060% / +70
10/10/24	Vanderbilt University Medical Center (TN)	411.290	NR / A / A	2034	5.000% / 3.280% / +53
10/8/24	Children's Hospital of Philadelphia (PA)	550.000	Aa2 / AA / NR	2053	5.500% / 3.920% / +28
10/1/24	Northwell Health (NY)	1,113.870	A3 / A- / A-	2054	5.250% / 3.920% / +40
9/25/24	NYU Langone Hospitals (NY)	121.420	A1 / A+ / NR	2036	5.000% / 2.970% / +24
9/24/24	CentraCare Health System (MN)	308.065	A2 / NR / AA-	2054	5.000% / 4.060% / +54
9/19/24	Yuma Regional Medical Center (AZ) ⁽³⁾	305.000	NR / AA / A	2054	5.250% / 4.050% / +53

Notes:

- Reflects spread to reference rate and pricing data at the shown maturity
- Reflects spread to reference rate (10Y UST) as of 12:00pm on 1/15/2025.
- 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 January 17th, 2025

Additional Hospital M&A Headlines

- Hospital turnaround company Tenor Health Partners has received bankruptcy court approval to buy Steward's Sharon (PA) Regional Hospital (1/13)
- Santa Clara (CA) County has reached a definitive agreement to purchase CA-based Regional Medical Center from TN-based HCA Healthcare (1/14)

Source: Becker's Hospital Review

Select Announced Not-for-Profit Hospital M&A Transactions⁽¹⁾⁽²⁾

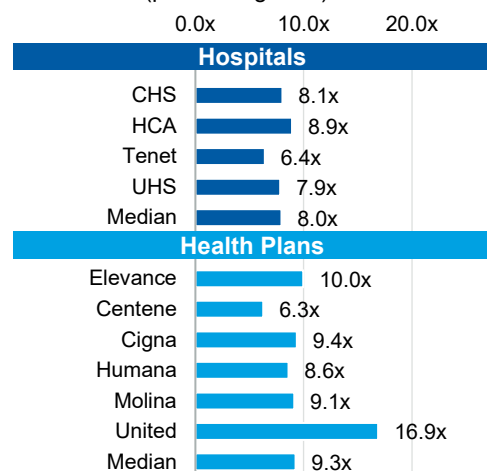
Date Announced	Partner/Target	System / Hospital Revenue (\$MM) ⁽³⁾	Partner/Buyer	Cons. System Revenue (\$MM) ⁽⁴⁾
1/3/2025	Grand View Health (PA)	279	St. Luke's University Health Network (PA)	3,610
12/26/2024	Perry Community Hospital (TN) ⁽⁵⁾	--	BradenHealth (FL)	38
12/12/2024	Atlantic General Hospital (MD)	162	TidalHealth (MD)	856
12/12/2024	Bay Area Hospital (OR)	178	Quorum Health (TN)	686
12/11/2024	Lake Norman Regional Medical Center (NC)	144	Duke University Health System	6,822
11/22/2024	2 CHS Hospitals (FL)	252	AdventHealth (FL)	16,794
11/14/2024	Black Hills Surgical Hospital (SD)	92	Sanford Health (SD)	7,226
11/8/2024	Merit Health Biloxi (MS)	81	Memorial Health System (MS)	847
10/28/2024	Harbor Beach Community Hospital (MI)	19	Scheurer Health (MI)	61
10/25/2024	7 Steward Hospitals (TX, FL) ⁽⁶⁾	1,323	American Healthcare Systems	--
10/16/2024	Estes Park Health (CO)	57	UCHealth (CO)	8,131
10/11/2024	2 Steward Hospitals (TX)	189	Quorum Health (TN)	686
10/8/2024	Kahi Mohala Hospital (HI)	22	The Queen's Health Systems (HI)	1,923
10/3/2024	3 Steward Hospitals (AZ)	326	HonorHealth (AZ)	3,065
10/3/2024	CentraCare-Monticello (MN)	99	CentraCare (MN)	1,995

Notes:

- Includes selected publicly disclosed transactions
- Certain transactions may involve a merger, and as such the parties are listed as "Partner", with the entity with lower consolidated revenues listed as target/partner
- System/hospital revenues as reported in publicly available financials; if not available, revenues from CMS cost reports, as reported by Definitive Healthcare
- Sources for consolidated revenues are for most recent year as reported by S&P/Moody's/EMMA/public filings/CMS cost reports, as reported by Definitive Healthcare
- Combined revenues for 6 of the 7 acquired Steward hospitals; Revenues unavailable for Lauderdale Lakes, Florida-based Florida Medical Center
- Please see additional important information and qualifications at the end of this material

Selected Valuation Multiples

EV/EBITDA (per trading data)



Source: Morgan Stanley analysis using CapitalIQ

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Not-For-Profit Healthcare Finance Newsletter

January 29, 2025

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MARKET UPDATE

Last week, the primary market saw \$1.4 billion of fixed rate tax-exempt healthcare supply across 4 issues, and no taxable supply. As discussed in last week's newsletter, St. Luke's Health System (ID) (NR/A/A+) came to market with \$395 million tax-exempt fixed rate bonds, \$93 million 7-year mandatory tender bonds, and \$91 million 10-year mandatory tender bonds, on which Barclays served as co-senior manager. The 2053 final maturity of the fixed rate tranche was sold as a bifurcated structure with 5.25% and 4.375% coupons to yield 4.48% (MMD + 0.50%)¹ and 4.57% (MMD + 0.59%), respectively. The 7-year mandatory tender bonds were sold with a 5.00% coupon to yield 3.47% (MMD + 0.54%)¹ and the 10-year mandatory tender bonds were sold with a 5.00% coupon to yield 3.72% (MMD + 0.61%)¹. UMass Memorial Health Care (MA) (NR/BBB+/A-) came to market with \$342 million of tax-exempt fixed rate bonds, comprised of a \$100 million 10-year serial bullet maturity tranche and a \$242 million amortizing tranche. The 2035 serial bullet maturity was sold with a 5.00% coupon to yield 3.64% (MMD + 0.55%)¹ and the 2054 final maturity of the amortizing tranche was sold with a 4.50% coupon to yield 4.67% (MMD + 0.66%). University of Maryland Medical System (MD) (A2/A/NR) came to market with \$235 million of tax-exempt fixed rate bonds and \$73 million of 6-year mandatory tender bonds. The 2052 final maturity of the fixed rate tranche was sold with a 5.25% coupon to yield 4.37% (MMD + 0.42%)¹ while the 6-year mandatory tender bonds were sold with a 5.00% coupon to yield 3.37% (MMD + 0.50%)¹. Fred Hutchinson Cancer Center (WA) (A2/NR/A+) came to market with \$173 million of tax-exempt fixed rate bonds. The 2045 final maturity was sold with a 4.25% coupon to yield 4.45% (MMD + 0.66%). In the short-term market, the SIFMA index reset at 2.25% today, 71 basis points tighter than last week's reading. Moody's Ratings ("Moody's") published a report discussing the impact of the Los Angeles ("LA") wildfires on public finance sectors, notably not-for-profit healthcare. Moody's believes that the wildfires will have minimal direct credit impact on rated LA health systems, and instead sees the greatest credit threat coming from potential operational disruptions like: temporary clinic closures, postponement of nonemergency procedures from power outages, and staff shortages. While major LA-based systems temporarily closed clinics during the height of the fires, many have reopened since. If the fires continue, Moody's expects the region to experience exacerbated staffing shortages coupled with volume surges, putting a strain on health systems.

In M&A news, Connecticut-based Yale New Haven Health ("YNHHS") and has entered into an agreement to acquire Connecticut-based Nelson Ambulance and its affiliates, a move that expands a longstanding relationship between the two parties. The deal is expected to expand YNHHS's transport capabilities, and is slated to close in the first half of 2025, subject to regulatory approval.

1. Yield quoted represents yield to call on premium callable bond, yield to maturity would be higher.

MARKET INDICATORS

	Current	Prior Week	1-Year Avg.	10-Year Avg. ²
MMD (30-YR)	3.97	3.98	3.72	2.75
US Treasury (30-YR)	4.79	4.82	4.46	2.95
SIFMA Swap (30-YR) ¹	3.53	3.58	3.27	2.33
75% of SOFR Swap (30-YR) ¹	3.07	3.12	2.85	1.87
7-Day SIFMA Index	2.25	2.96	3.31	1.29
SOFR	4.35	4.30	5.07	1.81

1. These rates are indicative and represent where the client can enter into a new 30-year interest rate swap.

2. Represents the 10-year average or maximum data available. 30-year SOFR swap rates are available from May 2019.

Joe Hegner

Co-Group Head
(312) 609-8508

Peter Reilly

Co-Group Head
(415) 263-4457

NEW YORK

Lisa Rogers

Managing Director
(212) 526-3974

Molly Bailey

Director
(212) 526-1503

Ronald Kim

Asst. Vice President
(212) 526-0272

Paul Ballas

Asst. Vice President
(212) 526-1085

James Peabody

Analyst
(212) 526-5713

Rahi Shah

Analyst
(212) 526-7905

Caitlin Gaspich

Analyst
(212) 526-9281

SAN FRANCISCO

Steve Kim

Managing Director
(415) 274-5216

WASHINGTON D.C.

Kristin Kendigelen

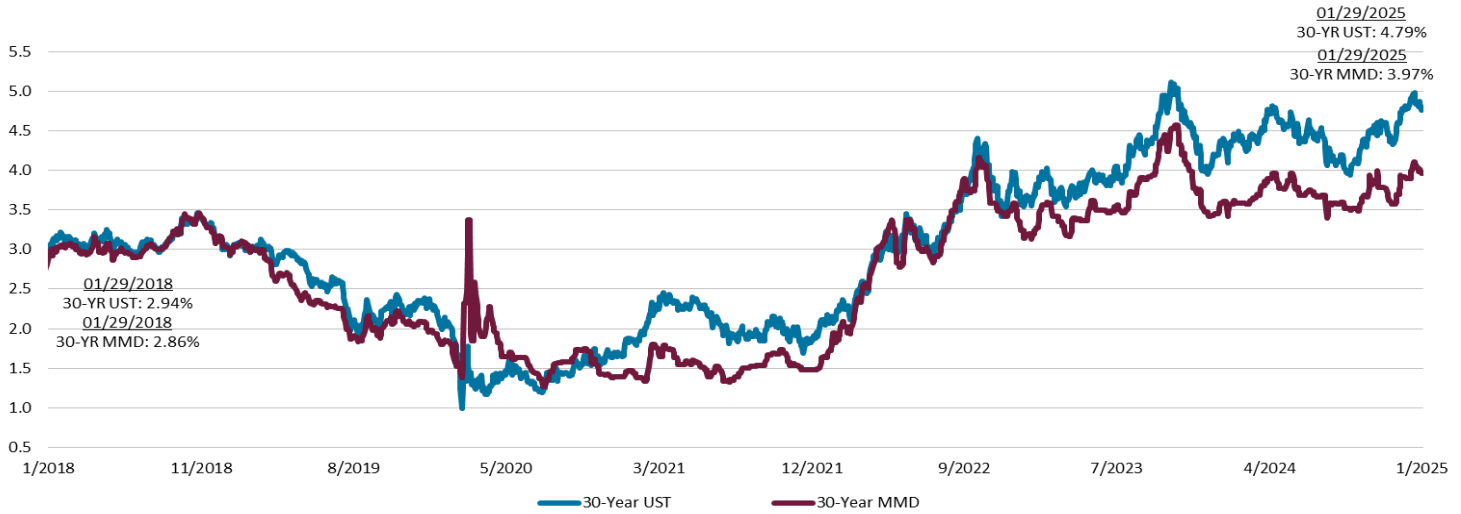
Director
(202) 452-4731

CHICAGO

Caroline Robertson

Asst. Vice President
(312) 609-6043

30-Year MMD vs. 30-Year UST



BARCLAYS ECONOMIC OUTLOOK

	Current	Q1 2025E	Q2 2025E	Q3 2025E
Federal Funds (%)	4.25-4.50	4.25-4.50	4.00-4.25	4.00-4.25
2-yr Treasury (%)	4.21	4.00	3.90	3.80
5-yr Treasury (%)	4.35	4.10	4.00	3.95
10-yr Treasury (%)	4.55	4.30	4.25	4.25
30-yr Treasury (%)	4.79	4.50	4.45	4.45

MARKET UPDATE

The Barclays Economics Research Team published a report discussing the January FOMC meeting. As widely anticipated, the FOMC held the target range for the funds rate steady at 4.25-4.50%. The Research Team notes that with today's statements and Fed Chair Powell's press conference statements, the Fed signaled that today's hold is likely the beginning of an extended pause, as the committee evaluates the effects of the 100bp in cuts already delivered thus far and awaits news on the likely course of Trump administration policy. Additionally, although there were minor tweaks that were interpreted as hawkish, such as "inflation remains somewhat elevated" and "since earlier this year, labor market conditions have eased", the Research Team comments that Chair Powell downplayed this interpretation in his press conference. The Research Team also highlighted three main messages from Chair Powell's press conference: 1) the FOMC is in no rush to adjust the policy stance; 2) the FOMC will not make additional downward adjustments to the policy rate until it sees evidence of further progress in pushing inflation sustainably toward 2%; and 3) the FOMC continues to regard its policy stance as restrictive, and meaningfully so.

Looking ahead, the Research Team retains its baseline projection that the FOMC will cut rates only once this year by 25bp in June, bringing the year-end fed funds target range to 4.00-4.25%. In 2026, the Research Team expects the FOMC to resume incremental rate cuts around midyear, assuming three 25bp cuts in June, September and December of 2026.

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

To: Investment Committee
From: Carlos A. Bohorquez, Chief Financial Officer
Date: February 10, 2025
Subject: CFO Financial Report

Purpose:

To provide the Investment Committee with an update on YTD FY2025 financial results (as of 12/31/2024).

Executive Summary – YTD FY2025 (as of 12/31/2024):

Patient activity / volumes remain consistent across the enterprise.

- **Average Daily Census:** 308 is 1 / 0.2% favorable to budget and 4 / 1.3% higher than the same period last year.
- **Adjusted Discharges:** 22,239 are 62 / 0.3% unfavorable to budget and 303 / 1.4% higher than the same period last year.
- **Emergency Room Visits:** 40,058 are 289 / 0.7% unfavorable to budget and 341 / 0.8% lower than the same period last fiscal year.
- **Outpatient Visits / Procedures:** 75,731 are 5,878 / 8.4% favorable to budget and 8,321 / 12.4% higher than the same period last fiscal year.

Total Operating Revenue (\$): \$842.7M is \$25.6M / 3.1% favorable to budget and \$85.7M / 11.3% higher than the same period last fiscal year.

Operating EBIDA (\$): \$134.5M is \$16.1M / 13.6% favorable to budget and \$10.8M / 8.8% higher than the same period last fiscal year.

Net Income (\$): \$156.6M is \$58.9M / 60.3% favorable to budget and \$32.8M / 26.5% higher than the same period last fiscal year. Favorable net income is attributed to stable financial performance and unrealized gains on the investment portfolio.

Operating Margin (%): 10.0% (actual) vs. 8.2% (budget)

Operating EBIDA Margin (%): 16.0% (actual) vs. 14.5% (budget)

Recommendation:

- None

List of Attachments:

- CFO Financial Report – FY2025 YTD (as of 12/31/2024)

Suggested Committee Discussion Questions:

- None



El Camino Health

CFO Report

**YTD Fiscal Year 2025 Financials
(7/1/2024 – 12/31/2024)**

Carlos Bohorquez, Chief Financial Officer

February 10, 2025

Operational / Financial Results: YTD FY2025 (as of 12/31/2024)

(\$ 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
									'Aa3'	'AA'	'AA'	
Activity / Volume	ADC	308	307	1	0.2%	304	4	1.3%	---	---	---	---
	Adjusted Discharges	22,239	22,301	(62)	(0.3%)	21,935	303	1.4%	---	---	---	---
	OP Visits / OP Procedural Cases	75,531	69,653	5,878	8.4%	67,210	8,321	12.4%	---	---	---	---
	Percent Government (%)	58.4%	58.5%	(0.1%)	(0.1%)	58.2%	0.2%	0.4%	---	---	---	---
	Gross Charges (\$)	3,588,921	3,433,372	155,550	4.5%	3,116,625	472,296	15.2%	---	---	---	---
Operations	Cost Per CMI AD	19,619	20,032	(413)	(2.1%)	18,332	1,287	7.0%	---	---	---	---
	Net Days in A/R	50.2	54.0	(3.8)	(7.1%)	54.2	(4.0)	(7.4%)	48.1	48.1	47.5	
Financial Performance	Net Patient Revenue (\$)	809,033	782,884	26,149	3.3%	725,799	83,234	11.5%	1,785,350	3,388,408	---	
	Total Operating Revenue (\$)	842,695	817,068	25,627	3.1%	757,043	85,652	11.3%	2,336,989	3,663,557	3,224,864	
	Operating Margin (\$)	84,295	66,790	17,505	26.2%	73,998	10,296	13.9%	44,403	69,608	99,971	
	Operating EBIDA (\$)	134,512	118,456	16,057	13.6%	123,688	10,824	8.8%	158,402	238,131	270,889	
	Net Income (\$)	156,621	97,677	58,943	60.3%	123,831	32,790	26.5%	114,512	208,823	180,592	
	Operating Margin (%)	10.0%	8.2%	1.8%	22.4%	9.8%	0.2%	2.3%	1.9%	1.9%	3.1%	
	Operating EBIDA (%)	16.0%	14.5%	1.5%	10.1%	16.3%	(0.4%)	(2.3%)	6.8%	6.5%	8.4%	
	DCOH (days)	276	275	1	0.3%	268	7	2.8%	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 12/31/2024)

(\$000s)

ASSETS

	Audited	
	December 31, 2024	June 30, 2024
CURRENT ASSETS		
Cash	272,820	202,980
Short Term Investments	86,020	100,316
Patient Accounts Receivable, net	230,662	211,960
Other Accounts and Notes Receivable	25,258	25,065
Intercompany Receivables	18,184	17,770
Inventories and Prepaids	53,487	55,556
Total Current Assets	686,430	613,647
BOARD DESIGNATED ASSETS		
Foundation Board Designated	25,469	23,309
Plant & Equipment Fund	540,748	503,081
Women's Hospital Expansion	44,603	31,740
Operational Reserve Fund	210,693	210,693
Community Benefit Fund	18,337	17,561
Workers Compensation Reserve Fund	12,811	12,811
Postretirement Health/Life Reserve Fund	23,009	22,737
PTO Liability Fund	40,726	37,646
Malpractice Reserve Fund	1,713	1,713
Catastrophic Reserves Fund	39,953	33,030
Total Board Designated Assets	958,062	894,322
FUNDS HELD BY TRUSTEE	18	18
LONG TERM INVESTMENTS	695,005	665,759
CHARITABLE GIFT ANNUITY INVESTMENTS	1,127	965
INVESTMENTS IN AFFILIATES	47,216	36,663
PROPERTY AND EQUIPMENT		
Fixed Assets at Cost	2,030,841	2,016,992
Less: Accumulated Depreciation	(916,145)	(874,767)
Construction in Progress	207,176	173,449
Property, Plant & Equipment - Net	1,321,873	1,315,675
DEFERRED OUTFLOWS	47,091	41,550
RESTRICTED ASSETS	34,608	32,166
OTHER ASSETS	203,987	195,447
TOTAL ASSETS	3,995,416	3,796,213

LIABILITIES AND FUND BALANCE

	Audited	
	December 31, 2024	June 30, 2024
CURRENT LIABILITIES		
Accounts Payable	63,243	71,017
Salaries and Related Liabilities	52,934	35,693
Accrued PTO	41,755	38,634
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	11,650	13,419
Intercompany Payables	14,166	13,907
Malpractice Reserves	1,830	1,830
Bonds Payable - Current	10,820	10,820
Bond Interest Payable	7,673	7,673
Other Liabilities	15,446	12,261
Total Current Liabilities	221,816	207,554
LONG TERM LIABILITIES		
Post Retirement Benefits	23,009	22,737
Worker's Comp Reserve	12,811	12,811
Other L/T Obligation (Asbestos)	30,536	27,707
Bond Payable	438,966	441,105
Total Long Term Liabilities	505,322	504,360
DEFERRED REVENUE-UNRESTRICTED	1,054	1,038
DEFERRED INFLOW OF RESOURCES	99,431	92,261
FUND BALANCE/CAPITAL ACCOUNTS		
Unrestricted	2,891,677	2,731,120
Minority Interest	(1,159)	(1,114)
Board Designated	224,278	216,378
Restricted	52,997	44,616
Total Fund Bal & Capital Accts	3,167,793	2,991,001
TOTAL LIABILITIES AND FUND BALANCE	3,995,416	3,796,213

DRAFT**Investment Committee
Proposed FY2026 Meeting Dates**

RECOMMENDED IC DATES MONDAYS	CORRESPONDING HOSPITAL BOARD DATE
Monday, August 11, 2025	Wednesday, August 27, 2025
Monday, November 10, 2025	Wednesday, November 19, 2025
Monday, February 9, 2026	Wednesday, February 25, 2026
Monday, February 23, 2026 (Joint with FC)	Wednesday, March 25, 2026
Monday, May 11, 2026	Wednesday, May 27, 2026

FY2026 Investment Committee Pacing Plan

AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/11	SEP	OCT	11/10	DEC	2/9	2/23	MAR	APR	5/11	JUN
STANDING AGENDA ITEMS												
Standing Consent Agenda Items		✓			✓		✓				✓	
Minutes		✓			✓		✓				✓	
CFO Report Out		✓			✓		✓				✓	
APPROVAL ITEMS												
Next FY Committee Goals, Dates, Plan							✓				✓	
Next FY Org. Goals											✓	
Progress Against Committee Goals					✓		✓				✓	
Review/Approval of Updated Investment Policy											✓	
DISCUSSION ITEMS												
Capital Markets Review & Portfolio Performance		✓			✓		✓				✓	
Tactical Asset Allocation Positioning & Market Outlook		✓			✓		✓				✓	
Long-Range Financial Forecast								✓				
Asset Allocation & Enterprise Risk Framework							✓					
403 (b) Investment Performance					✓							
Education Topic: <ul style="list-style-type: none"> • AI Impact Investment Strategies • Legislative Impact on HC organizations and Investment Portfolios 					✓						✓	

DRAFT

FY2026 COMMITTEE GOALS
Investment Committee

PURPOSE

The purpose of the Investment Committee is to develop and recommend to the El Camino Hospital (ECH) Board of Directors (“Board”) the investment policies governing the Hospital’s assets, maintain current knowledge of the management and investment funds of the Hospital, and provide oversight of the allocation of the investment assets.

STAFF: Carlos Bohorquez, Chief Financial Officer (Executive Sponsor)

The CFO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the Executive Team or hospital staff may participate in the meetings upon the recommendation of the CFO and at the discretion of the Committee Chair. The CEO is an ex-officio member of this Committee.

GOALS	TIMELINE	METRICS
1. Review performance Surplus Cash and Cash Balance Portfolios & Recommendations of Adjustments to Managers / Allocations	Each Quarter	Committee review / approval of recommendations by management / consultant (if needed)
2. Implementation of Updated Investment Policy	FY2026 Q1-Q4	August 2025 – May 2026: Alternative Investments
3. Review 403(b) Performance	FY2026 Q2	November 2025
4. Enterprise Risk Management Update	FY2026 Q3	February 2026
5. Investment Policy Review	FY2026 Q4	May 2026: Committee approval of updated policy (if needed)
6. Education Topics	FY2026 Q2 & Q4	November 2025: AI Impact on Investment Strategies May 2026: Legislative Impact on HC organizations and Investment Portfolios

SUBMITTED BY:

Chair: Brooks Nelson

Executive Sponsor: Carlos Bohorquez, CFO

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

To: Investment Committee
From: Carlos A. Bohorquez, Chief Financial Officer
Date: February 10, 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 12/31/2024):

Performance for the Cash Surplus portfolio was negative for Q4 2024 with a total portfolio of value increasing to \$1,789,081,497 (including district funds).

The following are the performance returns vs. benchmarks:

- **3 month:** -1.3% (actual) vs. -1.4% (benchmark)
- **12 month:** 8.8% (actual) vs. 8.4% (benchmark)
- **3 year:** 2.2% (actual) vs. 2.1% (benchmark)
- **5 year:** 5.1% (actual) vs. 5.2% (benchmark)
- **10 year:** 5.0% (actual) vs. 5.3% (benchmark)

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

Asset Allocation Compliance | As of December 31, 2024

Asset Allocation Vs. Policy Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
District/Debt Reserves	85,153,878	4.8	0.0	4.8	0.0 - 0.0	
Domestic Equity	414,823,199	23.2	22.0	1.2	17.0 - 27.0	Yes
International Equity	208,024,976	11.6	12.0	-0.4	7.0 - 17.0	Yes
Global Equity	130,829,437	7.3	8.0	-0.7	3.0 - 13.0	Yes
Short Duration Fixed Income Composite	220,550,850	12.3	10.0	2.3	5.0 - 15.0	Yes
Market Duration Fixed Income Composite	332,505,389	18.6	20.0	-1.4	10.0 - 25.0	Yes
Return Seeking Fixed Income	152,758,535	8.5	10.0	-1.5	5.0 - 15.0	Yes
Total Alternatives Composite	244,435,233	13.7	18.0	-4.3	15.0 - 25.0	No
Total Surplus Cash	1,789,081,497	100.0	100.0	0.0		

Source: Meketa Q4 Portfolio Performance Summary (as of 12/31/2024)

Portfolio Liquidity: Combined daily / weekly liquidity of 75.4% is above the 70.0% - 75.0% target range.

Portfolio Performance (Cash Surplus and Cash Balance Plan)
February 10, 2025

Cash Balance Plan – Portfolio Overview (as of 12/31/2024):

Performance for the Cash Balance Plan portfolio was negative for Q4 2024 with a total portfolio of value increasing to \$386,287,686.

The following are the performance returns vs. benchmarks:

- **3 month:** -1.2% (actual) vs. -1.1% (benchmark)
- **12 month:** 9.9% (actual) vs. 9.8% (benchmark)
- **3 year:** 2.2% (actual) vs. 2.6% (benchmark)
- **5 year:** 6.2% (actual) vs. 6.1% (benchmark)
- **10 year:** 6.5% (actual) vs. 6.2% (benchmark)

All the current asset percentages are within investment policy ranges as indicated in the table below.

Asset Allocation Compliance | As of December 31, 2024

Allocation vs. Targets						
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
■ Domestic Equity Composite	146,957,060	38.0	32.0	6.0	27.0 - 37.0	No
■ International Equity Composite	69,941,992	18.1	18.0	0.1	15.0 - 21.0	Yes
■ Short Duration Fixed Income Composite	11,920,607	3.1	5.0	-1.9	0.0 - 8.0	Yes
■ Market Duration Fixed Income Composite	84,342,960	21.8	25.0	-3.2	20.0 - 30.0	Yes
■ Total Alternatives Composite	73,125,067	18.9	20.0	-1.1	17.0 - 23.0	Yes
Total Cash Balance Plan	386,287,686	100.0	100.0	0.0		

Source: Meketa Q4 Portfolio Performance Summary (as of 12/31/2024)

Portfolio Liquidity: Daily liquidity of 81.1% is above the 70.0% - 75.0% target range.

List of Attachments:

- Presentation - ECH Portfolio Performance

Recommendation:

- None

El Camino Health

February 10, 2025

Meeting Materials

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- 2. Economic & Market Update**
- 3. Performance as of December 31, 2024**
 - Total Surplus (Reserve Cash)
 - Cash Balance Plan
- 4. Appendix**
 - Research Insights
 - Disclaimer, Glossary, and Notes

Executive Summary

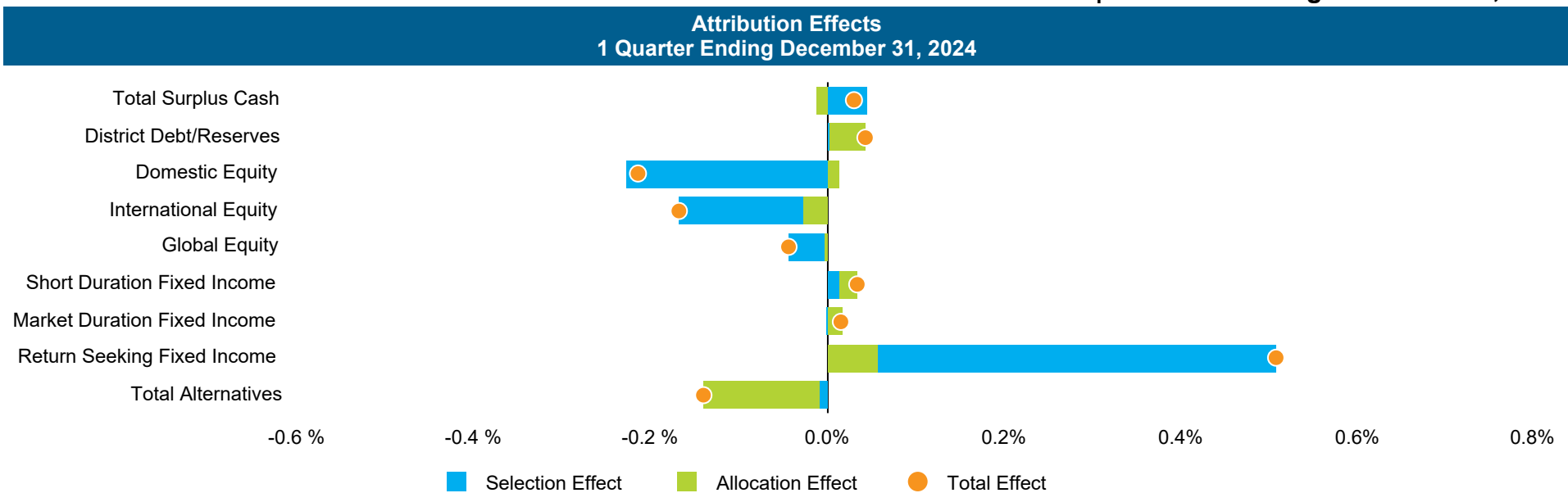
Executive Summary

- The fourth quarter of 2024 was characterized by changes in the domestic political landscape as Donald Trump won a second non-consecutive term in office and Republicans took control of Congress. While it was a victory for the Republican party, the economic implications are less clear. Domestic stocks responded positively early in Q4 to perceived pro-growth policy promises from the incoming administration. That said, nearly all other major global markets sold off or had muted quarterly returns as a result of expected inflationary effects of the tariffs and immigration policies the incoming administration has promised to impose. These inflationary risks have also led market participants to anticipate fewer interest rate cuts from the Federal Reserve than previously expected.
- December was a down month for most markets. Domestic equities, as proxied by the Russell 3000 index, posted a return of -3.0%. The Russell 2000, a benchmark for small cap domestic stocks, returned -8.3% in December, and the MSCI EAFE, a proxy for developed ex-US stocks, returned -2.3%. Emerging Markets were slightly less impacted during December, as the MSCI Emerging Markets index only lost -0.1%; however, the index was down -8.0% for Q4 as a whole. Fixed income markets were not spared in the final month of the year, as the Bloomberg Aggregate, a proxy for the broad fixed income market, returned -1.6% in December.
- The Total Surplus (Reserve Cash) portfolio had a total market value of \$1.79 billion as of December 31st, 2024.
- The fund returned -1.3% during Q4 and gained 8.8% over the trailing one-year period. On a relative basis, the Total Surplus (Reserve Cash) plan outperformed the Policy Benchmark by 0.1% and 0.4% over the trailing quarter and one-year periods, respectively.
- The Cash Balance Plan was valued at \$386.3 million at the end of December 2024.
- The Cash Balance plan returned -1.2% vs. the benchmark return of -1.1% over the fourth quarter. The Plan gained 9.9% over the trailing one-year period, slightly outperforming the benchmark return of 9.8%.

Attribution Summary 1 Quarter Ending December 31, 2024							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
District Debt/Reserves	-0.2	-0.1	-0.1	0.0	0.0	0.0	0.0
Domestic Equity	1.1	2.1	-1.0	-0.2	0.0	0.0	-0.2
International Equity	-8.7	-7.6	-1.1	-0.1	0.0	0.0	-0.2
Global Equity	-1.6	-1.0	-0.6	0.0	0.0	0.0	0.0
Short Duration Fixed Income	0.1	0.0	0.1	0.0	0.0	0.0	0.0
Market Duration Fixed Income	-3.1	-3.1	0.0	0.0	0.0	0.0	0.0
Return Seeking Fixed Income	0.2	-5.1	5.3	0.5	0.1	-0.1	0.5
Total Alternatives	1.7	1.7	-0.1	0.0	-0.1	0.0	-0.1
Total Surplus Cash	-1.3	-1.3	0.0	0.1	0.0	-0.1	0.0

Attribution Summary 1 Year Ending December 31, 2024							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
District Debt/Reserves	4.0	4.0	0.0	0.0	-0.2	0.0	-0.2
Domestic Equity	19.4	21.9	-2.5	-0.5	0.0	0.0	-0.5
International Equity	3.1	5.5	-2.4	-0.3	0.0	0.0	-0.3
Global Equity	20.4	17.5	3.0	0.2	-0.1	-0.1	0.1
Short Duration Fixed Income	4.4	4.4	0.0	0.0	-0.1	0.0	-0.1
Market Duration Fixed Income	2.1	1.3	0.8	0.2	0.0	0.0	0.2
Return Seeking Fixed Income	5.9	-1.7	7.6	0.8	0.2	-0.2	0.9
Total Alternatives	8.7	6.9	1.8	0.3	0.0	0.0	0.3
Total Surplus Cash	8.8	8.5	0.3	0.7	-0.1	-0.3	0.3

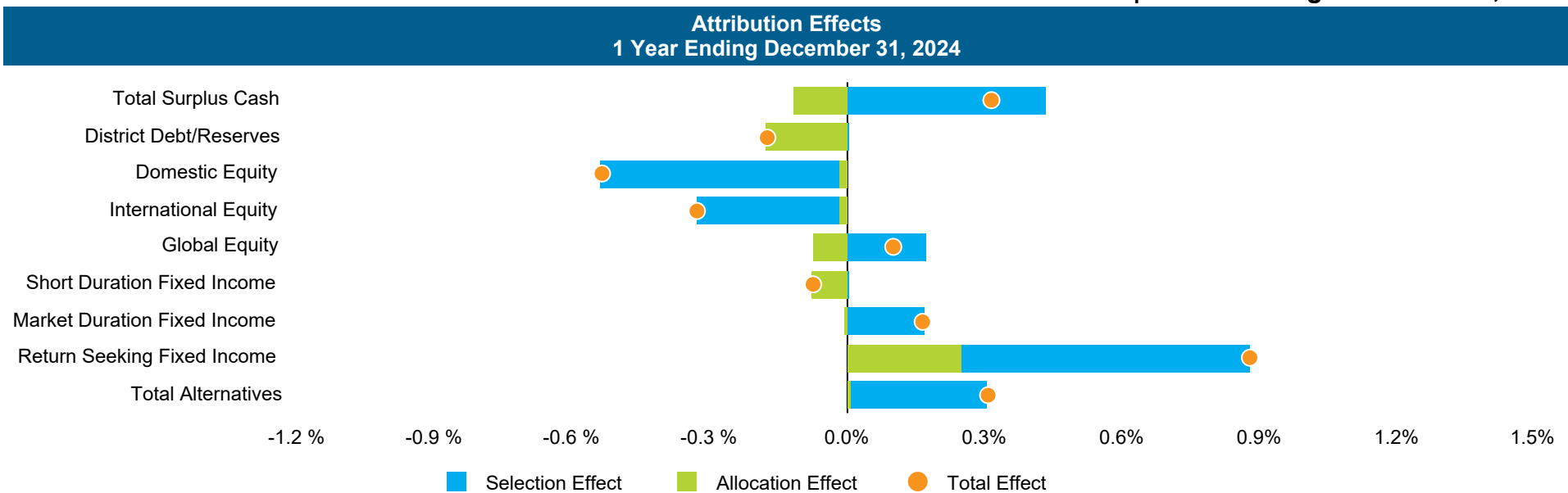
Total Fund Attribution | 1 Quarter Ending December 31, 2024



Attribution Summary
1 Quarter Ending December 31, 2024

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
District Debt/Reserves	-0.2	-0.1	-0.1	0.0	0.0	0.0
Domestic Equity	1.1	2.1	-1.0	-0.2	0.0	-0.2
International Equity	-8.7	-7.6	-1.1	-0.1	0.0	-0.2
Global Equity	-1.6	-1.0	-0.6	0.0	0.0	0.0
Short Duration Fixed Income	0.1	0.0	0.1	0.0	0.0	0.0
Market Duration Fixed Income	-3.1	-3.1	0.0	0.0	0.0	0.0
Return Seeking Fixed Income	0.2	-5.1	5.3	0.5	0.1	0.5
Total Alternatives	1.7	1.7	-0.1	0.0	-0.1	-0.1
Total Surplus Cash	-1.3	-1.3	0.0	0.0	0.0	0.0

Total Fund Attribution | 1 Year Ending December 31, 2024



Attribution Summary
1 Year Ending December 31, 2024

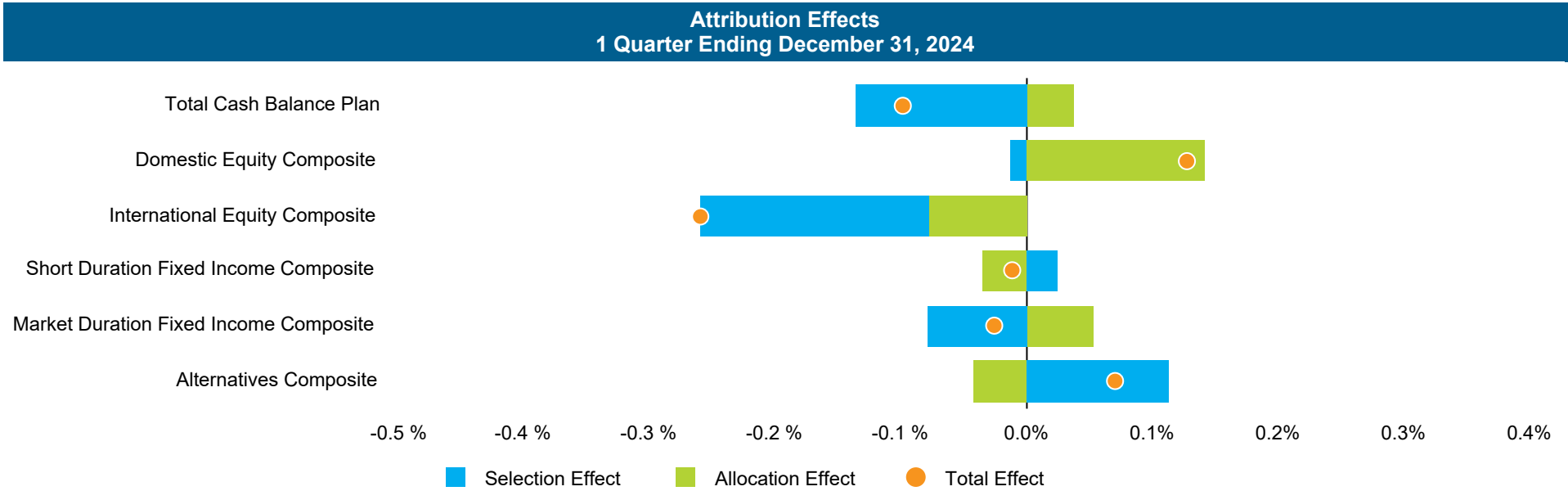
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
District Debt/Reserves	4.0	4.0	0.0	0.0	-0.2	-0.2
Domestic Equity	19.4	21.9	-2.5	-0.5	0.0	-0.5
International Equity	3.1	5.5	-2.4	-0.3	0.0	-0.3
Global Equity	20.4	17.5	3.0	0.2	-0.1	0.1
Short Duration Fixed Income	4.4	4.4	0.0	0.0	-0.1	-0.1
Market Duration Fixed Income	2.1	1.3	0.8	0.2	0.0	0.2
Return Seeking Fixed Income	5.9	-1.7	7.6	0.6	0.2	0.9
Total Alternatives	8.7	6.9	1.8	0.3	0.0	0.3
Total Surplus Cash	8.8	8.5	0.3	0.4	-0.1	0.3

Attribution Summary | As of December 31, 2024

Attribution Summary 1 Quarter Ending December 31, 2024							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Domestic Equity Composite	2.1	2.2	0.0	0.0	0.1	0.0	0.1
International Equity Composite	-8.5	-7.6	-0.9	-0.2	-0.1	0.0	-0.3
Short Duration Fixed Income Composite	0.9	0.0	0.9	0.0	0.0	0.0	0.0
Market Duration Fixed Income Composite	-3.4	-3.1	-0.4	-0.1	0.1	0.0	0.0
Alternatives Composite	2.2	1.5	0.6	0.1	0.0	0.0	0.1
Total Cash Balance Plan	-1.2	-1.1	-0.1	-0.1	0.0	0.0	-0.1

Attribution Summary 1 Year Ending December 31, 2024							
	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effects (%)	Total Effects (%)
Domestic Equity Composite	19.9	22.5	-2.6	-0.7	0.4	-0.1	-0.4
International Equity Composite	2.0	5.5	-3.5	-0.6	-0.1	-0.1	-0.8
Short Duration Fixed Income Composite	5.1	4.4	0.8	0.0	0.1	0.0	0.1
Market Duration Fixed Income Composite	1.7	1.3	0.5	0.1	0.2	0.0	0.3
Alternatives Composite	10.4	6.0	4.4	0.9	0.0	-0.1	0.8
Total Cash Balance Plan	9.9	9.8	0.1	-0.3	0.6	-0.2	0.1

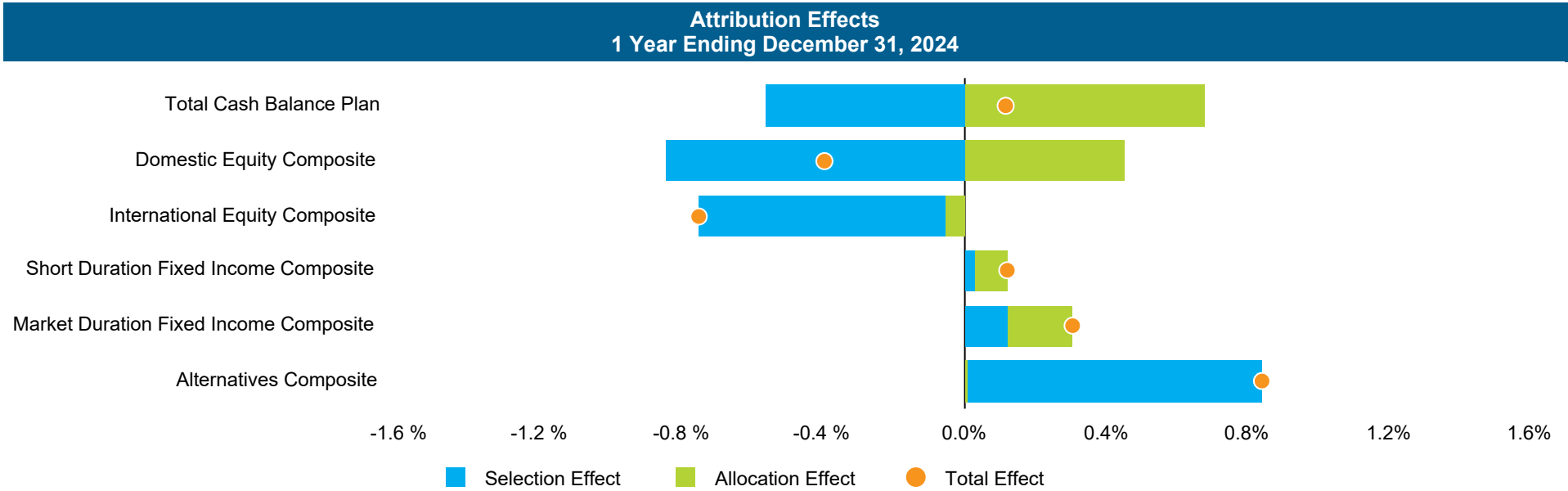
Total Fund Attribution | 1 Quarter Ending December 31, 2024



Attribution Summary
1 Quarter Ending December 31, 2024

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Domestic Equity Composite	2.1	2.2	0.0	0.0	0.1	0.1
International Equity Composite	-8.5	-7.6	-0.9	-0.2	-0.1	-0.3
Short Duration Fixed Income Composite	0.9	0.0	0.9	0.0	0.0	0.0
Market Duration Fixed Income Composite	-3.4	-3.1	-0.4	-0.1	0.1	0.0
Alternatives Composite	2.2	1.5	0.6	0.1	0.0	0.1
Total Cash Balance Plan	-1.2	-1.1	-0.1	-0.1	0.0	-0.1

Total Fund Attribution | 1 Year Ending December 31, 2024



**Attribution Summary
1 Year Ending December 31, 2024**

	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Total Effect (%)
Domestic Equity Composite	19.9	22.5	-2.6	-0.8	0.5	-0.4
International Equity Composite	2.0	5.5	-3.5	-0.7	-0.1	-0.8
Short Duration Fixed Income Composite	5.1	4.4	0.8	0.0	0.1	0.1
Market Duration Fixed Income Composite	1.7	1.3	0.5	0.1	0.2	0.3
Alternatives Composite	10.4	6.0	4.4	0.8	0.0	0.8
Total Cash Balance Plan	9.9	9.8	0.1	-0.6	0.7	0.1

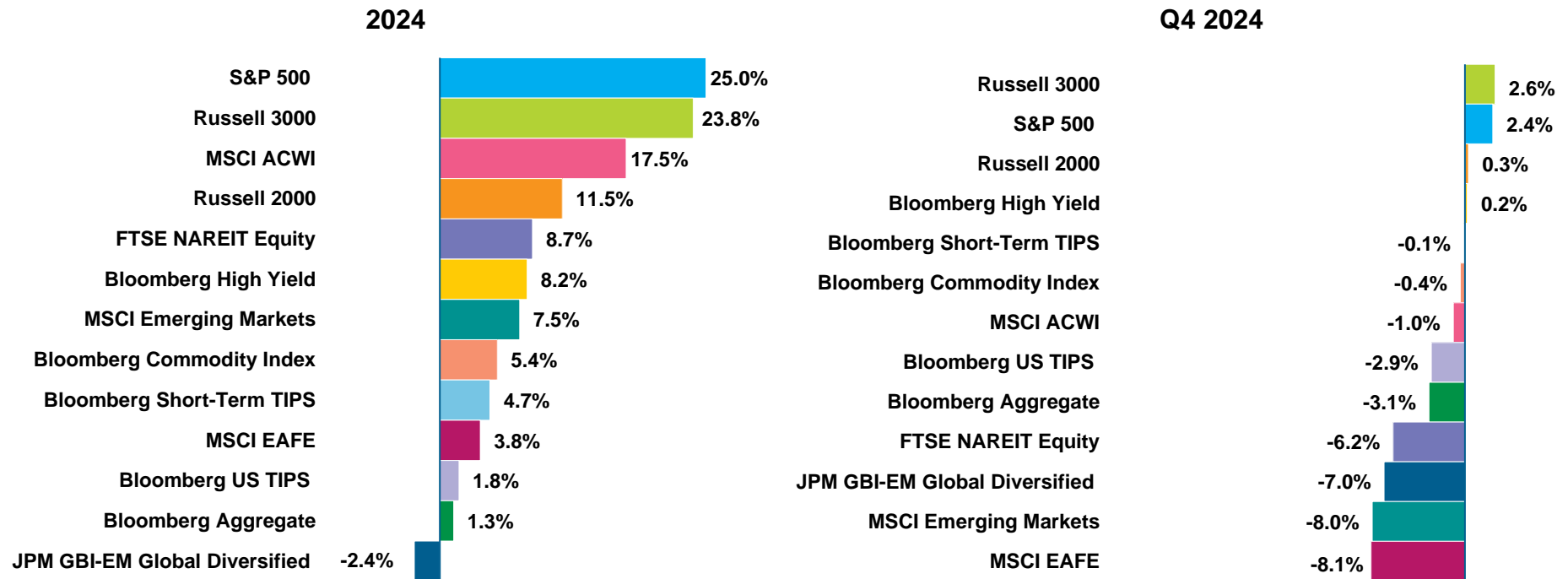
Economic and Market Update
Data as of December 31, 2024

Commentary

Although most major markets finished 2024 in positive territory, in the fourth quarter, with the exception of US stocks, the majority of markets declined.

- Trump's victory along with a now Republican controlled Congress, supported US equity markets in the fourth quarter on anticipation of pro-growth policies. Domestic equity markets (Russell 3000) posted a return of 2.6% in the quarter and an impressive 23.8% for the year driven by large cap technology stocks.
- Non-US developed stocks sold-off in the fourth quarter (MSCI EAFE: -8.1%) largely driven by the strength of the US dollar, as well as slowing growth in Europe and the potential for trade wars. For the year, they trailed US equities by a wide 20% margin (3.8% versus 23.8%).
- Emerging market stocks also fell (MSCI Emerging Markets: -8.0%) in the fourth quarter, again driven by the strong dollar and concerns about US tariffs. In 2024, emerging markets beat developed international markets (7.5% versus 3.8%) but significantly trailed the US.
- The Federal Reserve cut its policy rate another 0.25% in December, but its Summary of Economic Projections and hawkish comments provoked a repricing of future rate cuts and their timing.
- Most fixed income markets fell for the quarter with interest rates rising given fears of inflation from the proposed policies of the incoming US administration. The broad US bond market (Bloomberg Aggregate) declined 3.1% for the quarter, reducing its 2024 gain to 1.3%. For the year, most major bond markets delivered positive returns on cooling global inflation.
- Looking ahead, uncertainty related to the policies of the new Trump Administration and its impact on the economy, inflation, and Fed policy will be key. The path of China's economy and concerns over elevated valuations and technology driven concentration in the US equity market will also be important focuses of 2025.

Index Returns¹



→ In 2024, most major assets classes posted gains, led by the S&P 500's 25.0% return.

→ Markets had mixed returns in the fourth quarter. US equities rose on optimism over potential pro-growth policies from the incoming administration while inflation concerns and a strong dollar, respectively, weighed on bonds and international equities.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Domestic Equity Returns¹

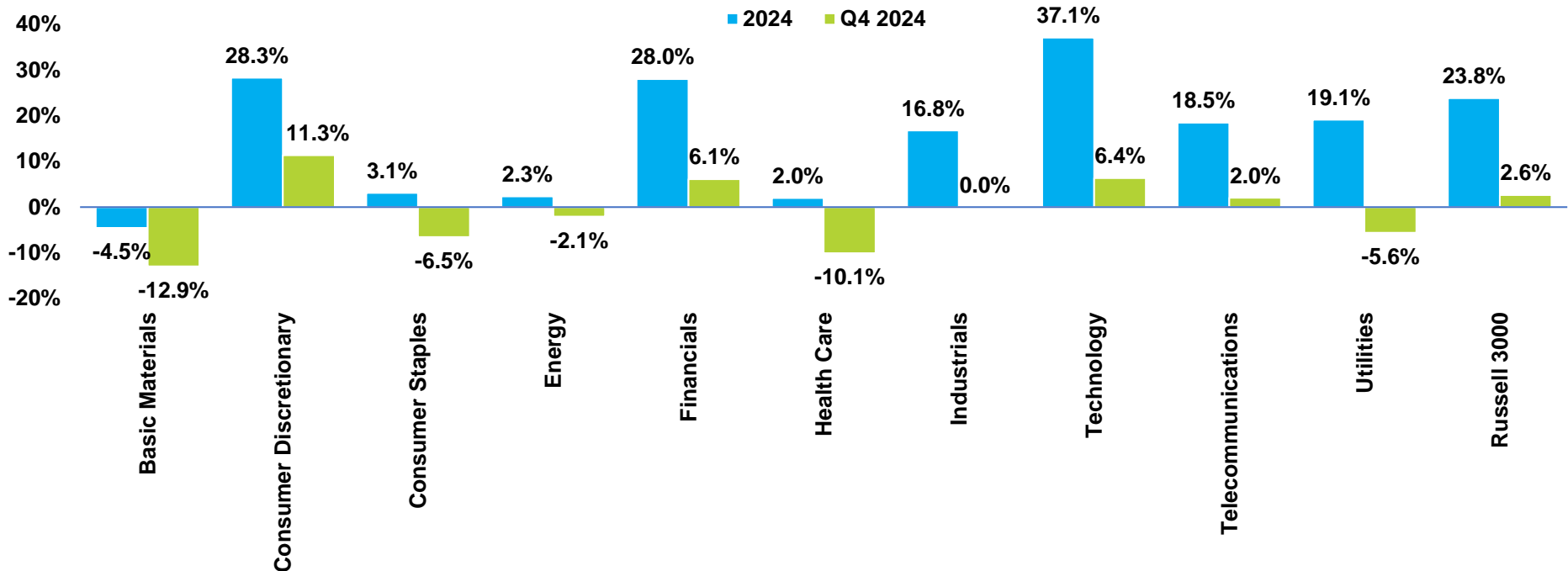
Domestic Equity	December (%)	Q4 2024 (%)	2024 (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-2.4	2.4	25.0	8.9	14.5	13.1
Russell 3000	-3.1	2.6	23.8	8.0	13.9	12.5
Russell 1000	-2.8	2.7	24.5	8.4	14.3	12.9
Russell 1000 Growth	0.9	7.1	33.4	10.5	19.0	16.8
Russell 1000 Value	-6.8	-2.0	14.4	5.6	8.7	8.5
Russell MidCap	-7.0	0.6	15.3	3.8	9.9	9.6
Russell MidCap Growth	-6.2	8.1	22.1	4.0	11.5	11.5
Russell MidCap Value	-7.3	-1.7	13.1	3.9	8.6	8.1
Russell 2000	-8.3	0.3	11.5	1.2	7.4	7.8
Russell 2000 Growth	-8.2	1.7	15.2	0.2	6.9	8.1
Russell 2000 Value	-8.3	-1.1	8.1	1.9	7.3	7.1

US Equities: The Russell 3000 rose 2.6% in the fourth quarter, bringing the year-to-date results to +23.8%.

- US stocks rose broadly in the fourth quarter on a post-election rally. However, value stocks did not participate and ended the quarter lower. In the large cap space, the Russell 1000 Value index’s omission of several “Magnificent 7” stocks, such as NVIDIA, Amazon, and Tesla, drove much of the divergence.
- For the full year, US equities gained 23.8%. NVIDIA was the leading contributor among all stocks in the Russell 3000 index. The stock appreciated 171% during the year and was responsible for 20% of total index gains. The “Magnificent 7” stocks contributed just under 50% of the 2024 index gains.
- Growth stocks outperformed value stocks across the market cap spectrum in 2024, which was more pronounced in the large cap space. Larger companies (Russell 1000) produced more than double the returns of smaller companies (Russell 2000) for the year.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Russell 3000 Sector Returns¹



- US equity sectors experienced mixed results in the final quarter of the year but all sectors except materials, experienced gains in 2024.
- Technology stocks rose 37.1% last year, which led all sectors. Within technology, NVIDIA and Broadcom accounted for more than half of the sector's contribution to overall index gains.
- After technology, consumer discretionary (+28.3%) and financials (+28.0%) were next driven by Amazon and Tesla and a steepening yield curve/strong economy, respectively.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Foreign Equity Returns¹

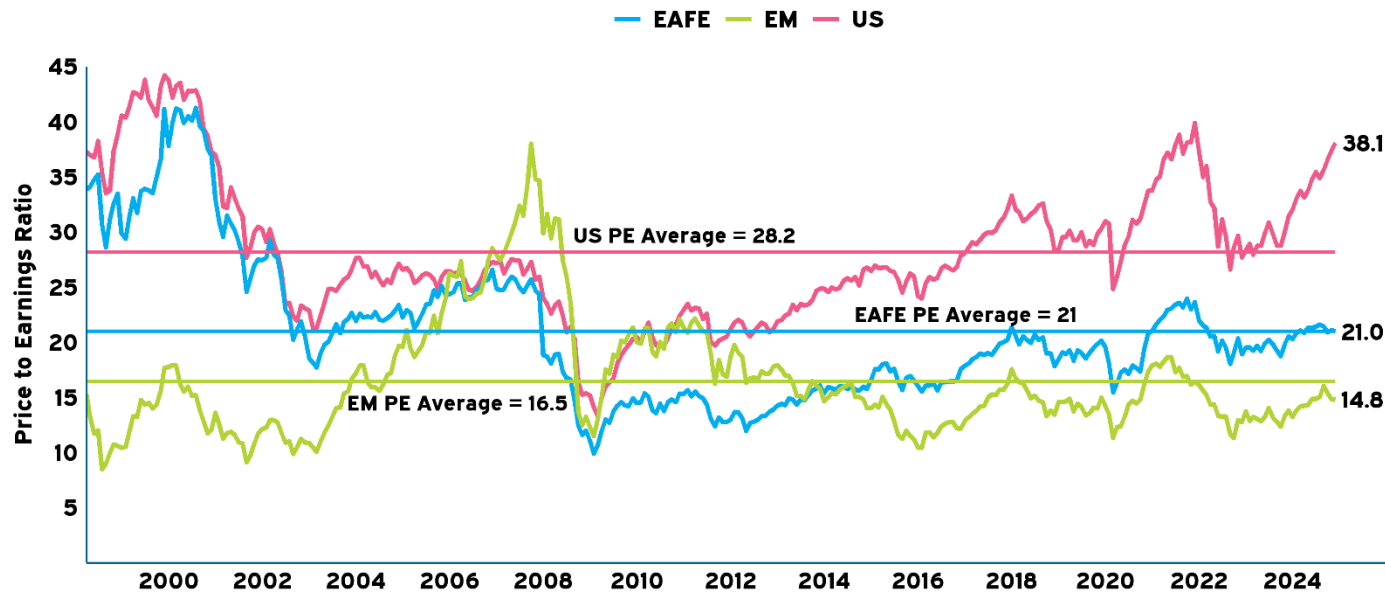
Foreign Equity	December (%)	Q4 2024 (%)	2024 (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI Ex US	-1.9	-7.6	5.5	0.8	4.1	4.8
MSCI EAFE	-2.3	-8.1	3.8	1.6	4.7	5.2
MSCI EAFE (Local Currency)	0.4	-0.6	11.3	6.3	7.5	7.1
MSCI EAFE Small Cap	-2.3	-8.4	1.8	-3.2	2.3	5.5
MSCI Emerging Markets	-0.1	-8.0	7.5	-1.9	1.7	3.6
MSCI Emerging Markets (Local Currency)	1.2	-4.4	13.1	1.6	4.5	6.0
MSCI EM ex China	-1.2	-8.1	3.6	0.1	4.4	4.7
MSCI China	2.7	-7.7	19.4	-6.1	-3.4	1.9

Foreign Equity: Developed international equities (MSCI EAFE) fell -8.1% in the fourth quarter but rose 3.8% for the year, while emerging market equities (MSCI Emerging Markets) fell -8.0% in the quarter but returned 7.5% for the year.

- Continued strength in the US dollar weighed on developed market shares, with declines in local terms significantly lower (-0.6% versus -8.1%). An unstable political environment, potential tariffs from the US, and weak growth all weighed on eurozone equities. Japan was a bright spot, outperforming the US for the quarter, with renewed yen weakness boosting the outlook for exporters.
- Emerging markets reacted poorly to Mr. Trump’s win in the fourth quarter, due largely to tariff fears and the Fed’s decreased likelihood of reducing rates in 2025. A strong dollar also weighed on results but not as much as in developed markets. China declined less than the broader index for the quarter (-7.7% versus -8.0%).
- Over the full 2024 calendar year, international equities significantly trailed US equities.

¹ Source: Bloomberg. Data is as of December 31, 2024.

Equity Cyclically Adjusted P/E Ratios¹



- Valuations in US stocks continued to move higher over the quarter while valuations for international equities fell.
- US stocks, priced at 38.1 times earnings, continue to trade well above their long-run PE average of 28.2.
- Non-US developed market valuations are trading at their long-term average. Emerging market stock valuations declined the most over the quarter (16.1 to 14.8) and remain below their long-term average.

¹ 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 December 2024. 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.

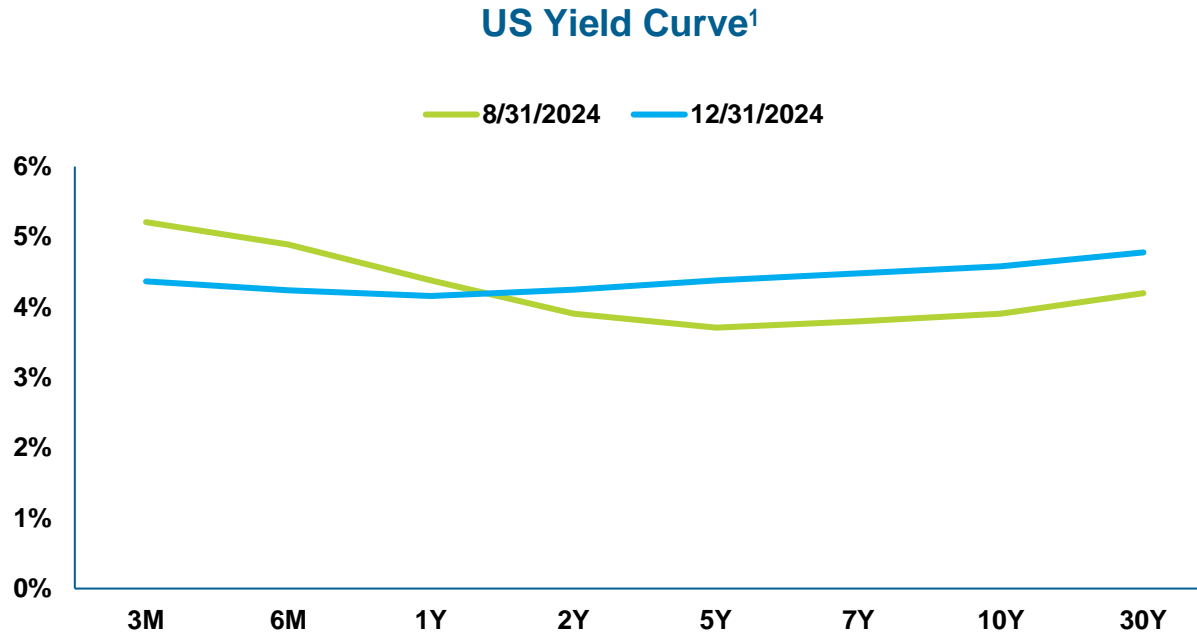
Fixed Income Returns¹

Fixed Income	December (%)	Q4 2024 (%)	2024 (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-1.5	-2.7	2.0	-1.9	0.1	1.7	5.1	5.9
Bloomberg Aggregate	-1.6	-3.1	1.3	-2.4	-0.3	1.3	4.9	6.1
Bloomberg US TIPS	-1.6	-2.9	1.8	-2.3	1.9	2.2	4.6	6.5
Bloomberg Short-term TIPS	-0.1	-0.1	4.7	2.1	3.3	2.6	4.4	2.4
Bloomberg US Long Treasury	-5.3	-8.6	-6.4	-12.0	-5.2	-0.6	4.9	14.9
Bloomberg High Yield	-0.4	0.2	8.2	2.9	4.2	5.2	7.5	3.5
JPM GBI-EM Global Diversified (USD)	-1.9	-7.0	-2.4	-1.0	-1.9	-0.4	--	--

Fixed Income: The Bloomberg Universal index fell 2.7% in the quarter, bringing the year-to-date return to +2.0%.

- Fixed income indexes largely declined over the quarter due to rising interest rates as investors considered proposed policies like tariffs and deportations and their respective risks to inflation.
- The broad US bond market (Bloomberg Aggregate) fell 3.1% over the quarter, with TIPS performing similarly at longer maturities. Long-term Treasury bonds experienced the largest declines, with a drop of 8.6%.
- High yield bonds outperformed as investor risk appetite remained robust, while emerging market debt weakened on uncertainty about the path of proposed US tariffs by the incoming administration as well as by higher US interest rates.

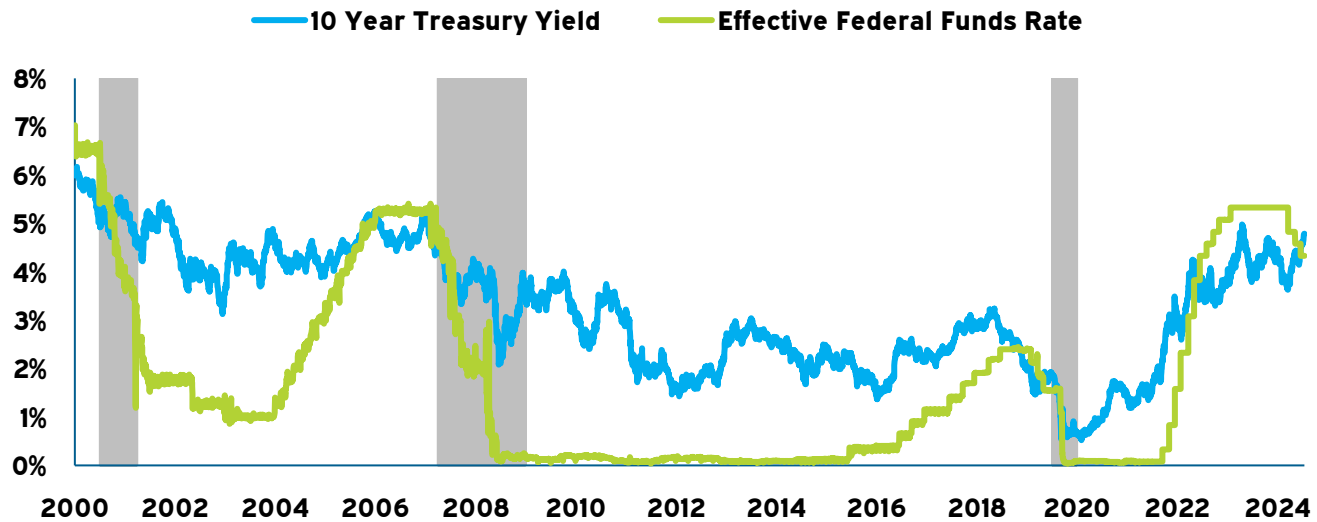
¹ Source: Bloomberg. Data is as of December 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- With the exception of the very shortest maturities, US Treasury yields rose in the fourth quarter driven by resilient growth and increased inflation expectations. Term premium (a measure of interest rate uncertainty) spiking over the quarter was a key driver of higher rates.
- Over the quarter, the more policy sensitive 2-year Treasury yield rose from 3.64% to 4.24%, while the 10-year Treasury yield rose from 3.78% to 4.57%.
- The yield curve was no longer inverted (short-term interest rates higher than long-term interest rates) at year-end given expectations for the Fed to continue to reduce rates and resilient economic growth and persistent inflation.

¹ Source: Bloomberg. Data is as of December 31, 2024. The August 2024 Treasury yields are shown as a reference before the first interest rate cut.

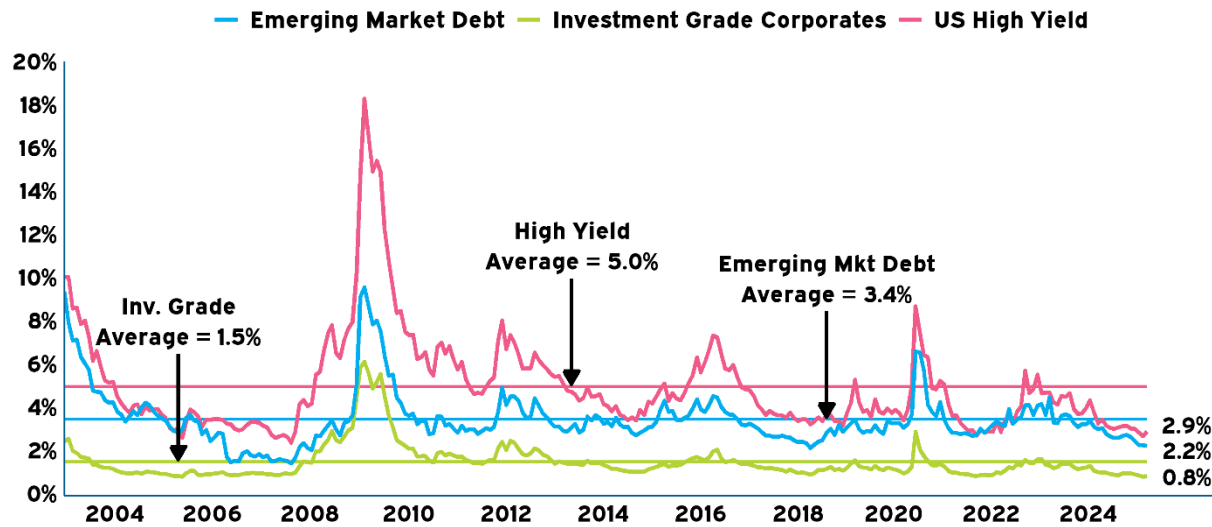
10-Year Treasury Yield versus Fed Funds Rate¹



- Typically, when the Fed cuts interest rates, the yield on the ten-year Treasury follows as rate cuts often come in an environment of falling inflation and rising unemployment.
- The recent dynamic has been very unusual with the Fed cutting interest rates by a total of 1.0% since September and the ten-year Treasury increasing by a similar amount over the same time period.
- Questions remain about why this is happening with some saying it is related to fiscal concerns and others pointing to lower demand for our debt from overseas. It is also possible the market feels the Fed has overcut rates already.

¹ Source: FRED. Data is as of January 15, 2025.

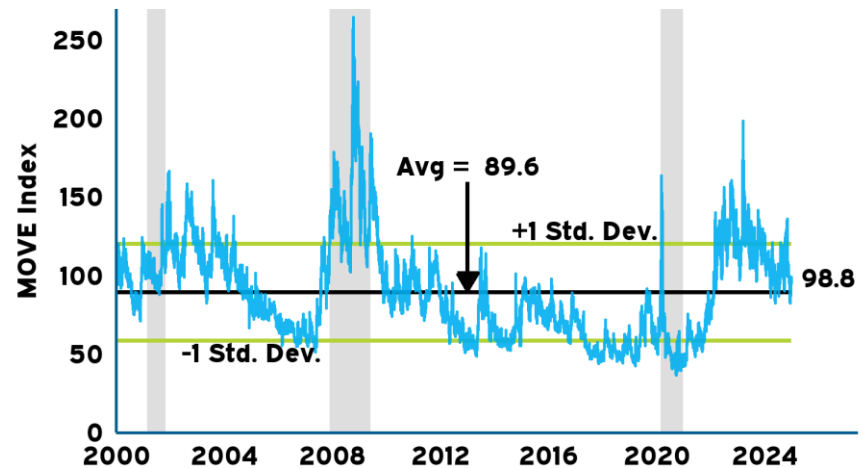
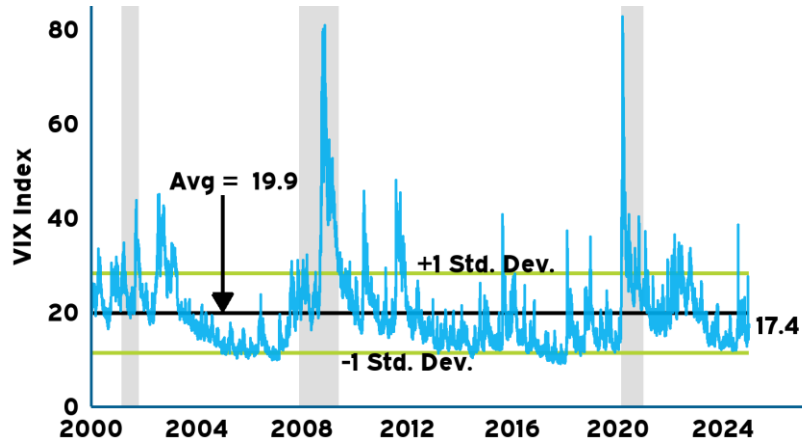
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the yield above a comparable maturity Treasury) all continued to tighten over the quarter.
- All yield spreads remained below their respective long-run averages, particularly high yield (2.9% versus 5.0%).
- Although spreads are tight, absolute yields remain at above-average levels compared to the last two decades.

¹ Source: Bloomberg. Data is as December 31, 2024. 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.

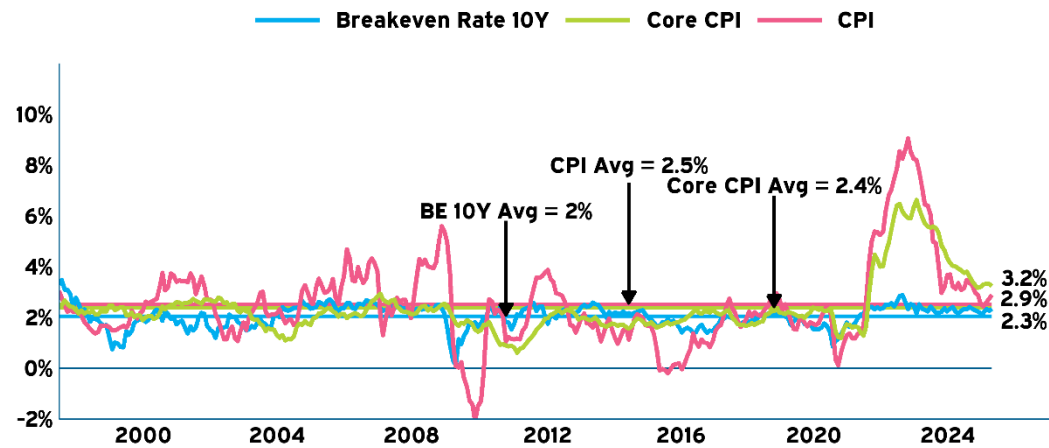
Equity and Fixed Income Volatility¹



- Bond and equity volatility experienced several spikes over the quarter ahead of the election but finished lower after the clear results.
- Volatility levels (VIX) in the US stock market finished the quarter below its long-run average, while volatility in the bond market (MOVE) ended December above its long-run average.

¹ 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 December 31, 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and December 2024.

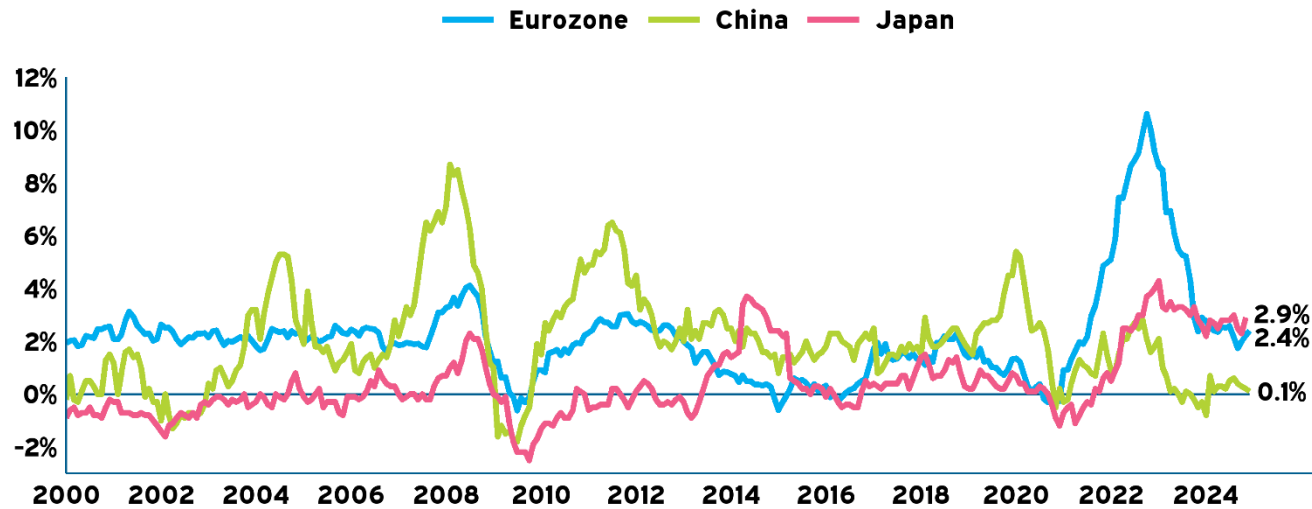
US Ten-Year Breakeven Inflation and CPI¹



- In December, inflation rose 0.4% month-over-month with energy prices accounting for 40% of the monthly increase.
- Year-over-year inflation increased from 2.4% to 2.9% over the quarter largely driven by base year effects. In the December reading shelter (+4.6%), transportation (+7.3%), and medical care (+3.4%) contributed to the annual gain while energy prices (-0.5%) fell over the past year despite the December (+2.6%) gains.
- Year-over-year core inflation (excluding food and energy) fell slightly over the quarter (3.3% to 3.2%).
- Inflation expectations (breakevens) rose over the quarter from the September lows of 2.0%, on continued uncertainty regarding the likelihood and magnitude of potential policies of the next US president.

¹ Source: FRED. Data is as of December 2024. 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.

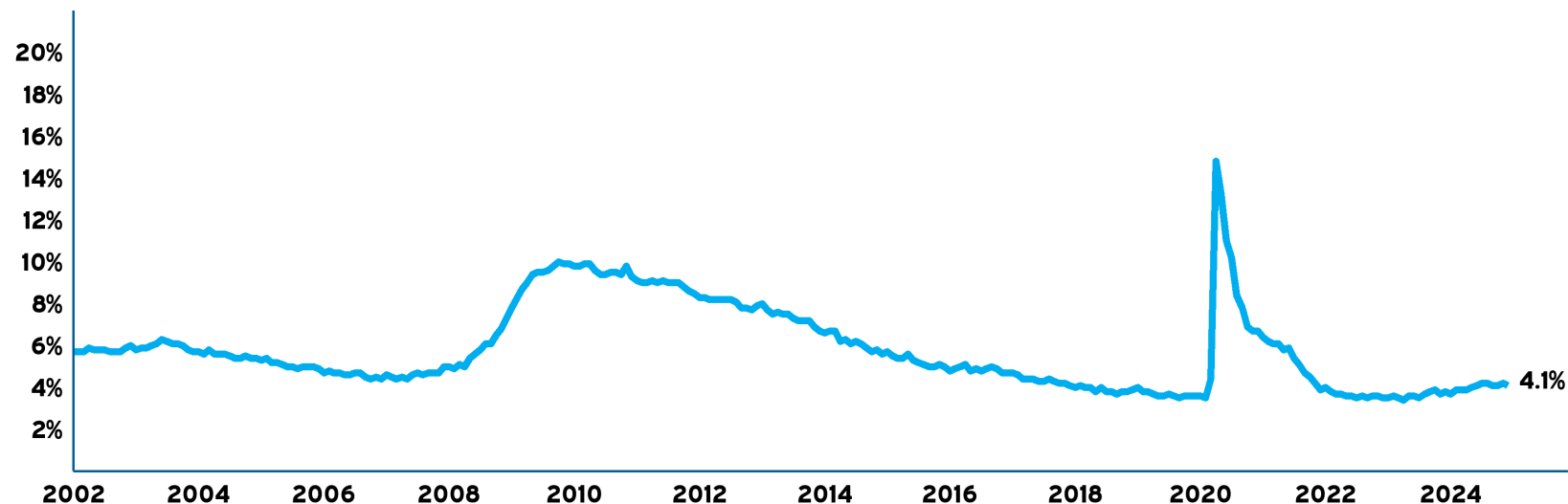
Global Inflation (CPI Trailing Twelve Months)¹



- In the eurozone, inflation rose each month over the quarter (1.7% to 2.4%) but levels remain below the US. The increase was largely driven by last year's significant fall in energy prices no longer being included in the calculation.
- Inflation in Japan rose over the quarter due in part to an increase in food prices and the end of energy subsidies driving electricity and gas prices higher.
- Inflation in China grinded lower in the fourth quarter (0.4% to 0.1%). China continues to experience deflationary pressures despite recent stimulus measures.

¹ Source: Bloomberg. Data is as December 2024, except Japan which is as of November 2024.

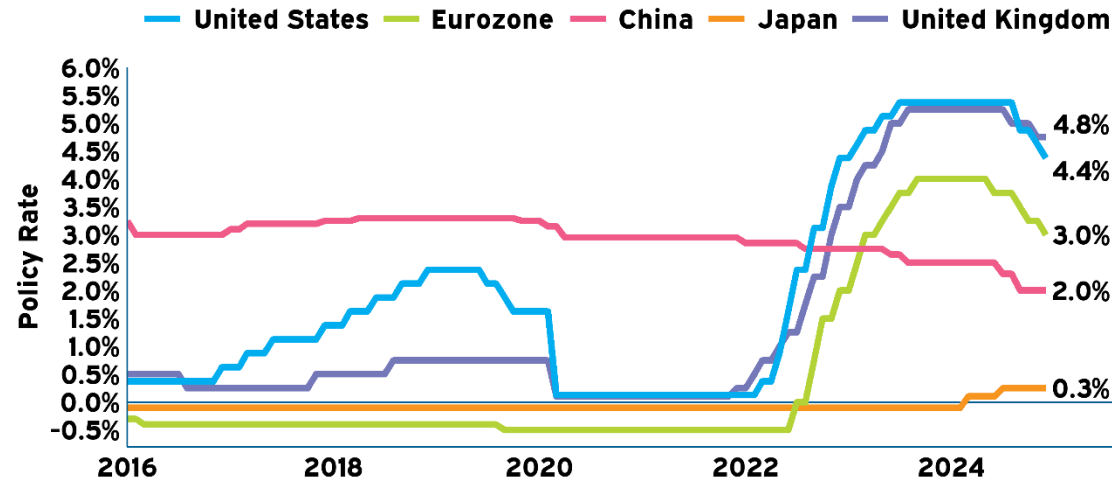
US Unemployment¹



- The unemployment rate stayed stable over the quarter at 4.1% with close to 500k jobs added to the economy since the end of September.
- In December, the health care (+46K), retail (+43k), and government (+33K) sectors added jobs, while retail – which lost jobs in November – rebounded (+43K) jobs.
- Job openings (8.1M) rose over last month’s openings (7.7M) but are well below pandemic highs (>12M); the number of openings exceeds the number of unemployed workers looking for work (6.9M).
- Separations (5.1M) and hires (5.3M) remain steady and average hourly wages continue to grow at approximately 3.9% a year.

¹ Source: FRED and BLS. Data is as of December 31, 2024.

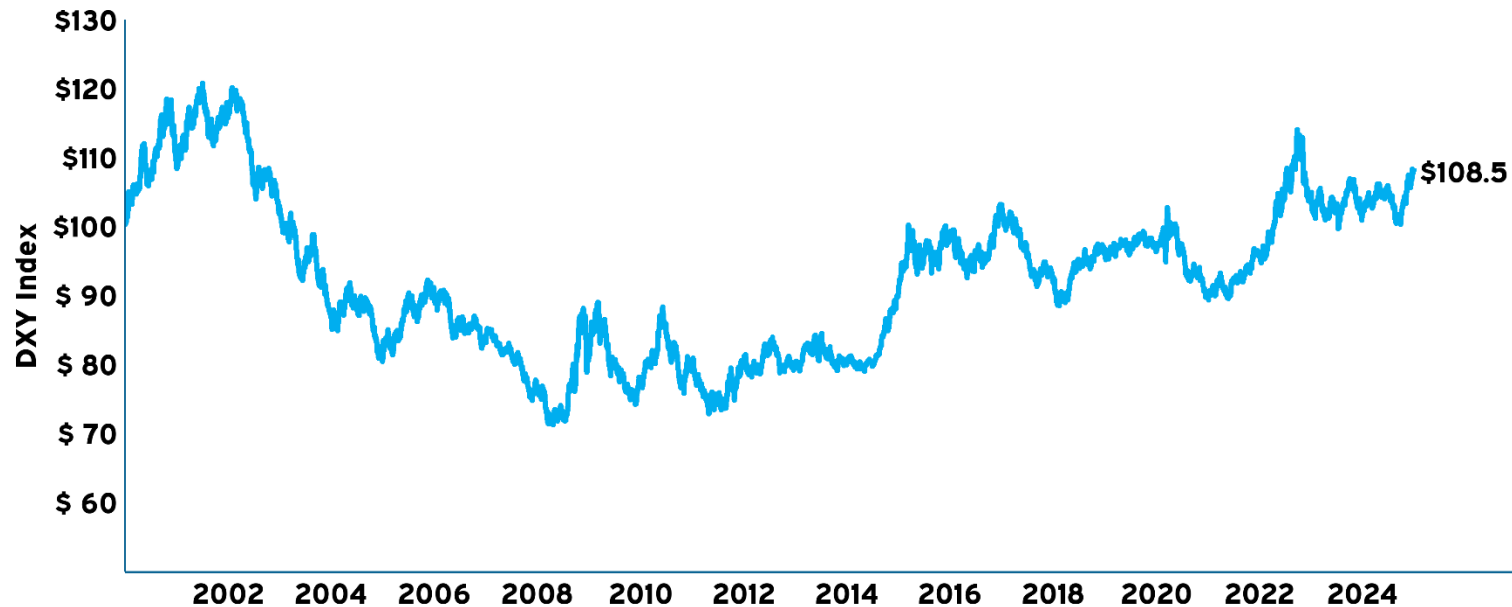
Policy Rates¹



- In the US, the Fed reduced interest rates by 0.25% twice over the quarter to a range of 4.25% to 4.50%, in moves largely expected by investors. Going forward, questions remain about the timing and amount of additional cuts given the strength of the economy and persistent above-target inflation.
- The Bank of England left rates unchanged in December after their November 0.25% cut, while the European Central Bank cut rates by another 0.25% in early December.
- After exiting negative interest rates in 2024 and making several rate increases, rate cutting by other major central banks are complicating prospects for further policy rate hikes in Japan.

¹ Source: Bloomberg. Data is as of December 31, 2024. 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 Currencies¹



- Over the quarter, the US dollar sharply strengthened (+8.0%) versus other currencies.
- A rise in interest rates driven by potential inflationary impacts of proposed higher tariffs, lower taxes, and immigration policies from candidate, and now president-elect Trump, drove the dollar's gains.

¹ Source: Bloomberg. Data as of December 31, 2024.

Summary

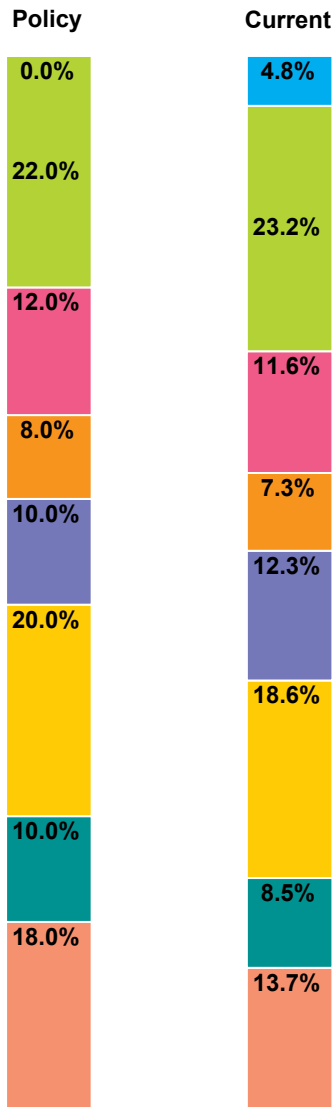
Key Trends:

- According to the International Monetary Fund's (IMF) October report, global growth in 2025 is expected to be similar to 2024 at around 3.2% with most major economies predicted to avoid a recession.
- Questions remain about what policies will be implemented by the new administration in the US. Although deregulation and tax cuts could support growth, these policies, along with higher tariffs and restrictive immigration, could fan inflation. This will likely lead to additional uncertainty regarding the timing and pace of interest rate cuts in the coming year.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs stay elevated, and the job market may weaken further.
- A focus for US equities 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 be important.
- We have started to see divergences in monetary policy. Some central banks, such as the Fed, European Central Bank, and the Bank of England, have started to cut interest rates and others, like the Bank of Japan, have increased interest rates. This disparity will likely influence capital flows and currencies.
- China appears to have shifted focus to more policy support for the economy/asset prices with a suite of fiscal and financial policy stimulus measures. Thus far, these efforts have not increased weak consumer spending or helped the lingering trouble in the real estate sector. It is still not clear what the long-term impact of these policies will be on the economy and if policy makers will remain committed to these efforts.

**Performance
as of December 31, 2024**

Total Surplus (Reserve Cash)

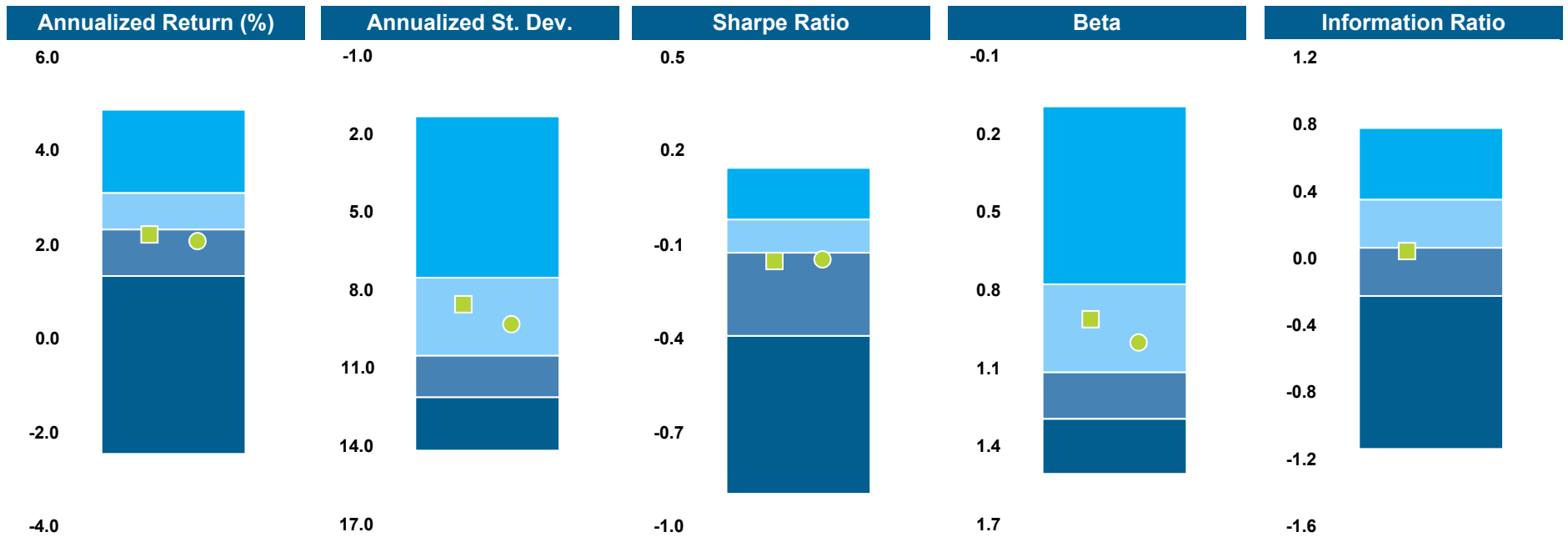
Asset Allocation Compliance | As of December 31, 2024



Asset Allocation Vs. Policy Targets

	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
District/Debt Reserves	85,153,878	4.8	0.0	4.8	0.0 - 0.0	No
Domestic Equity	414,823,199	23.2	22.0	1.2	17.0 - 27.0	Yes
International Equity	208,024,976	11.6	12.0	-0.4	7.0 - 17.0	Yes
Global Equity	130,829,437	7.3	8.0	-0.7	3.0 - 13.0	Yes
Short Duration Fixed Income Composite	220,550,850	12.3	10.0	2.3	5.0 - 15.0	Yes
Market Duration Fixed Income Composite	332,505,389	18.6	20.0	-1.4	10.0 - 25.0	Yes
Return Seeking Fixed Income	152,758,535	8.5	10.0	-1.5	5.0 - 15.0	Yes
Total Alternatives Composite	244,435,233	13.7	18.0	-4.3	15.0 - 25.0	No
Total Surplus Cash	1,789,081,497	100.0	100.0	0.0		

3-Year Statistics Summary | As of December 31, 2024



	Annualized Return (%)	Annualized St. Dev.	Sharpe Ratio	Beta	Information Ratio
Total Surplus Cash	2.2 (56)	8.5 (30)	-0.2 (56)	0.9 (32)	0.1 (52)
Surplus Cash Total Benchmark	2.1 (57)	9.3 (37)	-0.1 (55)	1.0 (41)	-
5th Percentile	4.9	1.3	0.1	0.1	0.8
1st Quartile	3.1	7.5	0.0	0.8	0.4
Median	2.3	10.5	-0.1	1.1	0.1
3rd Quartile	1.3	12.1	-0.4	1.3	-0.2
95th Percentile	-2.5	14.1	-0.9	1.5	-1.1
Population	129	129	129	129	129

MPT Stats By Group | As of December 31, 2024

Risk Return Statistics		
	3 Yrs Total Surplus Cash	5 Yrs Total Surplus Cash
RETURN SUMMARY STATISTICS		
Maximum Return	4.6	6.2
Minimum Return	-4.6	-7.1
Return	2.2	5.1
Excess Return	-1.3	2.9
Excess Performance	0.1	-0.1
RISK SUMMARY STATISTICS		
Beta	0.9	0.9
Upside Risk	6.3	6.8
Downside Risk	5.7	5.7
RISK/RETURN SUMMARY STATISTICS		
Standard Deviation	8.5	8.7
Sortino Ratio	-0.2	0.5
Alpha	0.3	0.2
Sharpe Ratio	-0.2	0.3
Excess Risk	8.3	8.8
Tracking Error	1.4	1.2
Information Ratio	0.1	-0.1
CORRELATION STATISTICS		
R-Squared	1.0	1.0
Actual Correlation	1.0	1.0

Asset Allocation & Performance | As of December 31, 2024

Trailing Performance Summary									
	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Surplus Cash	1,789,081,497	100.0	-1.3	8.8	2.2	5.1	5.0	5.3	Nov-12
<i>Surplus Cash Total Benchmark</i>			-1.4	8.4	2.1	5.2	5.3	5.5	
Total Surplus Cash Ex District	1,703,927,619	95.2	-1.4	9.0	2.3	5.2	5.4	5.6	Nov-12
<i>Surplus Cash Total Benchmark</i>			-1.4	8.4	2.1	5.2	5.3	5.5	
Total Surplus Cash Ex District / Concern	1,690,621,191	94.5	-1.3	9.0	2.3	5.3	5.5	5.7	Nov-12
Total Surplus Cash Ex District Ex Privates	1,695,246,541	94.8	-1.3	9.1	2.3	5.3	5.4	5.6	Nov-12
<i>Surplus Cash Total Benchmark Ex Privates</i>			-1.3	8.4	2.0	5.1	5.4	5.5	
Total Equity	753,677,613	42.1	-2.3	14.6	4.2	9.5	9.5	10.7	Nov-12
<i>Total Equity Benchmark - Surplus</i>			-1.6	15.7	4.9	9.7	9.3	10.6	
Domestic Equity	414,823,199	23.2	1.1	19.4	5.5	12.1	11.5	13.2	Nov-12
<i>Domestic Equity Benchmark - Surplus</i>			2.1	21.9	7.2	13.0	12.0	13.6	
Large Cap Equity	338,469,798	18.9	1.4	22.5	6.5	13.2	12.2	14.0	Nov-12
<i>Large Cap Equity Benchmark</i>			2.5	24.4	8.6	14.3	12.9	14.4	
Small Cap Equity	76,353,401	4.3	-0.4	7.3	0.9	7.3	8.6	10.1	Nov-12
<i>Small Cap Equity Benchmark</i>			0.3	11.6	1.2	7.2	7.7	10.0	
International Equity	208,024,976	11.6	-8.7	3.1	0.3	3.9	5.4	5.5	Nov-12
<i>MSCI AC World ex USA (Net)</i>			-7.6	5.5	0.8	4.1	4.8	5.3	
Global Equity	130,829,437	7.3	-1.6	20.4	--	--	--	20.8	Sep-23
<i>MSCI AC World Index (Net)</i>			-1.0	17.5	--	--	--	18.3	
Total Fixed Income Composite	705,814,774	39.5	-1.4	3.6	-0.7	1.0	2.0	2.0	Nov-12
<i>Total Fixed Income Benchmark - Surplus</i>			-2.3	2.0	-1.4	0.2	1.4	1.5	
Short Duration Fixed Income Composite	220,550,850	12.3	0.1	4.4	1.8	1.7	1.7	1.5	Nov-12
<i>Short Duration Fixed Income Benchmark - Surplus</i>			0.0	4.4	1.7	1.6	1.6	1.5	

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Market Duration Fixed Income Composite	332,505,389	18.6	-3.1	2.1	-1.7	0.6	2.0	2.1	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			<i>-3.1</i>	<i>1.3</i>	<i>-2.4</i>	<i>-0.3</i>	<i>1.3</i>	<i>1.4</i>	
Return Seeking Fixed Income	152,758,535	8.5	0.2	5.9	--	--	--	9.6	Dec-23
<i>Blmbg. Global Aggregate Index</i>			<i>-5.1</i>	<i>-1.7</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>2.2</i>	
Cash Composite	62,682,439	3.5	0.6	3.0	1.9	1.2	0.8	0.6	Nov-12
<i>90 Day U.S. Treasury Bill</i>			<i>1.2</i>	<i>5.3</i>	<i>3.9</i>	<i>2.5</i>	<i>1.8</i>	<i>1.5</i>	
Total Alternatives Composite	244,435,233	13.7	1.7	8.7	4.8	4.4	3.8	4.1	May-13
<i>Total Alternatives Benchmark</i>			<i>1.5</i>	<i>6.0</i>	<i>1.8</i>	<i>4.6</i>	<i>4.5</i>	<i>4.8</i>	
Hedge Fund Composite	206,224,720	11.5	2.3	11.3	5.7	4.6	3.4	3.6	May-13
<i>HFRI Fund of Funds Composite Index</i>			<i>2.3</i>	<i>9.4</i>	<i>3.2</i>	<i>5.3</i>	<i>3.8</i>	<i>4.0</i>	
Private Assets Composite	38,210,513	2.1	-1.4	-3.0	0.6	--	--	6.5	Oct-20
Private Debt Composite	17,593,751	1.0	0.6	1.4	4.1	--	--	14.8	Dec-20
Private Real Estate Composite	20,616,762	1.2	-3.0	-6.5	-2.1	2.7	4.5	5.8	Sep-13
<i>NCREIF Property Index</i>			<i>0.0</i>	<i>-0.5</i>	<i>-1.1</i>	<i>2.9</i>	<i>5.6</i>	<i>6.4</i>	

Asset Allocation & Performance | As of December 31, 2024

Trailing Performance Summary									
	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Surplus Cash	1,789,081,497	100.0	-1.3	8.8	2.2	5.1	5.0	5.3	Nov-12
<i>Surplus Cash Total Benchmark</i>			<i>-1.4</i>	<i>8.4</i>	<i>2.1</i>	<i>5.2</i>	<i>5.3</i>	<i>5.5</i>	
District - Barrow Hanley	85,153,878	4.8	-0.2	4.0	1.6	1.3	1.4	1.2	Nov-12
<i>Bloomberg U.S. Government 1-3 Year Index</i>			<i>-0.1</i>	<i>4.0</i>	<i>1.4</i>	<i>1.4</i>	<i>1.4</i>	<i>1.2</i>	
Total Surplus Cash Ex District	1,703,927,619	95.2	-1.4	9.0	2.3	5.2	5.4	5.6	Nov-12
<i>Surplus Cash Total Benchmark</i>			<i>-1.4</i>	<i>8.4</i>	<i>2.1</i>	<i>5.2</i>	<i>5.3</i>	<i>5.5</i>	
Total Surplus Cash Ex District / Concern	1,690,621,191	94.5	-1.3	9.0	2.3	5.3	5.5	5.7	Nov-12
Total Surplus Cash X District X Privates	1,695,246,541	94.8	-1.3	9.1	2.3	5.3	5.4	5.6	Nov-12
<i>Surplus Cash Total Benchmark x Privates</i>			<i>-1.3</i>	<i>8.4</i>	<i>2.0</i>	<i>5.1</i>	<i>5.4</i>	<i>5.5</i>	
Total Equity	753,677,613	42.1	-2.3	14.6	4.2	9.5	9.5	10.7	Nov-12
<i>Total Equity Benchmark - Surplus</i>			<i>-1.6</i>	<i>15.7</i>	<i>4.9</i>	<i>9.7</i>	<i>9.3</i>	<i>10.6</i>	
Domestic Equity	414,823,199	23.2	1.1	19.4	5.5	12.1	11.5	13.2	Nov-12
<i>Domestic Equity Benchmark - Surplus</i>			<i>2.1</i>	<i>21.9</i>	<i>7.2</i>	<i>13.0</i>	<i>12.0</i>	<i>13.6</i>	
Large Cap Equity	338,469,798	18.9	1.4	22.5	6.5	13.2	12.2	14.0	Nov-12
<i>Large Cap Equity Benchmark</i>			<i>2.5</i>	<i>24.4</i>	<i>8.6</i>	<i>14.3</i>	<i>12.9</i>	<i>14.4</i>	
Vanguard Institutional Index Fund (VIIX)	223,898,787	12.5	2.4 (29)	25.0 (22)	8.9 (22)	14.5 (19)	13.1 (8)	14.5 (10)	Nov-12
<i>S&P 500 Index</i>			<i>2.4 (28)</i>	<i>25.0 (22)</i>	<i>8.9 (21)</i>	<i>14.5 (18)</i>	<i>13.1 (8)</i>	<i>14.6 (9)</i>	
<i>Large Blend Median</i>			<i>2.0</i>	<i>23.2</i>	<i>7.9</i>	<i>13.4</i>	<i>11.9</i>	<i>13.5</i>	
Barrow Hanley Large Cap Value	114,571,011	6.4	-0.5 (25)	18.1 (19)	9.8 (8)	10.9 (30)	9.9 (28)	9.7 (9)	Aug-00
<i>Russell 1000 Value Index</i>			<i>-2.0 (62)</i>	<i>14.4 (49)</i>	<i>5.6 (61)</i>	<i>8.7 (68)</i>	<i>8.5 (69)</i>	<i>7.7 (83)</i>	
<i>eV US Large Cap Value Equity Median</i>			<i>-1.6</i>	<i>14.2</i>	<i>6.5</i>	<i>9.8</i>	<i>9.1</i>	<i>8.5</i>	
Small Cap Equity	76,353,401	4.3	-0.4	7.3	0.9	7.3	8.6	10.1	Nov-12
<i>Small Cap Equity Benchmark</i>			<i>0.3</i>	<i>11.6</i>	<i>1.2</i>	<i>7.2</i>	<i>7.7</i>	<i>10.0</i>	
Wellington CTF Small-Cap Value Fund	44,405,570	2.5	-1.7 (80)	6.1 (79)	2.8 (69)	5.5 (95)	6.2 (92)	8.6 (87)	Nov-12
<i>Russell 2000 Value Index</i>			<i>-1.1 (70)</i>	<i>8.1 (69)</i>	<i>1.9 (84)</i>	<i>7.3 (78)</i>	<i>7.1 (74)</i>	<i>9.2 (79)</i>	
<i>eV US Small Cap Value Equity Median</i>			<i>-0.4</i>	<i>10.3</i>	<i>3.8</i>	<i>8.9</i>	<i>7.8</i>	<i>10.1</i>	

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Conestoga Small-Cap Fund I (CCALX)	31,947,831	1.8	1.6 (32)	9.0 (86)	-1.4 (54)	7.8 (46)	--	12.2 (30)	Jul-16
<i>Russell 2000 Growth Index</i>			<i>1.7 (28)</i>	<i>15.2 (40)</i>	<i>0.2 (32)</i>	<i>6.9 (68)</i>	<i>--</i>	<i>10.0 (70)</i>	
<i>Small Growth Median</i>			<i>0.5</i>	<i>13.8</i>	<i>-1.1</i>	<i>7.6</i>	<i>--</i>	<i>11.0</i>	
International Equity	208,024,976	11.6	-8.7	3.1	0.3	3.9	5.4	5.5	Nov-12
<i>MSCI AC World ex USA (Net)</i>			<i>-7.6</i>	<i>5.5</i>	<i>0.8</i>	<i>4.1</i>	<i>4.8</i>	<i>5.3</i>	
Causeway International Value (CIVIX)	75,429,679	4.2	-8.0 (62)	3.7 (59)	7.1 (4)	7.2 (7)	--	5.2 (11)	May-18
<i>MSCI EAFE (Net)</i>			<i>-8.1 (68)</i>	<i>3.8 (57)</i>	<i>1.6 (79)</i>	<i>4.7 (49)</i>	<i>--</i>	<i>4.2 (29)</i>	
<i>MSCI AC World ex USA Value (Net)</i>			<i>-7.3 (50)</i>	<i>6.0 (32)</i>	<i>4.4 (33)</i>	<i>4.5 (54)</i>	<i>--</i>	<i>3.1 (64)</i>	
<i>Foreign Large Value Median</i>			<i>-7.3</i>	<i>4.5</i>	<i>3.4</i>	<i>4.6</i>	<i>--</i>	<i>3.5</i>	
BNY Mellon International Stock Fund (DISRX)	65,116,351	3.6	-9.8 (92)	-0.9 (90)	-2.9 (80)	3.9 (57)	6.6 (13)	6.2 (32)	Nov-12
<i>MSCI AC World ex USA (Net)</i>			<i>-7.6 (53)</i>	<i>5.5 (34)</i>	<i>0.8 (42)</i>	<i>4.1 (53)</i>	<i>4.8 (56)</i>	<i>5.3 (71)</i>	
<i>MSCI AC World ex USA Growth (Net)</i>			<i>-7.9 (60)</i>	<i>5.1 (39)</i>	<i>-2.7 (79)</i>	<i>3.4 (70)</i>	<i>5.3 (37)</i>	<i>5.8 (47)</i>	
<i>Foreign Median</i>			<i>-7.5</i>	<i>4.2</i>	<i>0.2</i>	<i>4.2</i>	<i>4.9</i>	<i>5.7</i>	
RBC Emerging Market Equity	67,478,946	3.8	-8.4 (76)	6.5 (56)	--	--	--	9.8 (88)	Nov-23
<i>MSCI Emerging Markets Index</i>			<i>-7.8 (66)</i>	<i>8.1 (41)</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>18.0 (40)</i>	
<i>eV Emg Mkts All Cap Equity Median</i>			<i>-7.0</i>	<i>7.1</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>17.1</i>	
Global Equity	130,829,437	7.3	-1.6	20.4	--	--	--	20.8	Sep-23
<i>MSCI AC World Index (Net)</i>			<i>-1.0</i>	<i>17.5</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>18.3</i>	
GQG Partners Global Equity Fund	66,573,317	3.7	-2.6 (55)	20.8 (22)	--	--	--	24.4 (6)	Aug-23
<i>MSCI AC World Index (Net)</i>			<i>-1.0 (37)</i>	<i>17.5 (33)</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>14.8 (34)</i>	
<i>eV Global Large Cap Growth Eq Median</i>			<i>-2.5</i>	<i>12.7</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>11.2</i>	
Arrowstreet Global Equity ACWI Trust Fund	64,256,120	3.6	-0.4 (25)	20.1 (16)	--	--	--	19.9 (20)	Sep-23
<i>MSCI AC World IMI Index (Net)</i>			<i>-1.2 (37)</i>	<i>16.4 (35)</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>17.4 (33)</i>	
<i>eV Global All Cap Core Eq Median</i>			<i>-2.1</i>	<i>13.7</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>15.1</i>	
Total Fixed Income Composite	705,814,774	39.5	-1.4	3.6	-0.7	1.0	2.0	2.0	Nov-12
<i>Total Fixed Income Benchmark - Surplus</i>			<i>-2.3</i>	<i>2.0</i>	<i>-1.4</i>	<i>0.2</i>	<i>1.4</i>	<i>1.5</i>	
Short Duration Fixed Income Composite	220,550,850	12.3	0.1	4.4	1.8	1.7	1.7	1.5	Nov-12
<i>Short Duration Fixed Income Benchmark - Surplus</i>			<i>0.0</i>	<i>4.4</i>	<i>1.7</i>	<i>1.6</i>	<i>1.6</i>	<i>1.5</i>	

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Barrow Hanley Short Fixed	157,868,410	8.8	0.0 (61)	4.7 (56)	2.0 (48)	1.9 (45)	1.9 (47)	4.2 (40)	Apr-91
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			0.0 (60)	4.4 (67)	1.7 (63)	1.6 (69)	1.6 (76)	3.7 (93)	
<i>eV US Short Duration Fixed Inc Median</i>			0.1	4.7	2.0	1.8	1.8	4.0	
Cash Composite	62,682,439	3.5	0.6	3.0	1.9	1.2	0.8	0.6	Nov-12
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	3.9	2.5	1.8	1.5	
Market Duration Fixed Income Composite	332,505,389	18.6	-3.1	2.1	-1.7	0.6	2.0	2.1	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			-3.1	1.3	-2.4	-0.3	1.3	1.4	
Dodge & Cox Fixed	161,327,951	9.0	-3.2 (98)	2.6 (79)	-0.6 (76)	1.4 (19)	2.6 (10)	2.6 (4)	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (96)	1.3 (97)	-2.4 (97)	-0.3 (97)	1.3 (90)	1.4 (83)	
<i>eV US Interm Duration Fixed Inc Median</i>			-1.6	3.1	-0.2	0.9	1.8	1.7	
IR+M Aggregate Bond	157,865,028	8.8	-2.9 (44)	1.8 (43)	--	--	--	4.9 (100)	Nov-23
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (63)	1.3 (82)	--	--	--	8.4 (77)	
<i>eV US Core Fixed Inc Median</i>			-3.0	1.7	--	--	--	8.9	
Met West Total Return Bond Plan - CONCERN (MWTSX)	13,223,039	0.7	-3.6 (96)	1.1 (74)	-2.9 (82)	-0.2 (49)	--	1.4 (41)	Feb-16
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (50)	1.3 (66)	-2.4 (45)	-0.3 (57)	--	1.3 (54)	
<i>Intermediate Core Bond Median</i>			-3.1	1.5	-2.5	-0.3	--	1.3	
MetWest Fixed	89,371	0.0							
Return Seeking Fixed Income	152,758,535	8.5	0.2	5.9	--	--	--	9.6	Dec-23
<i>Blmbg. Global Aggregate Index</i>			-5.1	-1.7	--	--	--	2.2	
Brandywine Global Multi-Sector Income	54,201,978	3.0	-1.5 (82)	3.7 (91)	--	--	--	7.5 (96)	Nov-23
<i>Blmbg. Global Aggregate Index</i>			-5.1 (86)	-1.7 (98)	--	--	--	6.4 (99)	
<i>eV Multi-Asset Credit Fixed Income Median</i>			0.4	7.4	--	--	--	12.1	
Loomis Credit Asset Fund	54,886,113	3.1	-0.7 (71)	5.9 (69)	--	--	--	8.9 (51)	Dec-23
<i>50% Bloomberg Corp/25% Bloomberg US HY 2% Issuer Cap/25% S&P LSTA LLI</i>			-0.9 (74)	5.3 (73)	--	--	--	8.3 (53)	
<i>eV Alt Credit - Multi-Market Median</i>			0.8	7.4	--	--	--	9.0	
Arena High Yield Short Duration	43,670,444	2.4	3.5 (1)	--	--	--	--	9.2 (3)	Feb-24
<i>ICE BofA 0-5 Year U.S. High Yield Constrained</i>			0.8 (31)	--	--	--	--	8.5 (9)	
<i>eV US High Yield Fixed Inc - Short Duration Median</i>			0.6	--	--	--	--	6.4	

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Alternatives Composite	244,435,233	13.7	1.7	8.7	4.8	4.4	3.8	4.1	May-13
<i>Total Alternatives Benchmark</i>			<i>1.5</i>	<i>6.0</i>	<i>1.8</i>	<i>4.6</i>	<i>4.5</i>	<i>4.8</i>	
Hedge Fund Composite	206,224,720	11.5	2.3	11.3	5.7	4.6	3.4	3.6	May-13
<i>HFRI Fund of Funds Composite Index</i>			<i>2.3</i>	<i>9.4</i>	<i>3.2</i>	<i>5.3</i>	<i>3.8</i>	<i>4.0</i>	
Credit HF Composite	56,206,548	3.1	1.8	11.7	4.6	3.5	3.1	3.7	May-13
<i>HFRI Event-Driven (Total) Index</i>			<i>1.6</i>	<i>9.3</i>	<i>4.7</i>	<i>7.1</i>	<i>5.5</i>	<i>5.4</i>	
DK Distressed Opportunities International, Ltd.	10,074,323	0.6	1.0	6.5	1.4	4.0	4.9	5.5	May-13
Waterfall Eden Fund, Ltd.	22,759,848	1.3	1.8	14.8	5.1	5.8	--	5.8	Oct-19
<i>HFRI ED: Distressed/Restructuring Index</i>			<i>2.5</i>	<i>11.1</i>	<i>4.7</i>	<i>8.2</i>	<i>--</i>	<i>7.8</i>	
DK Institutional Partners, L.P.	23,203,713	1.3	2.1	9.8	5.0	--	--	7.7	Jun-20
<i>HFRI ED: Multi-Strategy Index</i>			<i>4.5</i>	<i>13.3</i>	<i>4.1</i>	<i>--</i>	<i>--</i>	<i>8.5</i>	
York Credit Opportunities Unit Trust	168,664	0.0							
Equity HF Composite	33,342,924	1.9	4.6	13.5	6.0	5.6	4.1	4.2	May-13
<i>HFRI Equity Hedge (Total) Index</i>			<i>1.4</i>	<i>12.0</i>	<i>3.9</i>	<i>8.1</i>	<i>6.3</i>	<i>6.3</i>	
Capeview Azri 2X Fund USD B - U	7,411,236	0.4	1.6	5.4	1.8	5.7	5.5	6.6	Jul-13
Capeview Azri Fund USD B – UV	7,779,993	0.4	1.3	4.7	2.4	3.7	3.2	3.7	Jul-13
Palestra Capital Offshore	17,544,691	1.0	7.7	22.5	12.5	9.5	--	10.3	Apr-19
<i>HFRI Equity Hedge (Total) Index</i>			<i>1.4</i>	<i>12.0</i>	<i>3.9</i>	<i>8.1</i>	<i>--</i>	<i>8.0</i>	
Luxor Capital Partners Offshore, Ltd.	607,004	0.0							
Macro HF Composite	18,070,460	1.0	5.2	8.7	4.2	6.1	3.6	3.4	May-13
<i>HFRI Macro (Total) Index</i>			<i>0.8</i>	<i>5.7</i>	<i>4.7</i>	<i>5.4</i>	<i>3.1</i>	<i>2.9</i>	
BP Transtrend Diversified Fund LLC	18,070,460	1.0	5.2	8.7	9.3	11.8	6.3	6.6	May-13
<i>HFRI Macro (Total) Index</i>			<i>0.8</i>	<i>5.7</i>	<i>4.7</i>	<i>5.4</i>	<i>3.1</i>	<i>2.9</i>	
Relative Value HF Composite	98,604,788	5.5	1.2	10.5	6.5	3.1	2.6	3.0	May-13
<i>HFRI RV: Multi-Strategy Index</i>			<i>1.7</i>	<i>7.1</i>	<i>4.2</i>	<i>5.2</i>	<i>4.2</i>	<i>4.2</i>	

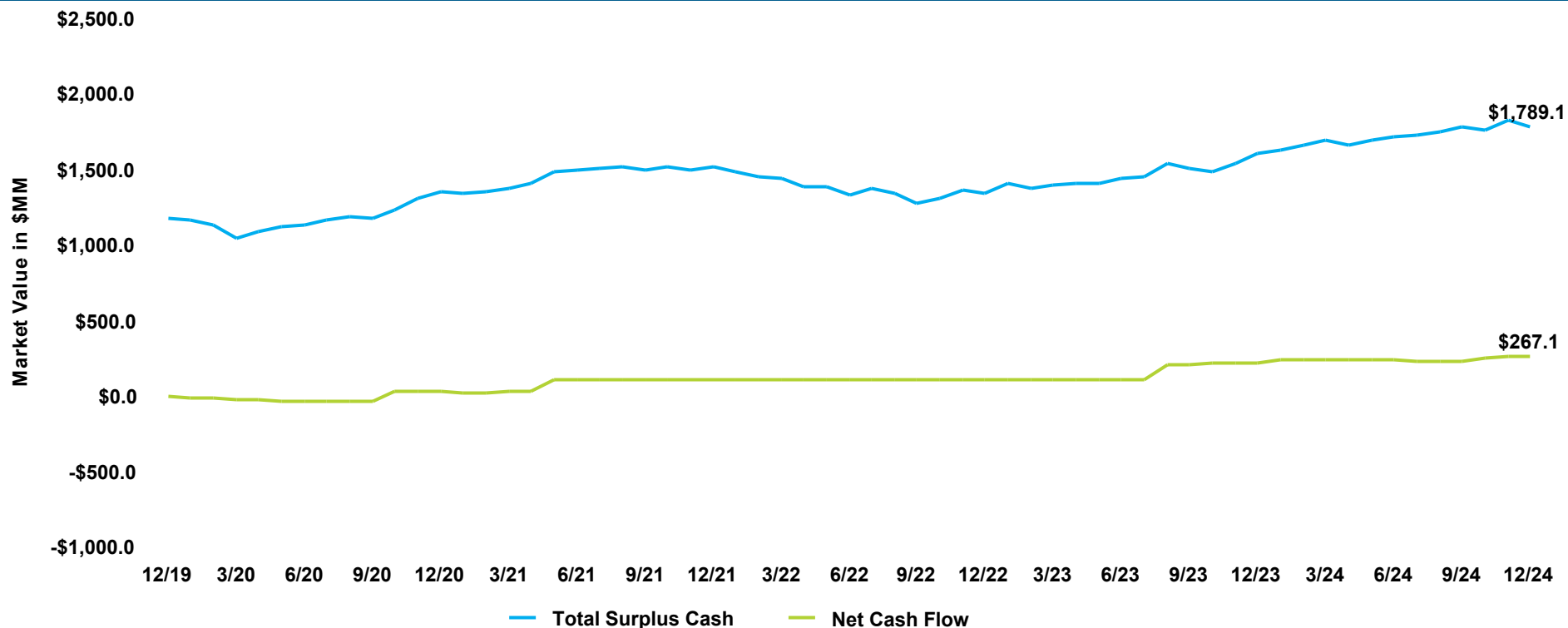
DK Distressed Opps International and DK Institutional performance lagged one month as 12/31/24 data was unavailable at time of reporting. Performance for Luxor Capital Partners and York Credit Opportunites is not meaningful as both accounts are in closeout. Waterfall Eden Fund performance reported with a one-month lag.

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Renaissance RIDGE	18,613,560	1.0	-1.2	15.2	5.4	-2.0	--	0.7	Nov-17
<i>HFRI EH: Equity Market Neutral Index</i>			2.8	10.9	6.0	4.9	--	3.7	
<i>HFRI RV: Multi-Strategy Index</i>			1.7	7.1	4.2	5.2	--	4.4	
Carlson Black Diamond Arbitrage Ltd.	313,732	0.0	4.8	4.1	1.5	3.0	--	3.5	Sep-18
<i>HFRI ED: Merger Arbitrage Index</i>			1.6	5.4	4.4	5.8	--	5.7	
<i>HFRI RV: Multi-Strategy Index</i>			1.7	7.1	4.2	5.2	--	4.6	
Man Alternative Risk Premia SP Fund	16,338,386	0.9	-1.6	8.6	8.6	5.3	--	4.8	Jul-19
<i>HFRI RV: Multi-Strategy Index</i>			1.7	7.1	4.2	5.2	--	5.0	
Wolverine	25,094,395	1.4	2.6	12.7	8.7	--	--	10.3	Mar-20
<i>HFRI RV: Fixed Income-Convertible Arbitrage Index</i>			1.7	11.2	4.9	--	--	6.9	
Voya Mortgage Fund	16,991,777	0.9	4.1	14.9	7.4	--	--	3.1	Dec-20
<i>HFRI RV: Fixed Income-Asset Backed</i>			2.2	9.7	5.7	--	--	6.4	
Capstone Volatility Fund	21,252,937	1.2	1.9	6.5	5.8	--	--	4.2	Dec-20
<i>HFRI Relative Value:Volatility Index</i>			1.0	3.2	3.3	--	--	3.7	
Private Assets Composite	38,210,513	2.1	-1.4	-3.0	0.6	--	--	6.5	Oct-20
Private Debt Composite	17,593,751	1.0	0.6	1.4	4.1	--	--	14.8	Dec-20
Oaktree Opportunities Fund XI, L.P.	17,593,751	1.0	0.6	1.4	4.1	--	--	14.5	Nov-20
Private Real Estate Composite	20,616,762	1.2	-3.0	-6.5	-2.1	2.7	4.5	5.8	Sep-13
<i>NCREIF Property Index</i>			0.0	-0.5	-1.1	2.9	5.6	6.4	
Oaktree Real Estate Opportunities Fund VI, L.P.	2,631,910	0.1	-6.0	-11.7	-10.0	-7.8	-1.8	-0.1	Sep-13
Walton Street Real Estate Fund VII, L.P.	1,373,743	0.1	0.1	-17.5	-11.6	-8.1	-1.1	1.8	Nov-13
Walton Street Real Estate Fund VIII, L.P.	4,675,425	0.3	-3.0	-0.2	-0.6	4.9	--	7.6	Jun-17
AG Realty Value Fund X, LP	11,935,684	0.7	-2.7	-6.2	1.2	9.0	--	4.9	Jun-19
<i>NCREIF Property Index</i>			0.0	-0.5	-1.1	2.9	--	3.5	

Carlson Black Diamond performance lagged one month as 12/31/24 data was unavailable at time of reporting. Private assets composite and accounts are reported with a one-quarter lag unless otherwise noted.

5 Years Ending December 31, 2024



	2019	2020	2021	2022	2023	YTD (%)
Beginning Market Value	1,097,313,911	1,179,174,150	1,350,267,019	1,525,486,194	1,345,345,178	1,604,054,174
Net Cash Flow	-62,475,167	31,606,545	79,344,169	197,667	114,621,824	41,224,883
Net Investment Change	146,335,406	139,486,324	95,875,006	-180,338,683	144,087,172	143,692,138
Ending Market Value	1,179,174,150	1,350,267,019	1,525,486,194	1,345,345,178	1,604,054,174	1,789,081,497
Net Change	81,860,239	171,092,869	175,219,174	-180,141,016	258,708,996	185,027,323

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	2,631,910	18,327,536	3,259,224	1.04	1.22	4.69	
Walton Street Real Estate Fund VII, L.P.	2013	14,000,000	2,036,404	11,963,596	14,677,835	1,373,743	16,051,578	4,045,611	1.22	1.34	8.09	
Walton Street Real Estate Fund VIII, L.P.	2015	13,000,000	2,444,173	10,555,827	9,940,036	4,675,425	14,615,461	3,984,519	0.94	1.37	8.37	
AG Realty Value Fund X, LP	2019	20,000,000	3,963,733	16,036,267	8,973,009	11,935,684	20,908,693	4,872,426	0.56	1.30	9.11	
Oaktree Opportunities Fund XI, L.P.	2020	20,000,000	10,030,558	9,969,442	3,553,497	17,593,751	21,147,248	3,036,255	0.36	2.12	6.48	
Total		81,000,000	17,406,556	63,593,444	52,840,002	38,210,513	91,050,515	19,198,035	0.83	1.43	7.03	

Private assets valuations are lagged by one quarter.

Ag Realty Value Fund X and Oaktree Opportunites Fund XI are within the investment period.

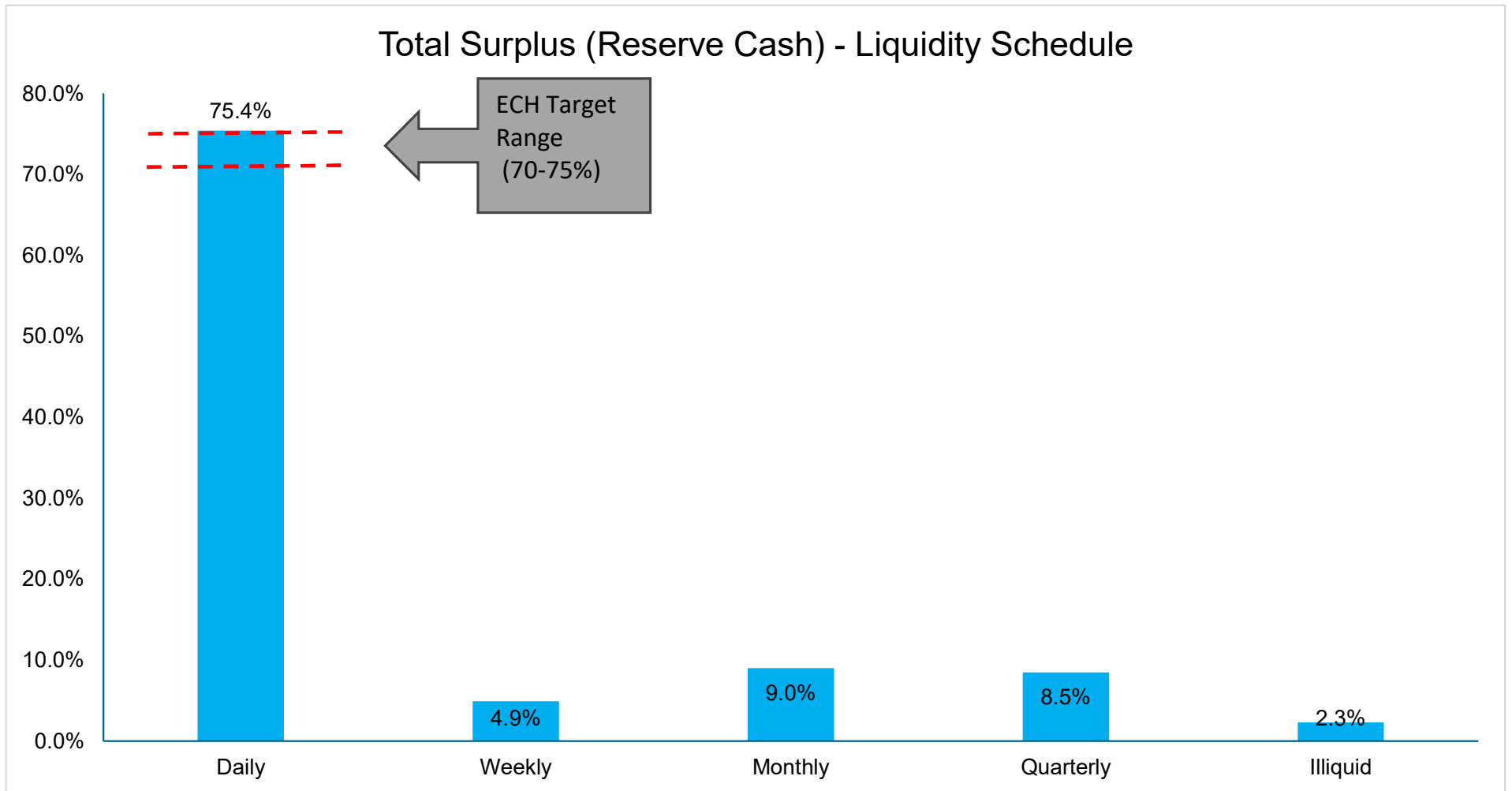
Oaktree Real Estate Opportunites Fund VI, Waltern Street Real Estate Fund VII, and Waltern Street Real Estate Fund VIII are within the harvesting period.

Liquidity Schedule | As of December 31, 2024

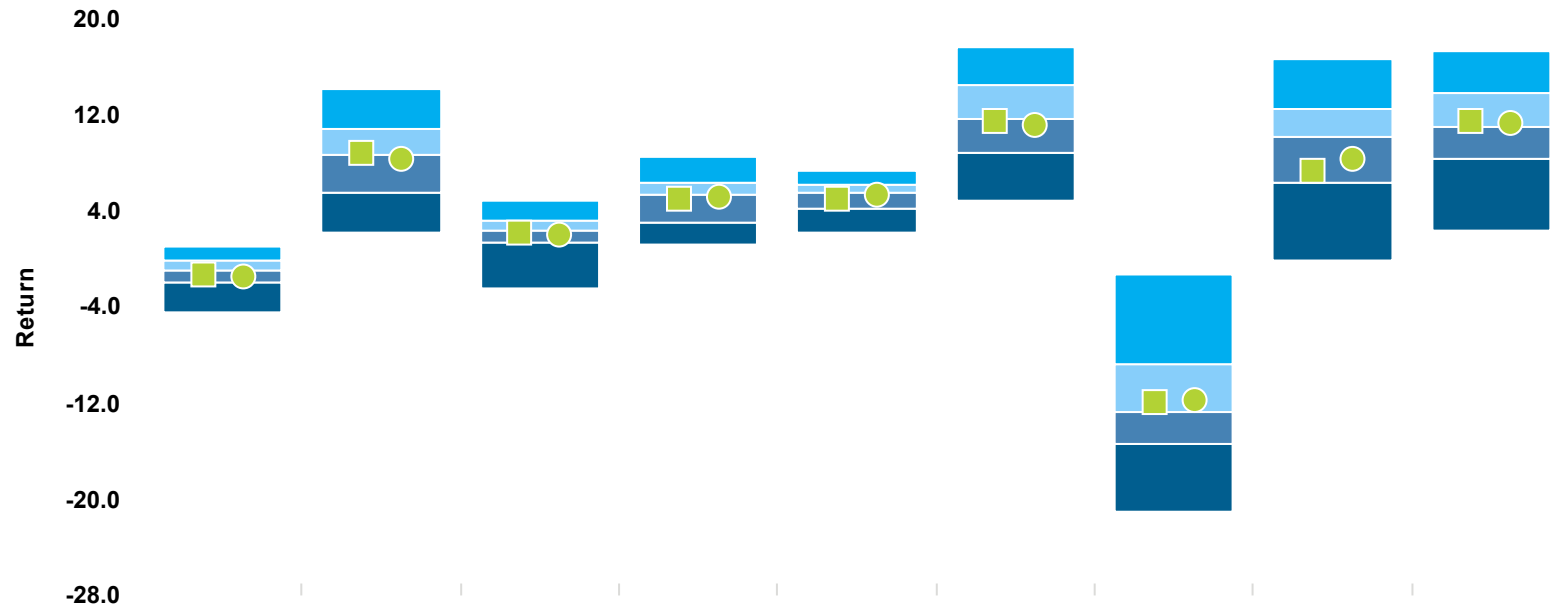
Liquidity Schedule								
Investments	Market Value	Daily	Weekly	Monthly	Quarterly	Annually	Illiquid	Notes
Total Surplus Cash Ex District	1,703,927,619							
Total Equity	753,677,613							
Domestic Equity	414,823,199							
Large Cap Equity	338,469,798							
Vanguard Institutional Index Fund (VIXIX)	223,898,787	223,898,787						Daily, No Lock-Up
Barrow Hanley Large Cap Value	114,571,011	114,571,011						Daily, No Lock-Up
Small Cap Equity	76,353,401							
Wellington CTF Small-Cap Value Fund	44,405,570	44,405,570						10-Day Notice, No Lock-Up
Conestoga Small-Cap Fund I (CCALX)	31,947,831	31,947,831						Daily, No Lock-Up
International Equity	208,024,976							
Causeway International Value (CIVIX)	75,429,679	75,429,679						Daily, No Lock-Up
BNY Mellon International Stock Fund (DISRX)	65,116,351	65,116,351						Daily, No Lock-Up
RBC Emerging Market Equity	67,478,946	67,478,946						Daily, No Lock-Up
Global Equity	130,829,437							
GQG Partners Global Equity Fund	66,573,317		66,573,317					Weekly, No Lock-Up
Arrowstreet Global Equity ACWI Trust Fund	64,256,120			64,256,120				Bi-Monthly, No Lock-Up
Total Fixed Income	705,814,774							
Short Duration	220,550,850							
Barrow Hanley Short Fixed	157,868,410	157,868,410						Daily, No Lock-Up
Cash Composite	62,682,439							Daily, No Lock-Up
Market Duration	332,505,389							
Dodge & Cox Fixed	161,327,951	161,327,951						Daily, No Lock-Up
MetWest Fixed	89,371	89,371						Daily, No Lock-Up
IR+M Aggregate Bond	157,865,028	157,865,028						Daily, No Lock-Up
Met West Total Return Bond Plan - CONCERN (MWTSX)	13,223,039	13,223,039						Daily, No Lock-Up
Return Seeking	152,758,535							
Brandywine Global Multi-Sector Income	54,201,978	54,201,978						Daily, No Lock-Up
Loomis Credit Asset Fund	54,886,113	54,886,113						Daily, No Lock-Up
Arena High Yield Short Duration	43,670,444			43,670,444				Monthly, No Lock-Up
Total Alternatives Composite	244,435,233							
Private Assets Composite	38,210,513							
Private Debt Composite	17,593,751							
Oaktree Opportunities Fund XI, L.P.	17,593,751						17,593,751	Illiquid
Private Real Estate Composite	20,616,762							
Oaktree Real Estate Opportunities Fund VI, L.P.	2,631,910						2,631,910	Illiquid
Walton Street Real Estate Fund VII, L.P.	1,373,743						1,373,743	Illiquid
Walton Street Real Estate Fund VIII, L.P.	4,675,425						4,675,425	Illiquid
AG Realty Value Fund X, LP	11,935,684						11,935,684	Illiquid
Hedge Fund Composite	206,224,720							

Liquidity Schedule | As of December 31, 2024

Investments	Market Value	Daily	Weekly	Monthly	Quarterly	Annually	Illiquid	Notes
Equity HF Composite	33,342,924							
Capeview Azri 2X Fund USD B - U	7,411,236				7,411,236			30 Day Notice, 2.5% Redemption Penalty
Capeview Azri Fund USD B – UV	7,779,993			7,779,993				30 Day Notice, No Lock-Up
Palestra Capital Offshore	17,544,691				17,544,691			60 Day Notice, 12 month soft lock
Luxor Capital Partners Offshore, Ltd.	607,004						607,004	Redemption in progress
Credit HF Composite	56,206,548							
DK Distressed Opportunities International, Ltd.	10,074,323				10,074,323			90 Day Notice, No Lock-Up
Waterfall Eden Fund, Ltd.	22,759,848				22,759,848			90 Day Notice, 1 year soft lock
York Credit Opportunities Unit Trust	168,664						168,664	Redemption in progress
DK Institutional Partners, L.P.	23,203,713				23,203,713			65 Day Notice, No Lock-Up
Macro HF Composite	18,070,460							
BP Transtrend Diversified Fund LLC	18,070,460			18,070,460				5 Day Notice, No Lock-Up
Relative Value HF Composite	98,604,788							
Carlson Black Diamond Arbitrage Ltd.	313,732			313,732				45 Day Notice, No Lock-Up
Man Alternative Risk Premia SP Fund	16,338,386		16,338,386					7 Day Notice, No Lock-Up
Renaissance RIDGE	18,613,560			18,613,560				45 Day Notice, No Lock-Up
Wolverine	25,094,395				25,094,395			60 Day Notice; 1 year soft lock
Voya Mortgage Fund	16,991,777				16,991,777			65 Day Notice; 1 year soft lock
Capstone Volatility Fund	21,252,937				21,252,937			60 Day Notice; 1 year soft lock



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

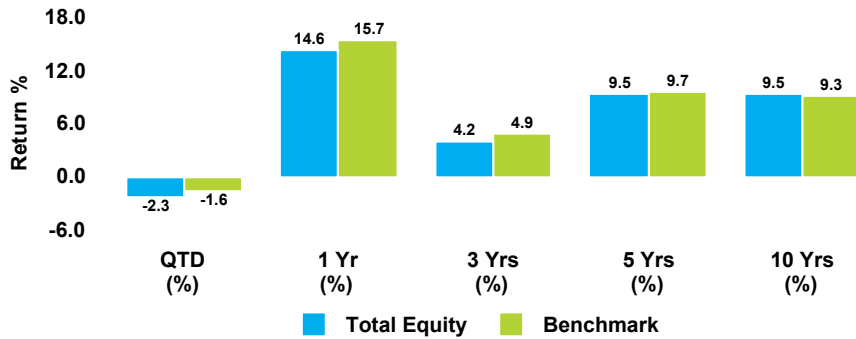


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2023	2022	2021	2020
■ Total Surplus (Reserve Cash)	-1.3 (61)	8.8 (49)	2.2 (56)	5.1 (55)	5.0 (63)	11.6 (52)	-12.0 (43)	7.4 (69)	11.6 (46)
● Surplus Cash Total Benchmark	-1.4 (63)	8.4 (53)	2.1 (57)	5.2 (54)	5.3 (57)	11.2 (57)	-11.7 (41)	8.5 (63)	11.4 (48)
5th Percentile	1.1	14.2	4.9	8.5	7.4	17.6	-1.3	16.6	17.4
1st Quartile	-0.2	10.9	3.1	6.4	6.2	14.5	-8.8	12.6	13.8
Median	-0.9	8.7	2.3	5.4	5.5	11.7	-12.7	10.2	11.1
3rd Quartile	-1.9	5.6	1.3	3.1	4.2	8.8	-15.4	6.3	8.3
95th Percentile	-4.4	2.2	-2.5	1.3	2.2	4.8	-21.1	-0.1	2.4
Population	142	141	129	116	79	372	417	527	596

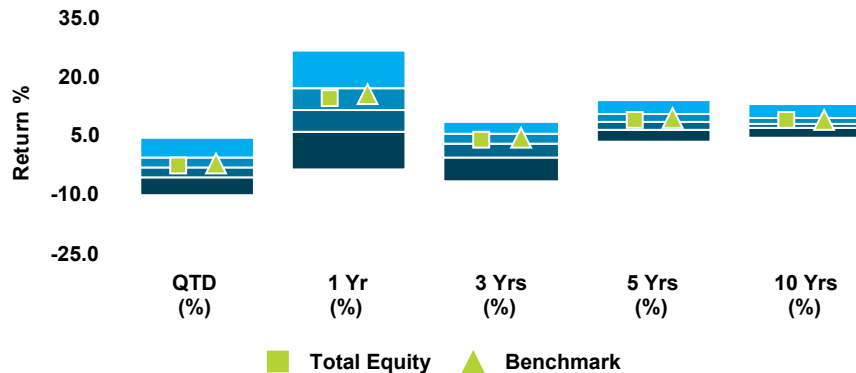
Parenteses contain percentile rankings.
Calculation based on monthly periodicity.

Total Equity | As of December 31, 2024

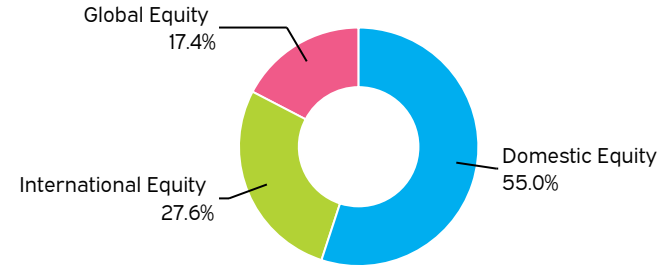
Return Summary



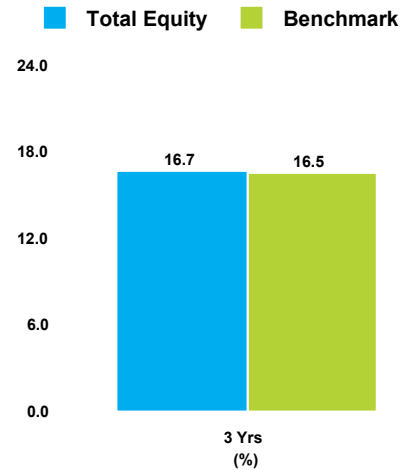
	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Equity	-2.3	14.6	4.2	9.5	9.5
Benchmark	-1.6	15.7	4.9	9.7	9.3
Excess Return	-0.7	-1.1	-0.7	-0.1	0.2



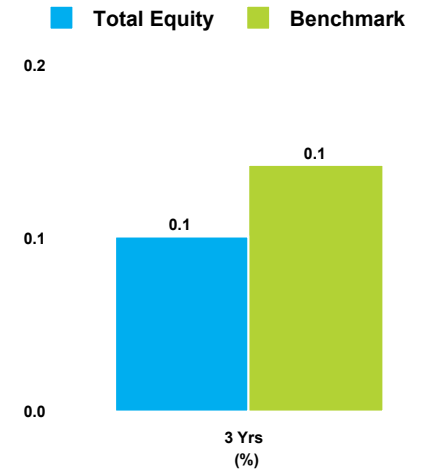
Current Allocation



Annualized Standard Deviation

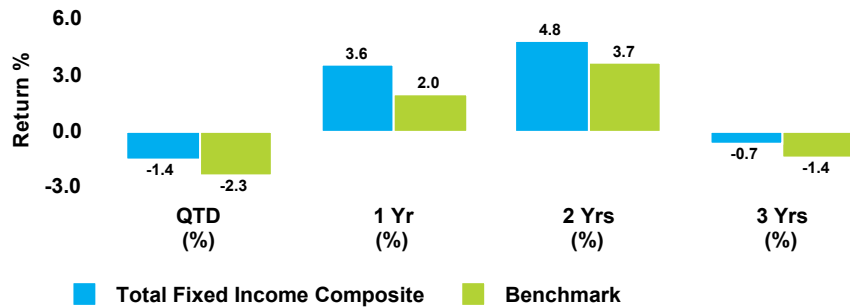


Sharpe Ratio

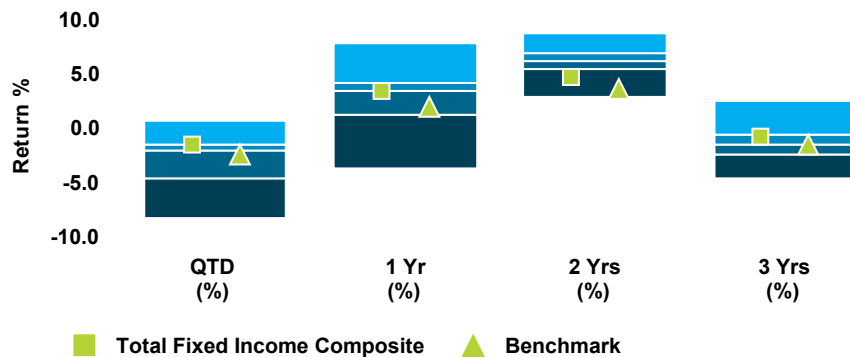


Total Fixed Income Composite | As of December 31, 2024

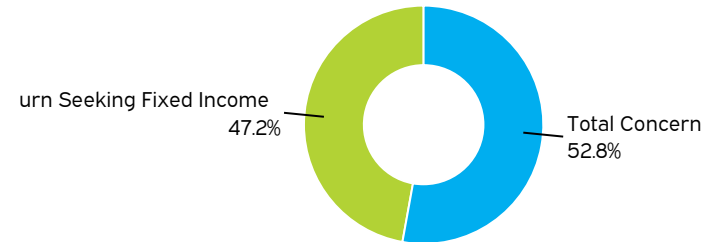
Return Summary



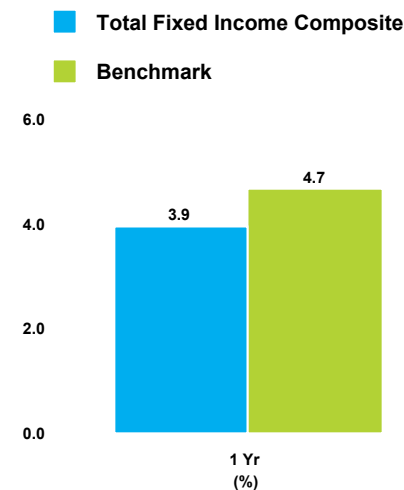
	QTD (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)
Total Fixed Income Composite	-1.4	3.6	4.8	-0.7
Benchmark	-2.3	2.0	3.7	-1.4
Excess Return	0.9	1.5	1.2	0.7



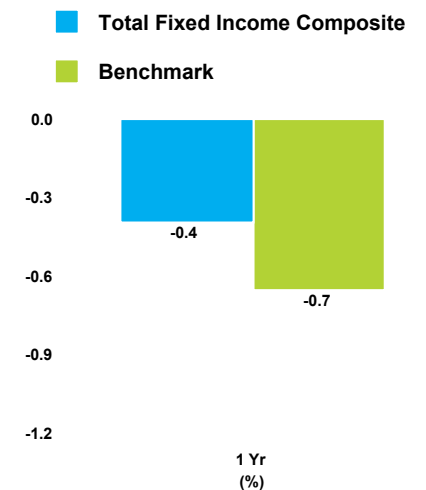
Current Allocation



Annualized Standard Deviation



Sharpe Ratio



Benchmark History | As of December 31, 2024
Benchmark History

From Date	To Date	Benchmark
Total Surplus Cash		
11/01/2023	Present	22.0% Domestic Equity Benchmark - Surplus, 12.0% MSCI AC World ex USA (Net), 8.0% MSCI AC World IMI Index (Net), 20.0% Blmbg. U.S. Aggregate Index, 10.0% Short Duration Fixed Income Benchmark - Surplus, 18.0% Total Alternatives Benchmark, 10.0% Blmbg. Global Aggregate Index
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 IMI 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

Benchmark History

From Date	To Date	Benchmark
Total Fixed Income Composite		
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
Short Duration Fixed Income Composite		
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
Market Duration Fixed Income Composite		
12/01/2006	Present	Blmbg. U.S. Aggregate Index
Return Seeking Fixed Income		
11/01/2023	Present	Blmbg. Global Aggregate Index
Total Equity		
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)
Domestic Equity		
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
Large Cap Equity		
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
Small Cap Equity		
01/01/1979	Present	50.0% Russell 2000 Growth Index, 50.0% Russell 2000 Value Index
International Equity		
11/01/2012	Present	MSCI AC World ex USA (Net)
Global Equity		
08/01/2023	Present	MSCI AC World Index (Net)

Direct Hedge Fund Portfolio

Voya Mortgage Fund | As of December 31, 2024

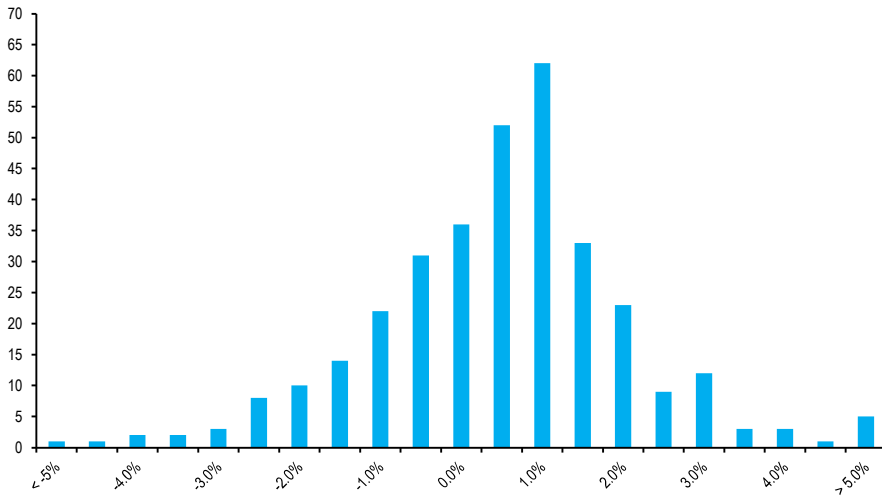
Account Information

Mandate:	Hedge Fund, Risk Mitigating
Market Value:	\$17.0 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	4.1	14.9	7.4	-	3.1
HFRI RV: Fixed Income-Asset Backed	2.2	9.7	5.7	-	6.4

Return Distribution



Asset Class Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
CMOs	105	116	104	102
Mortgage Pools	329	332	306	262
Mortgage Related	7	11	20	22
MSR Investments	22	22	22	23
Net TBA	-1	1	1	0
Repo	-300	-402	-350	-326
Derivatives	22	-1	19	20
Treasuries	-74	12	1	7
Net Cash	-11	9	-22	-10

Agency vs. Non-Agency (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Agency IO	90	102	94	94
Agency Principa Pay	332	335	308	265
Agency Principa Pay (Credit Risk)	7	11	20	22
Non-Agency IO	12	10	7	6
Non-Agency Principal Pay	0	0	0	0

Waterfall Eden Fund, Ltd. | As of December 31, 2024

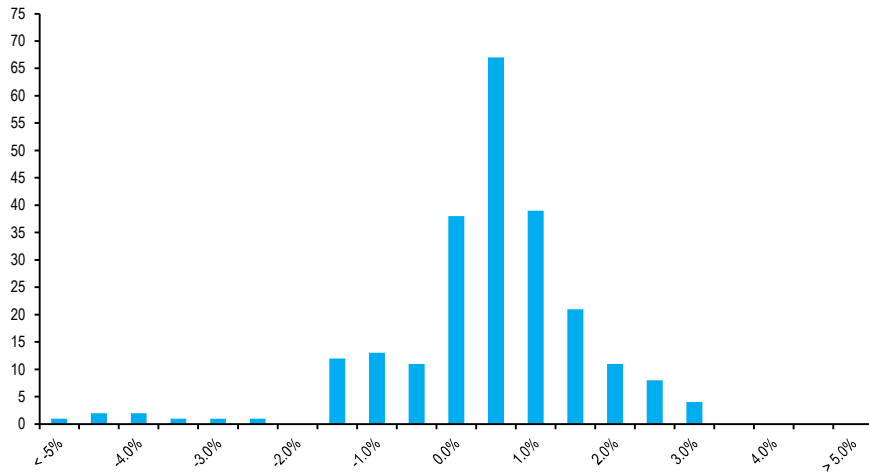
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$22.8 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

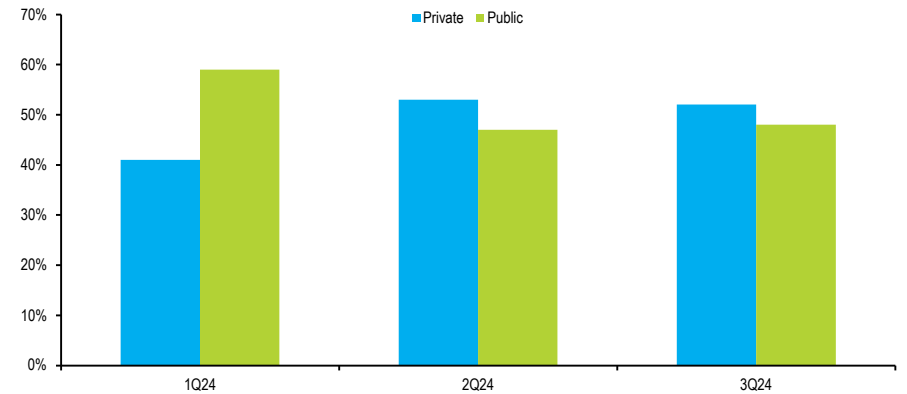
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 10/2019 (%)
Waterfall Eden Fund, Ltd.	1.8	14.8	5.1	5.8	5.8
HFRI ED: Distressed/Restructuring Index	2.5	11.1	4.7	8.2	7.8

Return Distribution



Sector Allocation	12/31/2024	9/30/2024	6/30/2024	3/31/2024
CMBS	NA	23	24	22
RMBS	NA	5	4	4
Corporates	NA	4	4	5
Public - Others	NA	17	14	10
Privates - Others	NA	16	17	18
CRE Loans	NA	11	12	10
Business Loans	NA	12	10	15
Consumer	NA	14	15	16

Private vs. Public Exposure History¹



¹ Q4 exposure data not available.

Renaissance Ridge | As of December 31, 2024

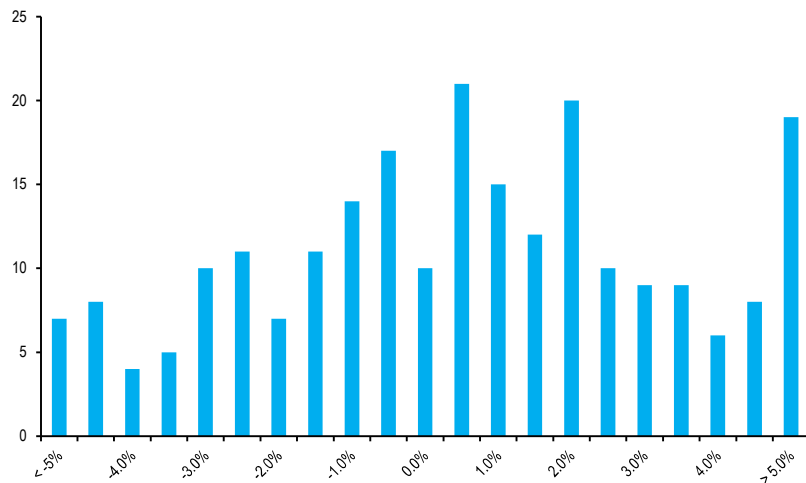
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$18.6 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	10/30/2017
Account Type:	Commingled
# of Investments:	12,141
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 11/2017 (%)
Renaissance RIDGE	-1.2	15.2	5.4	-2.0	0.7
HFRI EH: Equity Market Neutral Index	2.8	10.9	6.0	4.9	3.7
HFRI RV: Multi-Strategy Index	1.7	7.1	4.2	5.2	4.4

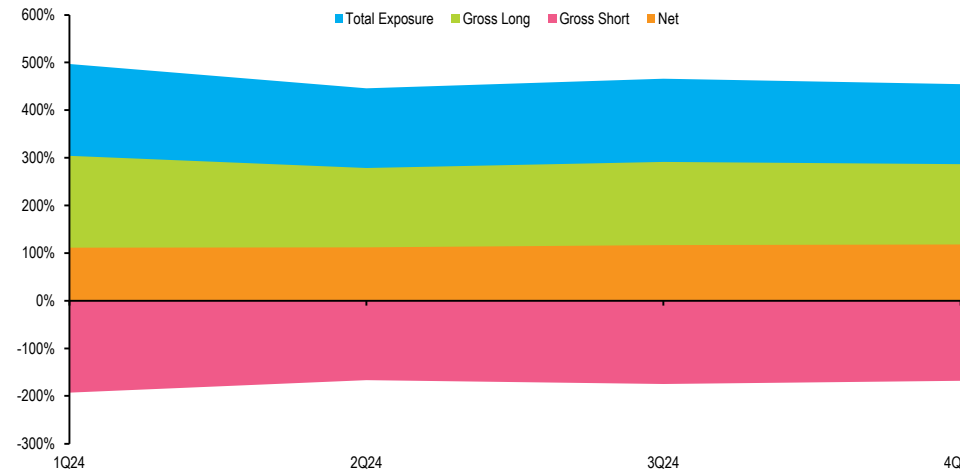
Return Distribution



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	54	53	44	41
Non-US	65	64	56	59

Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Comm. Services	14	14	12	13
Consumer	14	14	12	13
Energy	-1	-1	-1	-1
Financials	11	13	13	9
Health Care	22	20	19	18
Industrials	7	8	8	8
Materials	9	7	7	7
Real Estate	8	8	7	7
Staples	28	29	28	29
Technology	4	4	6	6
Utilities	2	2	2	2

Exposure History



Palestra Capital Offshore | As of December 31, 2024

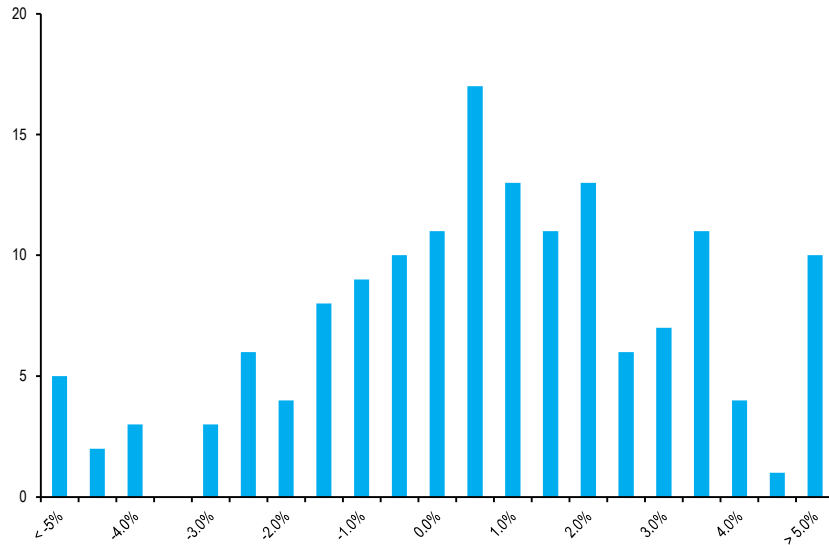
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$17.5 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	7.7	22.5	12.5	9.5	10.3
HFRI Equity Hedge (Total) Index	1.4	12.0	3.9	8.1	8.0

Return Distribution



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	32	22	19	26
Developed Europe	15	19	24	19
Emerging Markets	4	4	1	1
Developed Asia	4	0	0	0

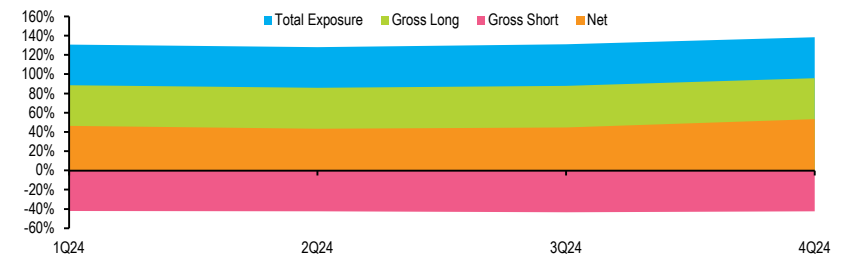
Top 3 Holdings (%)

Flutter Entertainment
Henry Schein Inc
Performance Food Group Co

Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Communication Services	5	2	5	10
Consumer Discretionary	7	13	7	6
Consumer Staples	5	3	1	8
Energy	0	-1	0	0
Financials	13	5	6	7
Health Care	4	-1	0	0
Industrials	5	4	6	4
Materials	4	0	0	0
Technology	11	9	8	36
Utilities	0	2	0	0
Index Hedge	0	1	0	0

Market Capitalization Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Large Cap	53	46	49	53
Mid Cap	1	-1	-4	-7
Small Cap	0	0	-1	0

Exposure History



Capeview Azri 2X Fund USD B - U | As of December 31, 2024

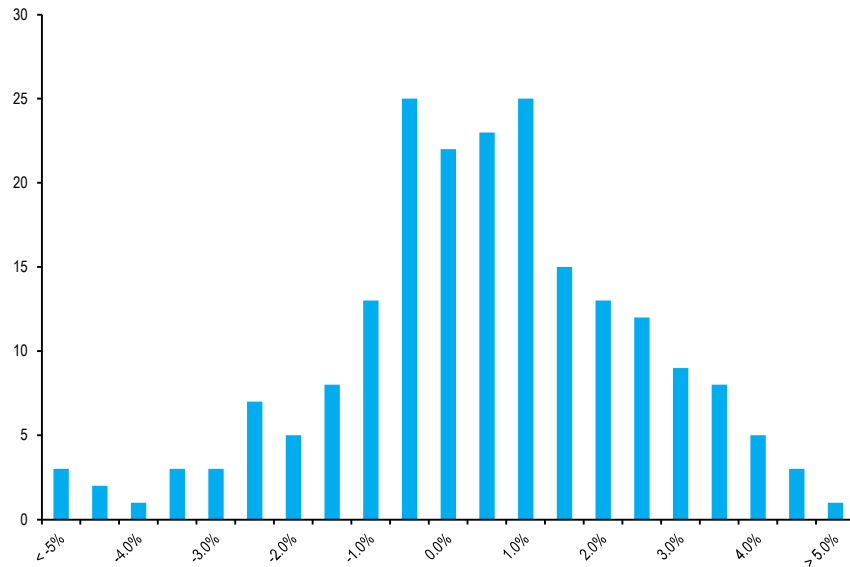
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$7.4 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	1.6	5.4	1.8	5.7	6.6

Return Distribution



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	0	0	0	0
Europe	60	58	53	59
Emerging Markets	0	0	0	0
Developed Asia	0	0	0	0

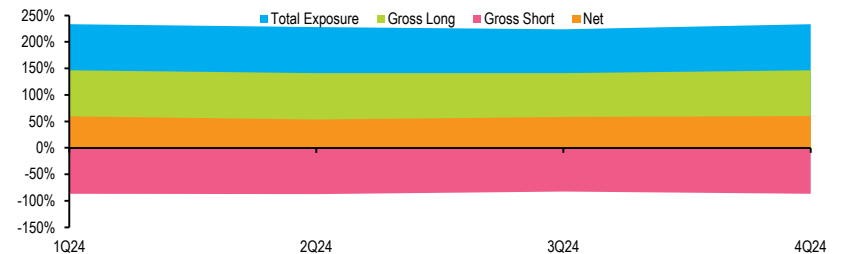
Top 3 Holdings (%)

Tesco PLC
CRH PLC
Air liquid

Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Communication Services	4	6	8	7
Consumer Discretionary	20	18	23	32
Consumer Staples	12	6	7	10
Energy	3	1	-1	-3
Financials	8	3	-3	-4
Health Care	-4	-4	-5	-5
Industrials	8	8	4	4
Materials	21	26	21	21
Real Estate	-1	1	4	5
Technology	-7	4	7	6
Utilities	7	2	0	-1
Index Hedge	-12	-12	-13	-11

Market Capitalization Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Large Cap	58	64	72	82
Mid Cap	16	7	-5	-6
Small Cap	1	2	2	-3

Exposure History



Capeview Azri Fund USD B - UV | As of December 31, 2024

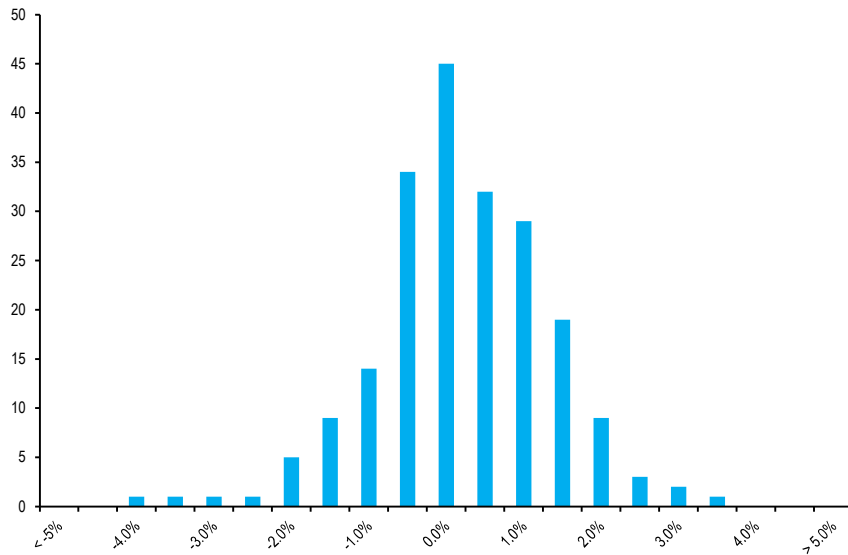
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$7.8 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	1.3	4.7	2.4	3.7	3.7

Return Distribution



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	0	0	0	0
Europe	30	29	27	30
Emerging Markets	0	0	0	0
Developed Asia	0	0	0	0

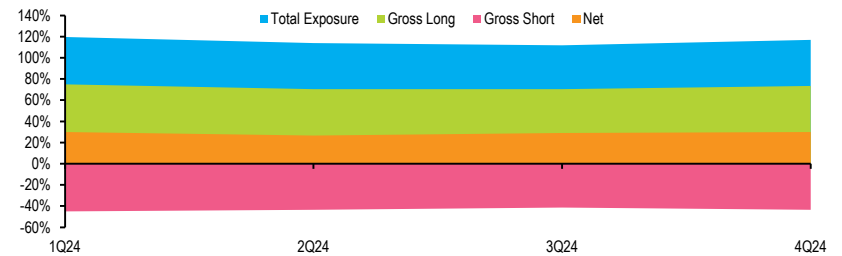
Top 3 Holdings (%)

Tesco PLC
CRH PLC
Air liquid

Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Communication Services	2	3	4	3
Consumer Discretionary	10	9	11	16
Consumer Staples	6	3	4	5
Energy	2	1	0	-1
Financials	4	1	-2	-2
Health Care	-2	-2	-2	-3
Industrials	4	4	2	2
Materials	11	13	11	11
Real Estate	-1	0	2	3
Technology	-4	2	4	3
Utilities	4	1	0	-1
Index Hedge	-6	-6	-6	-6

Market Capitalization Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Large Cap	29	32	36	42
Mid Cap	8	4	-3	-3
Small Cap	0	1	1	-1

Exposure History



Capstone Volatility | As of December 31, 2024

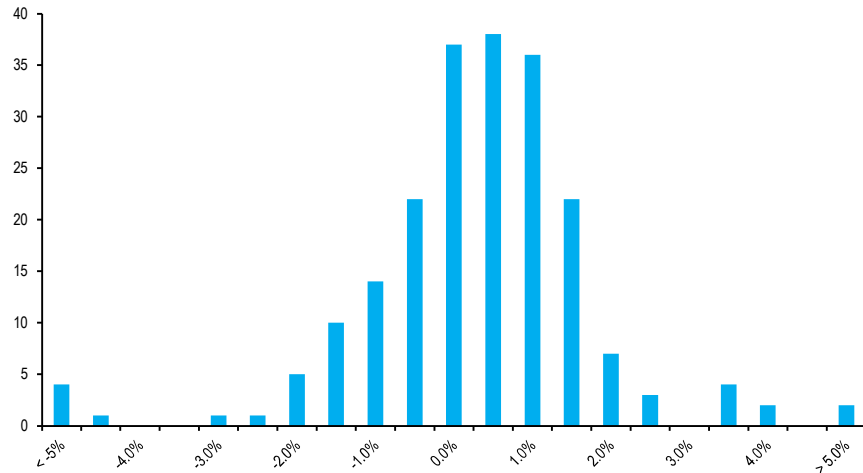
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$213 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	1.9	6.5	5.8	-	4.2
HFRI Relative Value:Volatility Index	1.0	3.2	3.3	-	3.7

Return Distribution

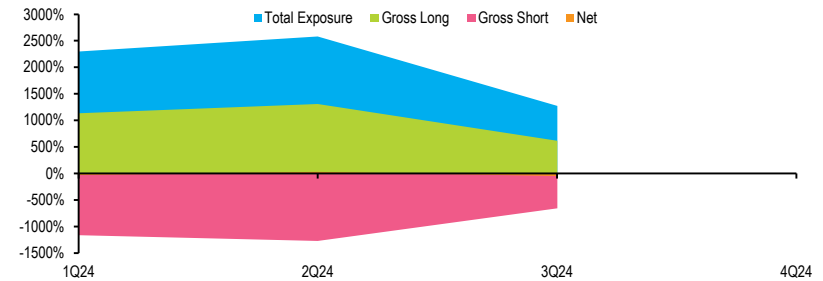


Equity Geographic Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	NA	-33	-23	-30
Emerging Markets	NA	0	-2	-1
Asia	NA	-8	-4	-7
Europe	NA	-4	17	8

Equity Market Cap Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Mega Cap	NA	2	4	3
Large Cap	NA	-14	-12	-11
Mid Cap	NA	-30	-30	-29
Small Cap	NA	-1	-2	-4
Indices	NA	-2	30	13

Equity Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Comm. Services	NA	-2	-1	-1
Consumer	NA	-3	-3	-4
Energy	NA	-3	-2	-2
Financials	NA	1	1	0
Health Care	NA	-8	-6	-6
Industrials	NA	-2	-3	-3
Materials	NA	-2	-5	-5
Real Estate	NA	-1	-2	-2
Staples	NA	0	0	-1
Technology	NA	-22	-19	-20
Utilities	NA	-1	0	0
Index Hedge	NA	-4	28	12

Equity Exposure History¹



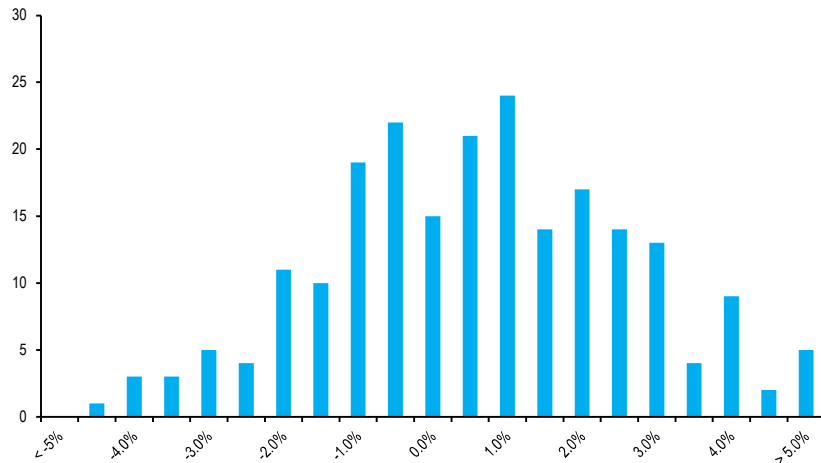
¹ 12/31/24 exposure data not available.

Man Alternative Risk Premia SP | As of December 31, 2024

Account Information	
Mandate:	Hedge Fund, Return Seeking
Market Value:	\$16.3 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	-1.6	8.6	8.6	5.3	4.8
HFRI RV: Multi-Strategy Index	1.7	7.1	4.2	5.2	5.0

Return Distribution



Strategy Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Equity Market Neutral	NA	36	41	39
Trend	NA	19	11	11
Equities Size	NA	8	11	10
Equities Low Beta	NA	6	7	7
Volatility	NA	6	5	5
Macro	NA	8	5	5
Currencies	NA	8	5	5
Fixed Income	NA	8	5	5

Security Type Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Bonds and Rates	NA	60	-7	-25
Commodities	NA	-6	-3	4
Currencies	NA	0	0	-25
Equity	NA	40	27	35

Top 5 Equity Exposure (%) ¹	
Broad Market Indices	29
Health Care	3
Information Technology	2
Communication Services	2
Consumer Staples	2

Top 5 Fixed Income Exposure (%) ²	
United States	16
Japan	14
Italy	11
Canada	9
France	9

¹ Top 5 equity exposure data as of 9/30/24.

² Top 5 fixed income exposure data as of 9/30/24.

DK Institutional Partners, LP | As of December 31, 2024

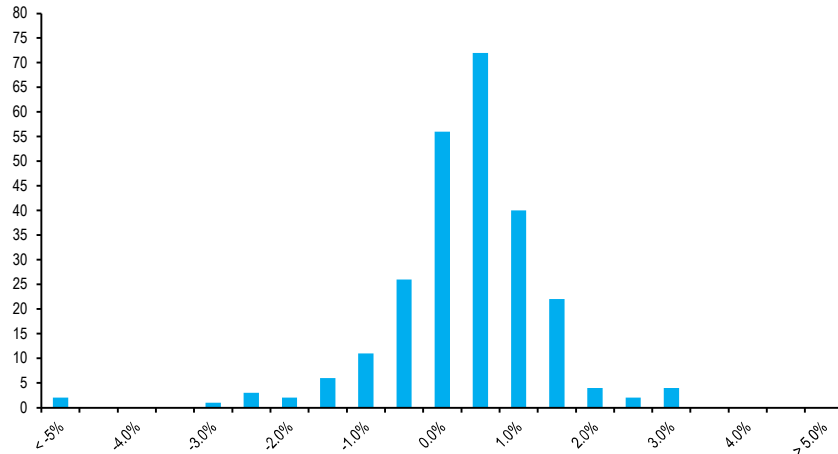
Account Information

Mandate:	Hedge Fund, Event Driven
Market Value:	\$23.2 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	5/01/2021
Account Type:	Commingled
# of Investments:	1,168
Fee Schedule:	1.5% management fee; 20% performance fee
Liquidity Constraints:	Quarterly with 65 days' notice

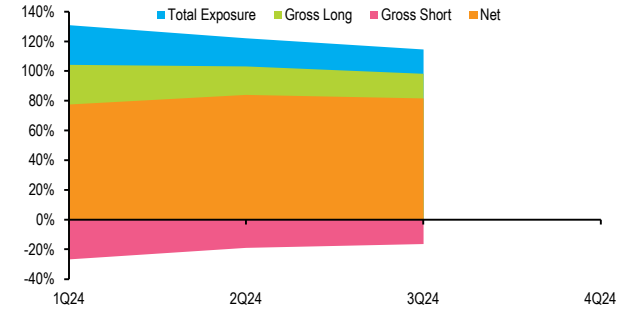
Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 6/2020 (%)
DK Institutional Partners, LP.	2.1	9.8	5.0	-	7.7
HFRI ED: Multi-Strategy Index	4.5	13.3	4.1	-	8.5

Return Distribution



Exposure History¹



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	NA	38	45	42
Europe	NA	20	17	17
Asia Pacific / Middle East	NA	19	19	19
Other	NA	3	2	1

Security Type Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Credit	NA	65	66	63
Commodity	NA	0	0	0
Equity	NA	3	4	4
Merger Arbitrage	NA	7	8	4
Convertible Arbitrage	NA	7	7	7
Other	NA	0	0	0

Top 5 Notional Positions (%)²

Travelport	2
US - CMBS - 2.0 Portfolio	2
US Sales & Marketing Company	2
Level 3 Communications	1
Structured Products #26	1

¹ Q4 exposure data not available.

² Top 5 notional position data as of 9/30/24.

Wolverine | As of December 31, 2024

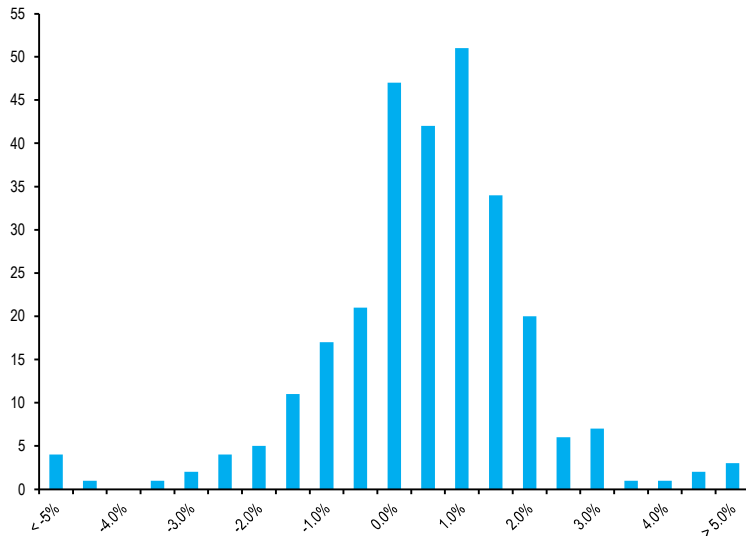
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$25.1 M
Portfolio Manager:	Christopher Gust
Location:	Chicago, IL
Inception Date:	3/01/2020
Account Type:	Commingled
# of Investments:	9,696
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	2.6	12.7	8.7	-	10.3
HFRI RV: FI-Convertible Arbitrage Index	1.7	11.2	4.9	-	6.9

Return Distribution



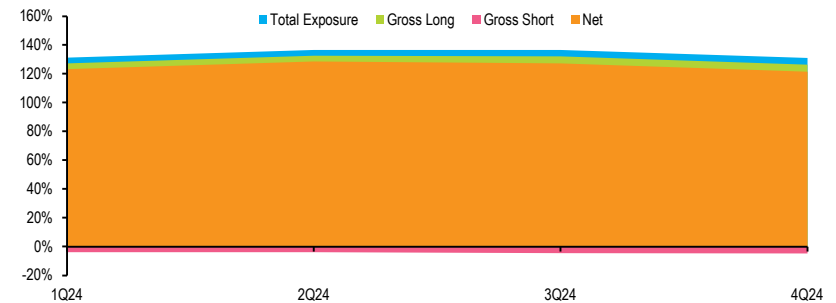
Top 3 Credit Positions (%)

LCI-PR US
Global Brokerage Inc
Energy Conversion Devices Inc

Security Type Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Equity	4	6	4	5
Credit	-3	-4	-4	-4
Rate	-1	-1	-1	-1
Rate Slope	-1	-1	-1	-1
Volatility	0	0	0	0
Commodity	0	0	0	0
Forex	0	0	0	0

Credit Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Comm. Services	7	8	10	10
Consumer	19	18	18	16
Energy	7	8	7	6
Financials	7	0	0	0
Health Care	22	23	24	24
Industrials	12	14	15	12
Materials	3	3	4	4
Real Estate	5	6	7	7
Staples	4	5	5	4
Technology	31	31	26	24
Utilities	4	12	12	11
Index Hedge	0	-4	-15	0

Exposure History



Boston Partners Transtrend Diversified Fund | As of December 31, 2024

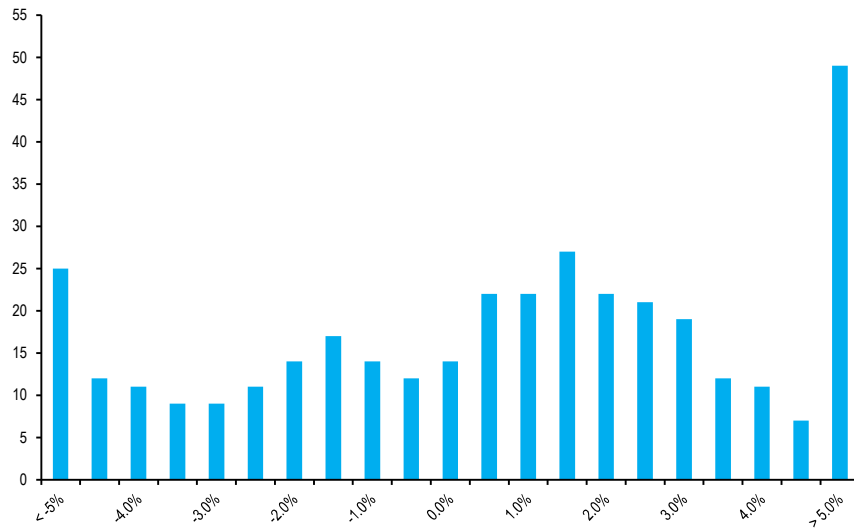
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$18.1 M
Portfolio Manager:	Team
Location:	Rotterdam, Netherlands
Inception Date:	4/1/2013
Account Type:	Commingled
# of Investments:	6,659
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	5.2	8.7	9.3	11.8	6.6
HFRI Marco (Total) Index	0.8	5.7	4.7	5.4	2.9

Return Distribution

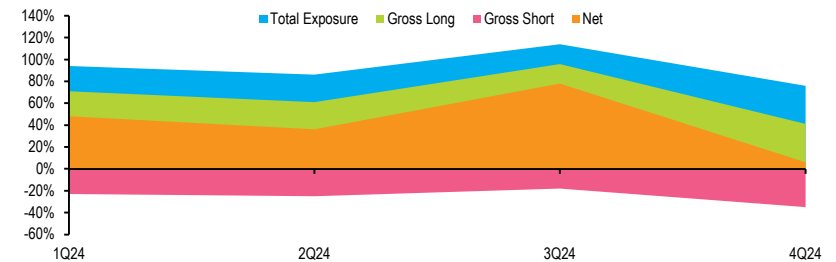


Equity Geographic Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	6	37	16	27
Emerging Markets	0	2	-6	-6
Asia	3	21	14	15
Europe	3	16	9	12

Equity Market Cap Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Mega Cap	3	24	8	17
Large Cap	-2	2	0	1
Mid Cap	-1	-1	-1	-1
Small Cap	0	0	0	0
Indices	6	54	29	32

Equity Sector Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Comm. Services	0	2	1	0
Consumer	-1	-2	1	4
Energy	-5	0	0	3
Financials	4	8	4	7
Health Care	-1	7	2	4
Industrials	-1	2	1	2
Materials	-3	2	-1	-1
Real Estate	0	2	-1	-2
Staples	0	7	4	4
Technology	7	6	2	5
Utilities	1	8	3	1
Index Hedge	7	37	23	21

Equity Exposure History



DK Distressed Opportunities International, Ltd. | As of December 31, 2024

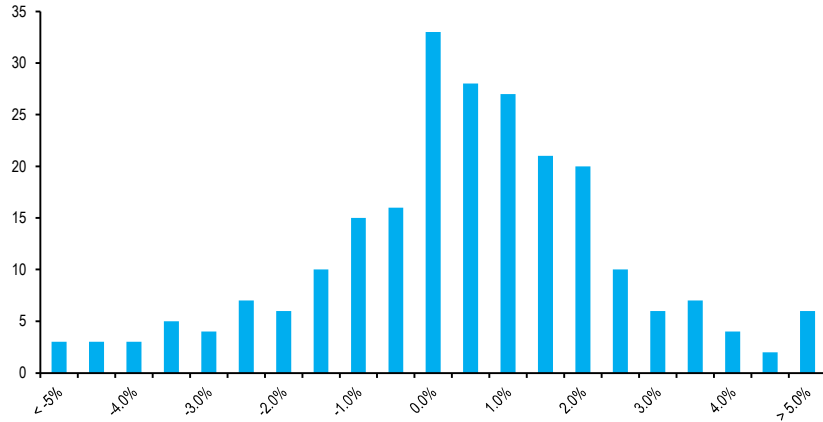
Account Information

Mandate:	Hedge Fund, Event Driven
Market Value:	\$10.0 M
Portfolio Manager:	Team
Location:	New York, NY
Inception Date:	4/1/2013
Account Type:	Commingled
# of Investments:	185
Fee Schedule ¹ :	
Liquidity Constraints:	90 days' notice with no lock-up

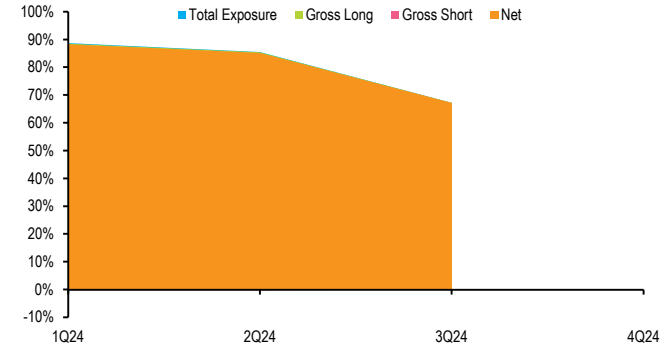
Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 5/2013 (%)
DK Distressed Opportunities International, Ltd.	1.0	6.5	1.4	4.0	5.5

Return Distribution



Exposure History²



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	NA	35	47	51
Europe	NA	16	18	17
Asia Pacific / Middle East	NA	14	18	19
Other	NA	2	2	2

Security Type Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Credit	NA	35	45	50
Commodity	NA	0	0	0
Equity	NA	23	28	27
Liquidations	NA	3	5	5
Real Estate	NA	3	4	3
Other	NA	3	4	4

Top 5 Notional Positions (%)³

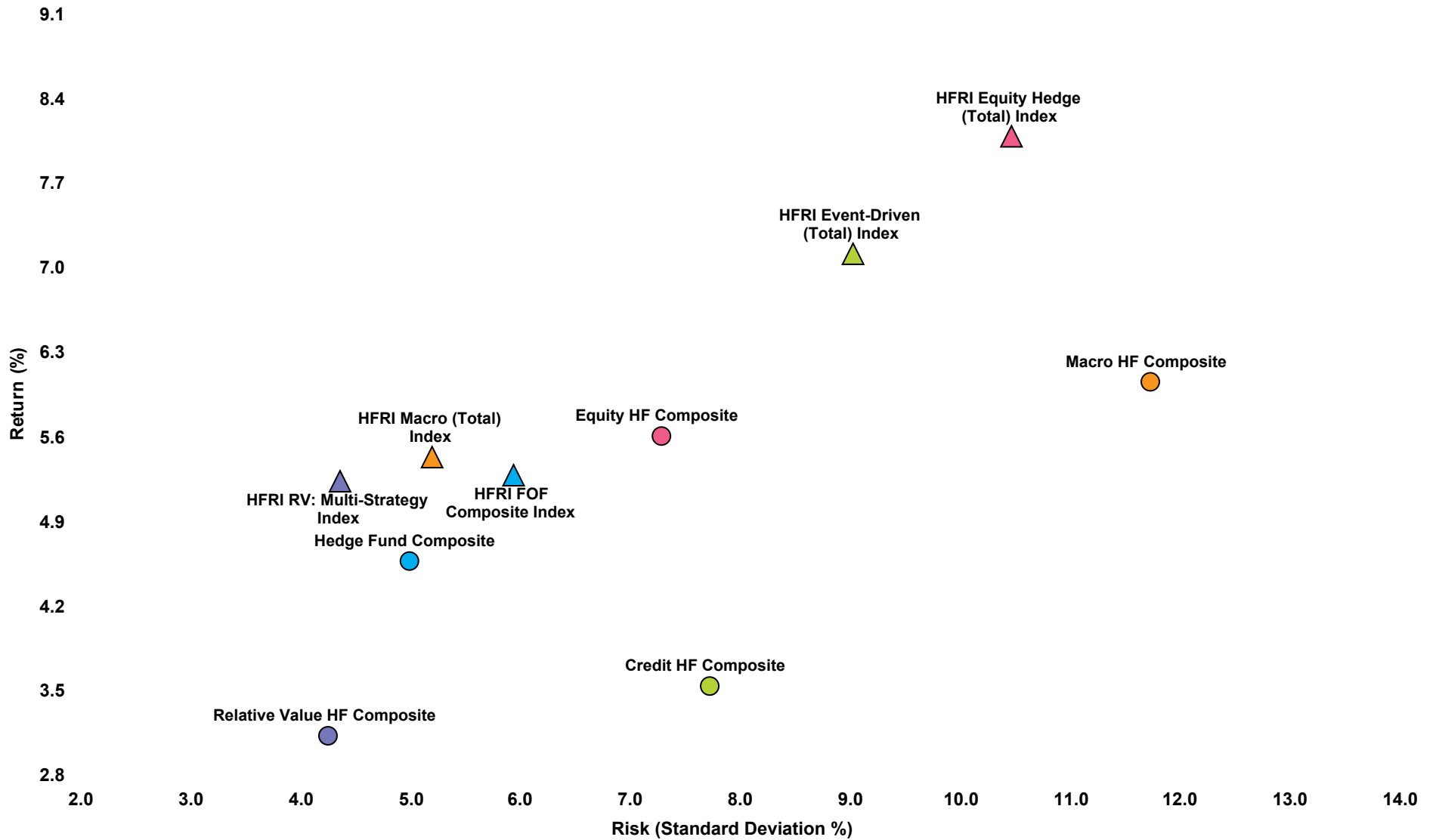
Travelport	5
European Consumer # 5	3
Hercules Lending	2
European Commercial & Professional Services #1	2
Asian Software & Services #1	2

¹ Fund is in wind down.

² Q4 exposure data not available.

³ Top 5 notional position data as of 9/30/24.

Risk and Return | 5 Years Ending December 31, 2024



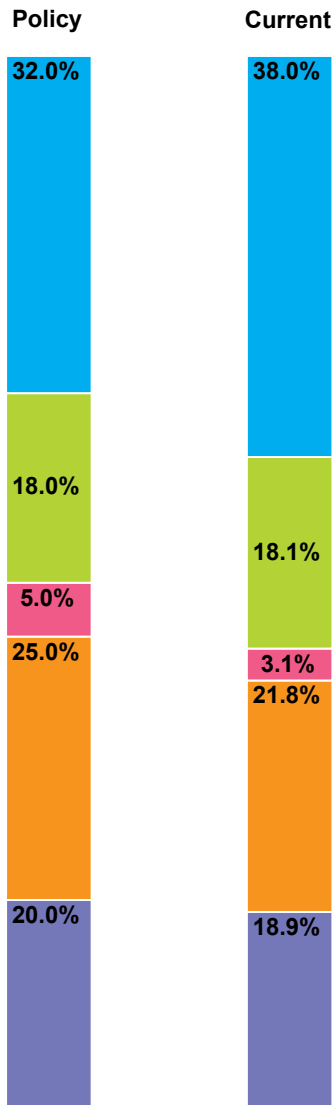
Calculation based on monthly periodicity.

Multi Time Period Statistics | As of December 31, 2024

	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	4.3	-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	6.3	-14.3	9.4	-8.2	0.5	0.7	May-2013
HFRI Equity Hedge (Total) Index	6.3	8.3	-14.7	16.1	-14.6	0.6	0.9	
Credit HF Composite	3.7	6.3	-23.2	7.0	-17.5	0.4	0.4	May-2013
HFRI Event-Driven (Total) Index	5.4	6.7	-14.9	14.1	-14.9	0.6	0.8	
Macro HF Composite	3.4	8.9	-18.5	21.4	-13.7	0.3	0.4	May-2013
HFRI Macro (Total) Index	2.9	4.6	-6.8	8.8	-4.0	0.3	0.5	
Relative Value HF Composite	3.0	4.4	-13.8	5.3	-8.7	0.4	0.5	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 December 31, 2024



Allocation vs. Targets							
	Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?	
Domestic Equity Composite	146,957,060	38.0	32.0	6.0	27.0 - 37.0	No	
International Equity Composite	69,941,992	18.1	18.0	0.1	15.0 - 21.0	Yes	
Short Duration Fixed Income Composite	11,920,607	3.1	5.0	-1.9	0.0 - 8.0	Yes	
Market Duration Fixed Income Composite	84,342,960	21.8	25.0	-3.2	20.0 - 30.0	Yes	
Total Alternatives Composite	73,125,067	18.9	20.0	-1.1	17.0 - 23.0	Yes	
Total Cash Balance Plan	386,287,686	100.0	100.0	0.0			

MPT Stats By Group | As of December 31, 2024

	Risk Return Statistics	
	3 Yrs Total Cash Balance Plan	5 Yrs Total Cash Balance Plan
RETURN SUMMARY STATISTICS		
Maximum Return	6.2	8.1
Minimum Return	-5.9	-9.6
Return	2.2	6.2
Excess Return	-1.0	4.2
Excess Performance	-0.4	0.1
RISK SUMMARY STATISTICS		
Beta	1.1	1.1
Upside Risk	8.1	8.9
Downside Risk	7.3	7.5
RISK/RETURN SUMMARY STATISTICS		
Standard Deviation	10.9	11.5
Sortino Ratio	-0.1	0.5
Alpha	-0.5	-0.4
Sharpe Ratio	-0.1	0.4
Excess Risk	10.7	11.5
Tracking Error	1.4	1.7
Information Ratio	-0.2	0.1
CORRELATION STATISTICS		
R-Squared	1.0	1.0
Actual Correlation	1.0	1.0

Asset Allocation & Performance | As of December 31, 2024

Trailing Performance Summary									
	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Cash Balance Plan	386,287,686	100.0	-1.2	9.9	2.2	6.2	6.5	7.3	Nov-12
<i>Cash Balance Plan Total Benchmark</i>			<i>-1.1</i>	<i>9.8</i>	<i>2.6</i>	<i>6.1</i>	<i>6.2</i>	<i>6.9</i>	
Total Cash Balance Plan Ex Private Structures	380,249,288	98.4	-1.2	10.2	2.3	6.4	6.6	7.3	Nov-12
<i>Cash Balance Plan Total Ex Privates Benchmark</i>			<i>-1.2</i>	<i>10.5</i>	<i>2.9</i>	<i>6.3</i>	<i>6.2</i>	<i>6.8</i>	
Total Equity Composite	216,899,052	56.1	-1.6	13.5	3.6	9.4	9.4	10.6	Nov-12
<i>Total Equity Benchmark</i>			<i>-1.4</i>	<i>16.2</i>	<i>5.2</i>	<i>10.0</i>	<i>9.5</i>	<i>10.7</i>	
Domestic Equity Composite	146,957,060	38.0	2.1	19.9	5.7	12.5	11.7	13.5	Nov-12
<i>Domestic Equity Benchmark</i>			<i>2.2</i>	<i>22.5</i>	<i>7.5</i>	<i>13.2</i>	<i>12.2</i>	<i>13.8</i>	
Large Cap Equity Composite	124,331,130	32.2	2.6	22.5	6.7	13.5	12.3	14.1	Nov-12
<i>Large Cap Equity Benchmark</i>			<i>2.5</i>	<i>24.4</i>	<i>8.6</i>	<i>14.3</i>	<i>12.9</i>	<i>14.4</i>	
Small Cap Equity Composite	22,625,930	5.9	-0.3	7.3	0.9	7.1	8.5	10.0	Nov-12
<i>Small Cap Equity Benchmark</i>			<i>0.3</i>	<i>11.6</i>	<i>1.2</i>	<i>7.2</i>	<i>7.7</i>	<i>10.0</i>	
International Equity Composite	69,941,992	18.1	-8.5	2.0	-0.3	3.7	5.1	5.3	Nov-12
<i>MSCI AC World ex USA (Net)</i>			<i>-7.6</i>	<i>5.5</i>	<i>0.8</i>	<i>4.1</i>	<i>4.8</i>	<i>5.3</i>	
Total Fixed Income Composite	96,263,567	24.9	-3.0	2.1	-1.4	0.6	1.9	2.0	Nov-12
<i>Total Fixed Income Benchmark</i>			<i>-2.6</i>	<i>1.8</i>	<i>-1.7</i>	<i>0.0</i>	<i>1.4</i>	<i>1.4</i>	
Short Duration Fixed Income Composite	11,920,607	3.1	0.9	5.1	2.9	2.3	2.1	1.8	Nov-12
<i>Short Duration Fixed Income Benchmark</i>			<i>0.0</i>	<i>4.4</i>	<i>1.7</i>	<i>1.6</i>	<i>1.6</i>	<i>1.5</i>	
Cash Composite	7,516,982	1.9	1.4	5.6	3.6	2.3	2.3	2.1	Nov-12
<i>90 Day U.S. Treasury Bill</i>			<i>1.2</i>	<i>5.3</i>	<i>3.9</i>	<i>2.5</i>	<i>1.8</i>	<i>1.5</i>	
Market Duration Fixed Income Composite	84,342,960	21.8	-3.4	1.7	-1.7	0.5	1.9	2.1	Nov-12
<i>Bloomberg U.S. Aggregate Index</i>			<i>-3.1</i>	<i>1.3</i>	<i>-2.4</i>	<i>-0.3</i>	<i>1.3</i>	<i>1.4</i>	
Total Alternatives Composite	73,125,067	18.9	2.2	10.4	3.0	5.3	5.4	6.5	Nov-12
<i>Total Alternatives Benchmark</i>			<i>1.5</i>	<i>6.0</i>	<i>1.8</i>	<i>4.6</i>	<i>4.5</i>	<i>5.1</i>	
Hedge Fund of Fund Composite	67,086,668	17.4	2.6	12.6	4.0	6.3	5.4	6.3	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			<i>2.3</i>	<i>9.4</i>	<i>3.2</i>	<i>5.3</i>	<i>3.8</i>	<i>4.3</i>	
Real Estate Composite	6,038,399	1.6	-2.2	-7.6	-5.5	-1.0	2.8	4.6	Jan-13
<i>NCREIF Property Index</i>			<i>0.0</i>	<i>-0.5</i>	<i>-1.1</i>	<i>2.9</i>	<i>5.6</i>	<i>6.5</i>	

Asset Allocation & Performance | As of December 31, 2024

Trailing Performance Summary									
	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Cash Balance Plan	386,287,686	100.0	-1.2	9.9	2.2	6.2	6.5	7.3	Nov-12
<i>Cash Balance Plan Total Benchmark</i>			<i>-1.1</i>	<i>9.8</i>	<i>2.6</i>	<i>6.1</i>	<i>6.2</i>	<i>6.9</i>	
Total Cash Balance Plan Ex Private Structures	380,249,288	98.4	-1.2	10.2	2.3	6.4	6.6	7.3	Nov-12
<i>Cash Balance Plan Total Ex Privates Benchmark</i>			<i>-1.2</i>	<i>10.5</i>	<i>2.9</i>	<i>6.3</i>	<i>6.2</i>	<i>6.8</i>	
Total Equity Composite	216,899,052	56.1	-1.6	13.5	3.6	9.4	9.4	10.6	Nov-12
<i>Total Equity Benchmark</i>			<i>-1.4</i>	<i>16.2</i>	<i>5.2</i>	<i>10.0</i>	<i>9.5</i>	<i>10.7</i>	
Domestic Equity Composite	146,957,060	38.0	2.1	19.9	5.7	12.5	11.7	13.5	Nov-12
<i>Domestic Equity Benchmark</i>			<i>2.2</i>	<i>22.5</i>	<i>7.5</i>	<i>13.2</i>	<i>12.2</i>	<i>13.8</i>	
Large Cap Equity Composite	124,331,130	32.2	2.6	22.5	6.7	13.5	12.3	14.1	Nov-12
<i>Large Cap Equity Benchmark</i>			<i>2.5</i>	<i>24.4</i>	<i>8.6</i>	<i>14.3</i>	<i>12.9</i>	<i>14.4</i>	
Vanguard Institutional Index Fund (VIIIX)	58,765,225	15.2	2.4 (29)	25.0 (22)	8.9 (22)	14.5 (19)	13.1 (8)	14.5 (10)	Nov-12
<i>S&P 500 Index</i>			<i>2.4 (28)</i>	<i>25.0 (22)</i>	<i>8.9 (21)</i>	<i>14.5 (18)</i>	<i>13.1 (8)</i>	<i>14.6 (9)</i>	
<i>Large Blend Median</i>			<i>2.0</i>	<i>23.2</i>	<i>7.9</i>	<i>13.4</i>	<i>11.9</i>	<i>13.5</i>	
Barrow Hanley Large Cap Value	41,665,644	10.8	-0.4 (23)	18.4 (18)	10.1 (7)	11.5 (24)	10.3 (22)	12.4 (19)	Nov-12
<i>Russell 1000 Value Index</i>			<i>-2.0 (62)</i>	<i>14.4 (49)</i>	<i>5.6 (61)</i>	<i>8.7 (68)</i>	<i>8.5 (69)</i>	<i>10.8 (63)</i>	
<i>eV US Large Cap Value Equity Median</i>			<i>-1.6</i>	<i>14.2</i>	<i>6.5</i>	<i>9.8</i>	<i>9.1</i>	<i>11.2</i>	
Touchstone Sands Capital Inst. Growth Fund (CISGX)	23,900,261	6.2	8.8 (13)	24.2 (78)	-2.1 (97)	10.7 (94)	11.2 (92)	13.5 (86)	Nov-12
<i>Russell 1000 Growth Index</i>			<i>7.1 (22)</i>	<i>33.4 (28)</i>	<i>10.5 (8)</i>	<i>19.0 (8)</i>	<i>16.8 (8)</i>	<i>17.7 (9)</i>	
<i>Large Growth Median</i>			<i>5.3</i>	<i>30.0</i>	<i>7.4</i>	<i>15.7</i>	<i>14.4</i>	<i>15.7</i>	
Small Cap Equity Composite	22,625,930	5.9	-0.3	7.3	0.9	7.1	8.5	10.0	Nov-12
<i>Small Cap Equity Benchmark</i>			<i>0.3</i>	<i>11.6</i>	<i>1.2</i>	<i>7.2</i>	<i>7.7</i>	<i>10.0</i>	

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Wellington Small Cap Value	13,022,904	3.4	-1.7 (80)	6.1 (79)	2.7 (72)	5.2 (97)	6.0 (93)	8.4 (89)	Nov-12
<i>Russell 2000 Value Index</i>			<i>-1.1 (70)</i>	<i>8.1 (69)</i>	<i>1.9 (84)</i>	<i>7.3 (78)</i>	<i>7.1 (74)</i>	<i>9.2 (79)</i>	
<i>eV US Small Cap Value Equity Median</i>			<i>-0.4</i>	<i>10.3</i>	<i>3.8</i>	<i>8.9</i>	<i>7.8</i>	<i>10.1</i>	
Conestoga Small-Cap Fund I (CCALX)	9,603,026	2.5	1.6 (32)	9.0 (86)	-1.4 (54)	7.8 (46)	--	12.2 (30)	Jul-16
<i>Russell 2000 Growth Index</i>			<i>1.7 (28)</i>	<i>15.2 (40)</i>	<i>0.2 (32)</i>	<i>6.9 (68)</i>	<i>--</i>	<i>10.0 (70)</i>	
<i>Small Growth Median</i>			<i>0.5</i>	<i>13.8</i>	<i>-1.1</i>	<i>7.6</i>	<i>--</i>	<i>11.0</i>	
International Equity Composite	69,941,992	18.1	-8.5	2.0	-0.3	3.7	5.1	5.3	Nov-12
<i>MSCI AC World ex USA (Net)</i>			<i>-7.6</i>	<i>5.5</i>	<i>0.8</i>	<i>4.1</i>	<i>4.8</i>	<i>5.3</i>	
Causeway International Value (CIVIX)	31,532,547	8.2	-8.0 (64)	3.7 (58)	7.2 (6)	7.2 (9)	--	5.2 (12)	May-18
<i>MSCI EAFE (Net)</i>			<i>-8.1 (69)</i>	<i>3.8 (56)</i>	<i>1.6 (76)</i>	<i>4.7 (49)</i>	<i>--</i>	<i>4.2 (30)</i>	
<i>MSCI AC World ex USA Value (Net)</i>			<i>-7.3 (51)</i>	<i>6.0 (32)</i>	<i>4.4 (32)</i>	<i>4.5 (54)</i>	<i>--</i>	<i>3.1 (63)</i>	
<i>Foreign Value Median</i>			<i>-7.3</i>	<i>4.4</i>	<i>3.4</i>	<i>4.6</i>	<i>--</i>	<i>3.5</i>	
BNY Mellon International Stock Fund (DISRX)	20,852,455	5.4	-9.8 (92)	-0.9 (90)	-2.9 (80)	3.9 (57)	6.6 (13)	6.2 (32)	Nov-12
<i>MSCI AC World ex USA (Net)</i>			<i>-7.6 (53)</i>	<i>5.5 (34)</i>	<i>0.8 (42)</i>	<i>4.1 (53)</i>	<i>4.8 (56)</i>	<i>5.3 (71)</i>	
<i>MSCI AC World ex USA Growth (Net)</i>			<i>-7.9 (60)</i>	<i>5.1 (39)</i>	<i>-2.7 (79)</i>	<i>3.4 (70)</i>	<i>5.3 (37)</i>	<i>5.8 (47)</i>	
<i>Foreign Median</i>			<i>-7.5</i>	<i>4.2</i>	<i>0.2</i>	<i>4.2</i>	<i>4.9</i>	<i>5.7</i>	
Harding Loevner Inst. Emerging Markets I (HLMEX)	17,556,990	4.5	-8.0 (79)	2.7 (80)	-7.6 (93)	-2.8 (96)	--	1.8 (96)	Nov-16
<i>MSCI Emerging Markets (Net)</i>			<i>-8.0 (81)</i>	<i>7.5 (35)</i>	<i>-1.9 (40)</i>	<i>1.7 (49)</i>	<i>--</i>	<i>4.6 (43)</i>	
<i>Diversified Emerging Mkts Median</i>			<i>-6.9</i>	<i>6.3</i>	<i>-3.0</i>	<i>1.5</i>	<i>--</i>	<i>4.3</i>	
Total Fixed Income Composite	96,263,567	24.9	-3.0	2.1	-1.4	0.6	1.9	2.0	Nov-12
<i>Total Fixed Income Benchmark</i>			<i>-2.6</i>	<i>1.8</i>	<i>-1.7</i>	<i>0.0</i>	<i>1.4</i>	<i>1.4</i>	
Short Duration Fixed Income Composite	11,920,607	3.1	0.9	5.1	2.9	2.3	2.1	1.8	Nov-12
<i>Short Duration Fixed Income Benchmark</i>			<i>0.0</i>	<i>4.4</i>	<i>1.7</i>	<i>1.6</i>	<i>1.6</i>	<i>1.5</i>	

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Barrow Hanley Short Fixed	4,403,625	1.1	-0.3 (71)	4.1 (82)	1.7 (52)	1.7 (54)	1.7 (61)	1.5 (62)	Nov-12
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			0.0 (57)	4.4 (73)	1.7 (50)	1.6 (63)	1.6 (67)	1.5 (67)	
<i>Short-Term Bond Median</i>			0.0	4.9	1.7	1.8	1.9	1.7	
Cash Composite	7,516,982	1.9	1.4	5.6	3.6	2.3	2.3	2.1	Nov-12
<i>90 Day U.S. Treasury Bill</i>			1.2	5.3	3.9	2.5	1.8	1.5	
Market Duration Fixed Income Composite	84,342,960	21.8	-3.4	1.7	-1.7	0.5	1.9	2.1	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			-3.1	1.3	-2.4	-0.3	1.3	1.4	
Dodge & Cox Income Fund (DODIX)	43,598,524	11.3	-3.3 (88)	2.3 (14)	-0.6 (5)	1.3 (1)	2.5 (1)	2.5 (3)	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (50)	1.3 (66)	-2.4 (45)	-0.3 (57)	1.3 (46)	1.4 (46)	
<i>Intermediate Core Bond Median</i>			-3.1	1.5	-2.5	-0.3	1.3	1.4	
Met West Total Return Fund I (MWTSX)	40,744,436	10.5	-3.5 (95)	1.2 (70)	-2.9 (80)	-0.2 (49)	1.4 (42)	1.8 (16)	Nov-12
<i>Blmbg. U.S. Aggregate Index</i>			-3.1 (50)	1.3 (66)	-2.4 (45)	-0.3 (57)	1.3 (46)	1.4 (46)	
<i>Intermediate Core Bond Median</i>			-3.1	1.5	-2.5	-0.3	1.3	1.4	
Total Alternatives Composite	73,125,067	18.9	2.2	10.4	3.0	5.3	5.4	6.5	Nov-12
<i>Total Alternatives Benchmark</i>			1.5	6.0	1.8	4.6	4.5	5.1	
Hedge Fund of Fund Composite	67,086,668	17.4	2.6	12.6	4.0	6.3	5.4	6.3	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			2.3	9.4	3.2	5.3	3.8	4.3	
Lighthouse Diversified	34,923,770	9.0	1.7	9.9	6.4	6.3	4.5	5.4	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			2.3	9.4	3.2	5.3	3.8	4.3	
Pointer Offshore LTD	32,162,898	8.3	3.6	15.6	1.6	5.9	6.1	7.2	Nov-12
<i>HFRI Fund of Funds Composite Index</i>			2.3	9.4	3.2	5.3	3.8	4.3	
Real Estate Composite	6,038,399	1.6	-2.2	-7.6	-5.5	-1.0	2.8	4.6	Jan-13
<i>NCREIF Property Index</i>			0.0	-0.5	-1.1	2.9	5.6	6.5	

Lighthouse Diversified Fund performance lagged one month as 12/31/2024 data was unavailable at the time of reporting.

Asset Allocation & Performance | As of December 31, 2024

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Oaktree Real Estate Opportunities Fund VI, L.P	1,631,208	0.4	-1.6	-11.1	-9.8	-7.5	-1.6	0.7	Feb-13
Walton Street Real Estate Fund VII, L.P.	684,332	0.2	0.1	-25.1	-14.4	-9.9	-2.0	1.1	Jul-13
Walton Street Real Estate Fund VIII, L.P.	3,722,859	1.0	-2.9	-0.7	-0.7	4.8	--	7.2	May-17

Lighthouse Diversified Fund, Ltd Class A | As of December 31, 2024

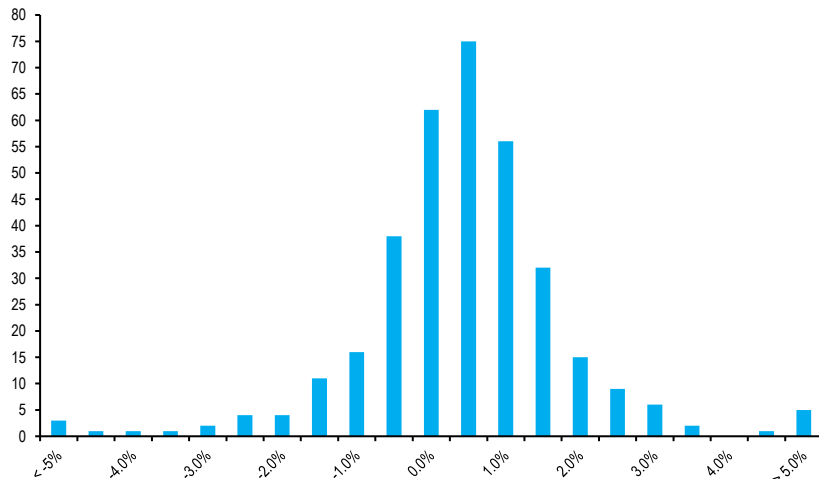
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$34.9 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

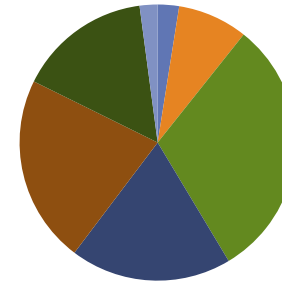
	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 11/2012 (%)
Lighthouse Diversified Fund	1.7	9.9	6.4	6.3	5.4
HFRI Fund of Funds Composite Index	2.3	9.4	3.2	5.3	4.3

Return Distribution



Portfolio Composition¹

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



Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	NA	56	53	55
Europe	NA	22	24	22
Developed Asia	NA	14	16	15
Emerging Markets	NA	5	4	4
Other	NA	3	3	4

Security Type Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Credit	NA	10	19	23
Commodity	NA	2	2	2
Equity	NA	22	20	14
FX	NA	16	3	-2
Sovereign & Rates	NA	0	-2	-3
Other	NA	0	0	0

Top 5 Equity Long (%)²

Travelport	5
European Consumer # 5	3
Hercules Lending	2
European Commercial & Professional Services #1	2
Asian Software & Services #1	2

¹ Portfolio Composition as of 9/30/24.

² Top 5 notional position data as of 9/30/24.

Pointer Offshore III, LTD | As of December 31, 2024

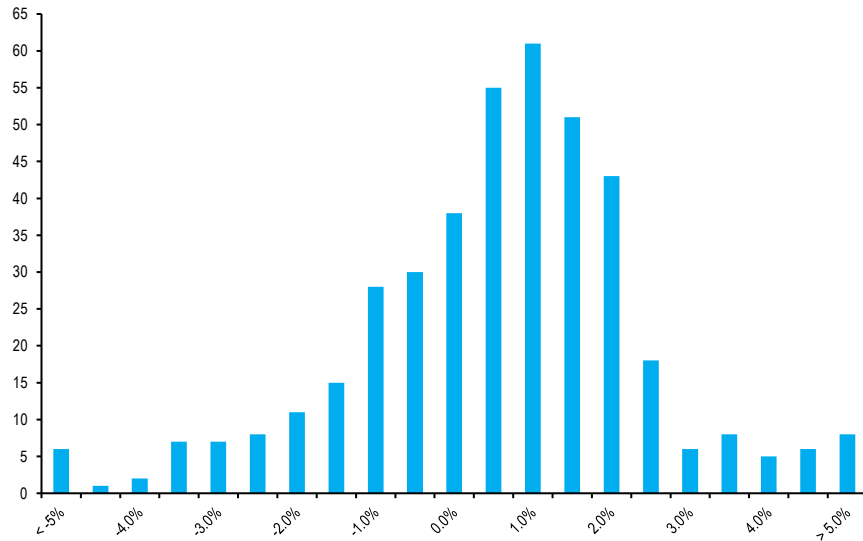
Account Information

Mandate:	Hedge Fund, Return Seeking
Market Value:	\$322 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

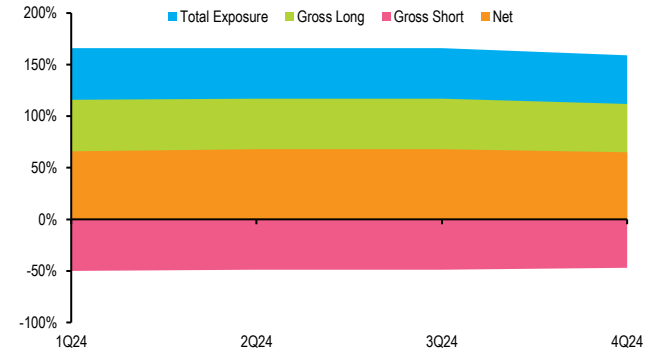
Portfolio Performance Summary

	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since 11/2012 (%)
Pointer Offshore III, LTD	3.6	15.6	1.6	5.9	7.2
HFRI RV: Multi-Strategy Index	2.3	9.4	3.2	5.3	4.3

Return Distribution



Exposure History



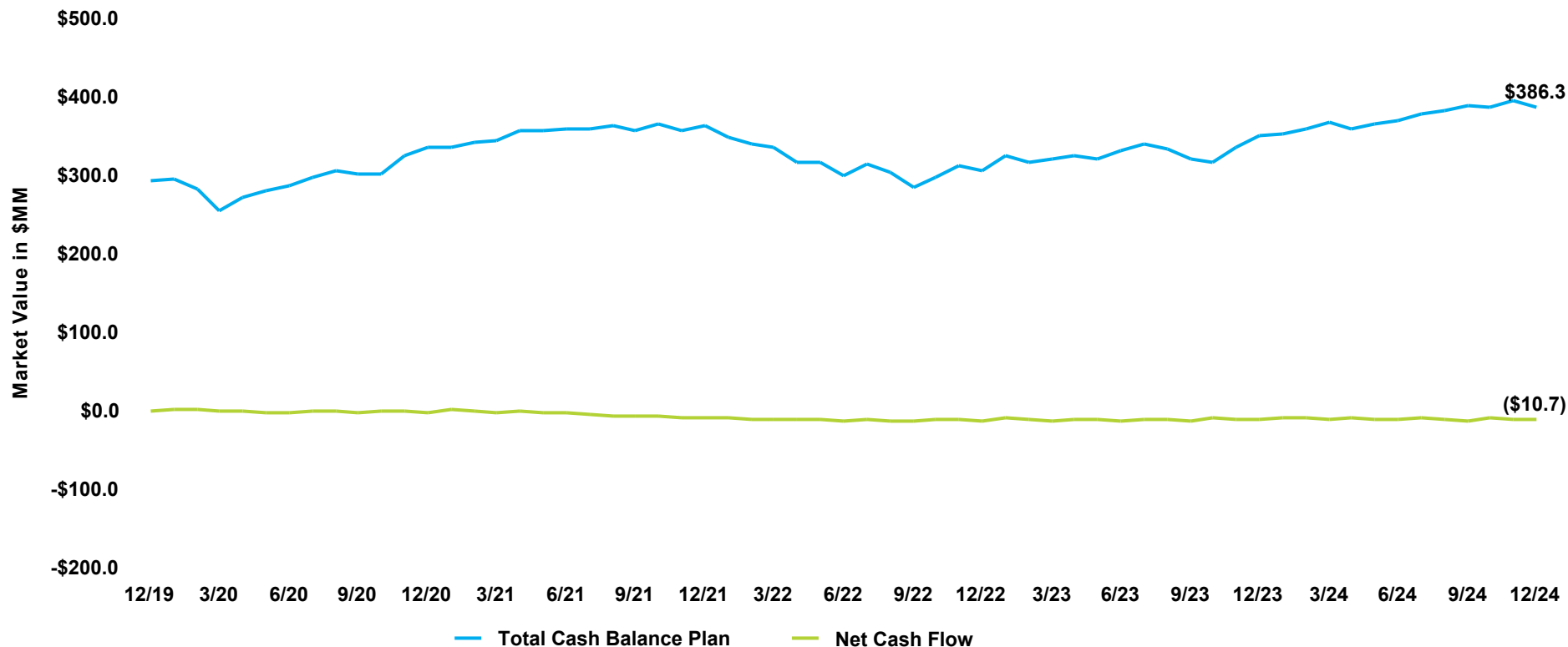
Geographic Exposure Net (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
North America	24	23	27	26
Europe	10	7	9	8
Asia	21	20	15	14
Emerging Markets	12	11	14	12
Other	7	7	5	5

Security Type Net Exposure (%)	12/31/2024	9/30/2024	6/30/2024	3/31/2024
Global Equity	44	40	41	37
Healthcare Equity	14	16	16	18
Opportunistic Equity/Credit	1	3	4	5
Special Situations	17	16	16	16
Domestic Equity	6	6	7	9
Asia Equity	17	20	16	15

Top 5 Notional Positions (%)

Not Provided
Not Provided
Not Provided
Not Provided
Not Provided

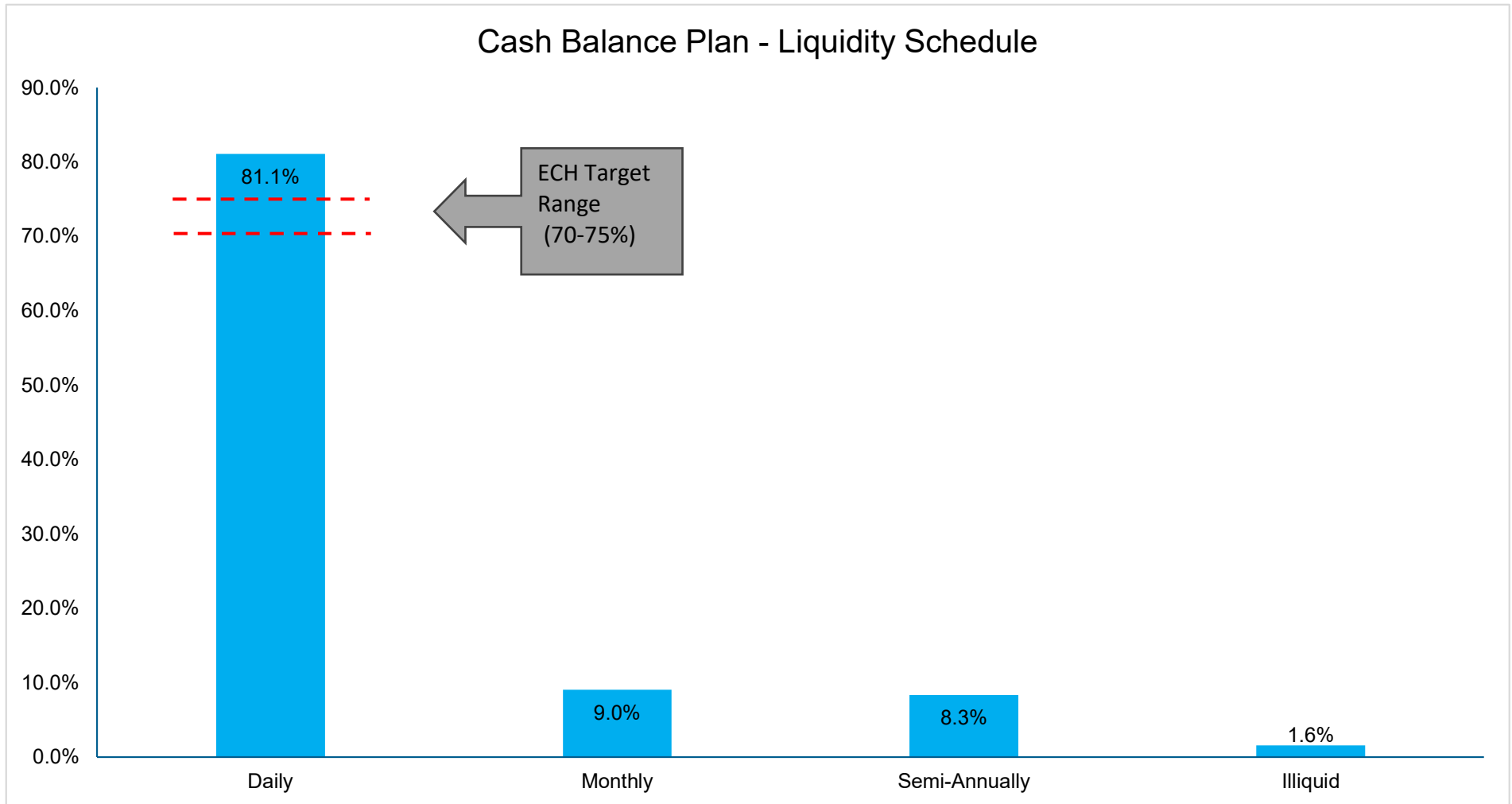
5 Years Ending December 31, 2024



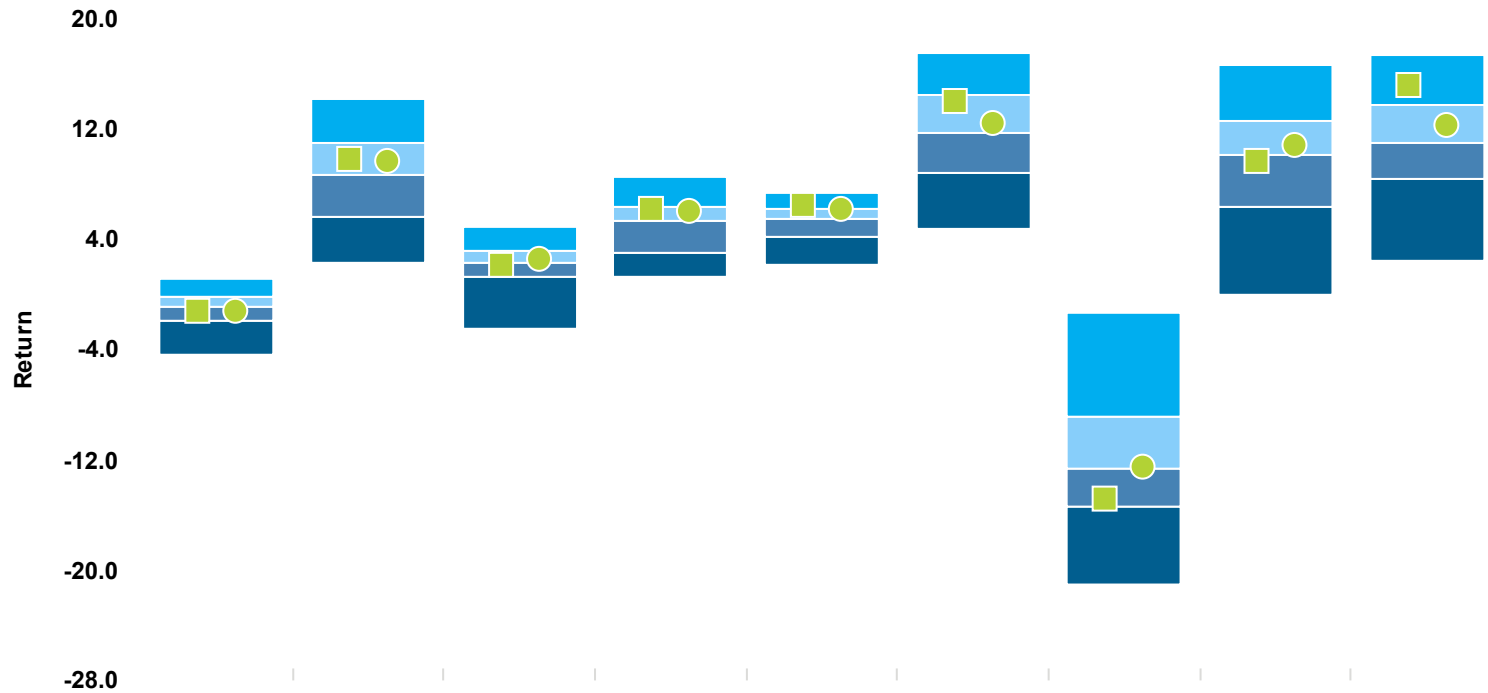
	2019	2020	2021	2022	2023	YTD (%)
Beginning Market Value	250,083,464	294,011,221	336,670,516	363,545,097	306,271,592	350,697,272
Net Cash Flow	-1,757,760	-1,866,120	-6,273,155	-4,168,515	1,126,675	480,725
Net Investment Change	45,685,517	44,525,415	33,147,735	-53,104,990	43,299,005	35,077,736
Ending Market Value	294,011,221	336,670,516	363,545,097	306,271,592	350,697,272	386,287,686
Net Change	43,927,757	42,659,295	26,874,581	-57,273,504	44,425,680	35,590,414

Liquidity Schedule | As of December 31, 2024

Investments	Market Value	Liquidity Schedule					Notes
		Daily	Weekly	Monthly	Quarterly	Annually	
Total Cash Balance Plan	386,287,686	305,645,638		34,923,770		6,038,399	
Total Cash Balance Plan Ex Private Structures	380,249,288						
Total Equity Composite	216,899,052						
Domestic Equity Composite	146,957,060						
Large Cap Equity Composite	124,331,130						
Vanguard Institutional Index Fund (VIXIX)	58,765,225	58,765,225					Daily, No Lock-Up
Barrow Hanley Large Cap Value	41,665,644	41,665,644					Daily, No Lock-Up
Touchstone Sands Capital Inst. Growth Fund (CISGX)	23,900,261	23,900,261					Daily, No Lock-Up
Small Cap Equity Composite	22,625,930						
Wellington Small Cap Value	13,022,904	13,022,904					Daily, No Lock-Up
Conestoga Small-Cap Fund I (CCALX)	9,603,026	9,603,026					Daily, No Lock-Up
International Equity Composite	69,941,992						
Causeway International Value (CIVIX)	31,532,547	31,532,547					Daily, No Lock-Up
BNY Mellon International Stock Fund (DISRX)	20,852,455	20,852,455					Daily, No Lock-Up
Harding Loevner Inst. Emerging Markets I (HLMEX)	17,556,990	17,556,990					Daily, No Lock-Up
Total Fixed Income Composite	96,263,567						
Short Duration Fixed Income Composite	11,920,607						
Barrow Hanley Short Fixed	4,403,625	4,403,625					Daily, No Lock-Up
Cash Composite	7,516,982						
Cash Account	7,496,322						
Disbursement Account	20,659						
Market Duration Fixed Income Composite	84,342,960						
Dodge & Cox Income Fund (DODIX)	43,598,524	43,598,524					Daily, No Lock-Up
Met West Total Return Fund I (MWT SX)	40,744,436	40,744,436					Daily, No Lock-Up
Total Alternatives Composite	73,125,067						
Hedge Fund of Fund Composite	67,086,668						
Lighthouse Diversified	34,923,770			34,923,770			90 Day Notice, No Lock-Up
Pointer Offshore LTD	32,162,898						Notice by Mar 15/Sep 15 Real Estate Composite \$6,790,453 1.7%
Real Estate Composite	6,038,399						
Oaktree Real Estate Opportunities Fund VI, L.P.	1,631,208					1,631,208	Illiquid
Walton Street Real Estate Fund VII, L.P.	684,332					684,332	Illiquid
Walton Street Real Estate Fund VIII, L.P.	3,722,859					3,722,859	Illiquid



Plan Sponsor Peer Group Analysis | As of December 31, 2024



	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	2023	2022	2021	2020
■ Total Cash Balance Plan	-1.2 (59)	9.9 (35)	2.2 (56)	6.2 (33)	6.5 (16)	14.0 (30)	-14.8 (70)	9.8 (52)	15.2 (17)
● Cash Balance Plan Total Benchmark	-1.1 (58)	9.8 (38)	2.6 (40)	6.1 (34)	6.2 (22)	12.5 (44)	-12.5 (48)	10.9 (43)	12.4 (38)
5th Percentile	1.1	14.2	4.9	8.5	7.4	17.6	-1.3	16.6	17.4
1st Quartile	-0.2	10.9	3.1	6.4	6.2	14.5	-8.8	12.6	13.8
Median	-0.9	8.7	2.3	5.4	5.5	11.7	-12.7	10.2	11.1
3rd Quartile	-1.9	5.6	1.3	3.1	4.2	8.8	-15.4	6.3	8.3
95th Percentile	-4.4	2.2	-2.5	1.3	2.2	4.8	-21.1	-0.1	2.4
Population	142	141	129	116	79	372	417	527	596

Parenteses contain percentile rankings.
Calculation based on monthly periodicity.

Total Fund | As of December 31, 2024

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	1,631,208	13,286,142	2,313,155	1.06	1.21	5.14
Walton Street Real Estate Fund VII, L.P.	2013	8,400,000	1,093,155	7,306,845	9,088,167	684,332	9,772,499	2,440,231	1.24	1.33	8.05
Walton Street Real Estate Fund VIII, L.P.	2015	10,000,000	1,880,134	8,119,866	7,498,238	3,722,859	11,221,096	3,043,450	0.92	1.37	8.31
Total		26,800,000	400,302	26,399,698	28,241,338	6,038,399	34,279,737	7,796,835	1.07	1.29	6.84

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 December 31, 2024

Benchmark History

From Date	To Date	Benchmark
Total Cash Balance Plan		
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

From Date	To Date	Benchmark
Total Fixed Income Composite		
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
Short Duration Fixed Income Composite		
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
Cash Composite		
08/01/2011	Present	90 Day U.S. Treasury Bill
Market Duration Fixed Income Composite		
10/01/1990	Present	Blmbg. U.S. Aggregate Index
Total Equity Composite		
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
Domestic Equity Composite		
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
Large Cap Equity Composite		
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
Small Cap Equity Composite		
01/01/1979	Present	50.0% Russell 2000 Growth Index, 50.0% Russell 2000 Value Index
International Equity Composite		
11/01/2012	Present	MSCI AC World ex USA (Net)

Appendix



For our thought leadership library, please visit:

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RESEARCH INSIGHTS

Commitment Pacing | China's Stimulus | Risk Budgeting | New Administration | LMEs | Private Equity Distribution | AI | Co-Investment | Core Bonds | Government Debt | Infrastructure | Long Volatility | Sports Assets | Trade Wars

FOURTH QUARTER 2024

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.



Private Market Commitment Pacing

In this paper, we provide insights into the process for setting the appropriate pace of commitments for private market programs. The output of the process is typically a multi-year plan that lays out a path of annual commitments designed to achieve an investor's desired portfolio allocation. Importantly, a commitment pacing model should be flexible enough to adapt to changes in the markets, such as plateauing distribution rates or increasing use of co-investments and continuation vehicles.

<https://meketa.com/leadership/private-market-commitment-pacing/>



Meketa Connectives | China's Latest Stimulus May Not Be Enough

In late September, China's central bank announced a significant stimulus package designed to lift stock prices, improve bank liquidity, and support mortgage holders. In this article, we examine the stimulus package and consider if it will be sufficient to reignite growth and investment.

<https://meketa.com/news/meketa-connectives-chinas-latest-stimulus-may-not-be-enough/>



Risk Budgeting Primer

For CIOs, investment staff, and trustees tasked with assessing the risk of a capital pool, risk budgeting provides a structured approach. In this paper, we focus on risk budgeting at the active risk level, examining how active risk is allocated and managed within a portfolio. We examine the concept of active risk, why it exists in portfolios, and the expected outcomes for investors based on different levels of active risk exposure.

<https://meketa.com/leadership/risk-budgeting-primer/>



Potential Policy Impacts of a New Administration

Donald Trump’s 2024 election win, paired with a Republican-controlled Congress, signals a swift path for policy changes with market impact. This memo reviews potential impacts of Trump’s policies on energy, tariffs, deregulation, immigration, and tax cuts.

https://meketa.com/wp-content/uploads/2024/11/MEKETA_November-2024-Potential-Policy-Impacts-of-New-Administration-Research-Insights.pdf



Game of Loans: Liability Management Exercises and Their Impact on Credit Investment Managers

For those unfamiliar with liability management exercises (“LMEs”), these are strategies that companies use to restructure their debt obligations—often by exchanging, repurchasing, or renegotiating terms—in order to reduce financial strain, manage cash flow more effectively, and improve their overall financial health as an alternative to bankruptcy. But why might this be of interest to an institutional allocator?

<https://meketa.com/news/meketa-connectives-a-game-of-loans/>



Cash Flow Gridlock: Understanding the PE Distribution Challenge

The liquidity that fueled a robust cycle of exits and distributions slowed dramatically beginning in 2022, coinciding with the rise in interest rates. Many general partners (“GPs”) responded by extending hold periods and seeking alternative sources of liquidity, leading to a collective bottleneck in distribution activity in private equity.

<https://meketa.com/leadership/cash-flow-gridlock-understanding-the-private-equity-distribution-challenge/>



Navigating AI Investment Risks and Opportunities in Venture Capital

This paper seeks to address both the future opportunities and potential risks posed by AI within investors' VC portfolios. We initially highlight a host of areas where VC investments in existing or yet-to-be-founded startups may stand to benefit. After that, we cover the potential downsides related to VC investment in AI.

<https://meketa.com/leadership/navigating-ai-investment-risks-and-opportunities-in-venture-capital/>



Co-Investment Primer

In this primer, we review how co-investments work as well as the benefits and challenges of co-investing. We also discuss ways in which an investor may access co-investments and considerations when structuring a co-investment program. While this paper focuses primarily on private equity, co-investing is available in other private market asset classes.

<https://meketa.com/leadership/co-investment-primer/>



Core Bonds

In this paper, we briefly discuss the composition of the core bond market, as proxied by the Bloomberg Aggregate Index. We discuss how the market has evolved over time, and what those changes imply for investors. We further discuss the diversification benefits of investment grade bonds and their potential role in a diversified portfolio. Finally, we address implementation options, including the active versus passive decision.

<https://meketa.com/leadership/core-bonds/>



Will a Unified Government Increase Government Debt and Inflation Risks?

As markets process the sweeping Republican victory in the US 2024 election, some investors and pundits are anticipating more government spending and a larger budget deficit.

<https://meketa.com/news/meketa-connectives-will-a-unified-government-increase-government-debt-and-inflation-risks/>



Bridging the Gap: Comparing Public and Private Infrastructure

This research note aims to describe some of the most substantial and impactful differences from an institutional investor's perspective. Additionally, this paper reviews the historical performance of public and private infrastructure.

<https://meketa.com/leadership/bridging-the-gap-comparing-public-and-private-infrastructure/>



Long Volatility Investment Strategies Primer

In this paper, we explore long volatility strategies through a variety of lenses, including how they work, how investment managers build strategies, how they have performed, portfolio use-cases, their role within an Risk Mitigating Strategy framework, and more.

<https://meketa.com/leadership/long-volatility-investment-strategies-primer/>



Private Equity and the Evolution of Sports Assets

While investing in sports is not new to private equity, recent developments have brought increased attention to the investment opportunity. The objective of this paper is to assess the opportunity of investing in the sports industry, explore private equity's growing presence in the sports sector, and highlight the role private equity plays in the sports ecosystem.

<https://meketa.com/leadership/private-equity-and-the-evolution-of-sports-assets/>



When Titans Tussle: Trade Wars and Market Shifts

The reelection of President Donald Trump, coupled with Republican control of both the House and the Senate, has cast a spotlight on US-China relations, intensifying speculation that Washington's 'tough on China' approach is likely to deepen. In the first few days after the election, President-elect Trump reiterated his campaign pledge to levy substantial tariffs on Chinese exports to the US. Trump has proposed a 60% blanket tariff on all Chinese exports.

<https://meketa.com/news/meketa-connectives-when-titans-tussle/>

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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.