



January, 2016

Trustees  
 The Dallas Police & Fire Pension System  
 4100 Harry Hines Blvd – Suite 100  
 Dallas, TX 75219

**RE:** Infrastructure Strategy – 3<sup>rd</sup> Quarter 2015

Dear Trustees:

We are pleased to present the September 30, 2015 Private Markets Report for the Infrastructure portion of the Dallas Police & Fire Pension System, (“DPFPS”). The report provides a variety of performance analysis for the infrastructure sector of the portfolio. The reports include trailing performance, performance by investment stage and vintage year performance.

The DPFPS infrastructure portfolio experienced a negative quarter with a nominal IRR of (0.34%). The annualized IRR of the infrastructure portfolio since inception was 1.19% at quarter end. Since inception, the Total Value to Paid In multiple (current valuation plus cumulative distributions, divided by total capital calls) was 1.03.

The following table presents the status of the DPFPS infrastructure portfolio as of September 30, 2015:

Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$364,000,000	\$0	\$263,840,295	\$74,999,330	\$197,434,674	72.48%	28.43%

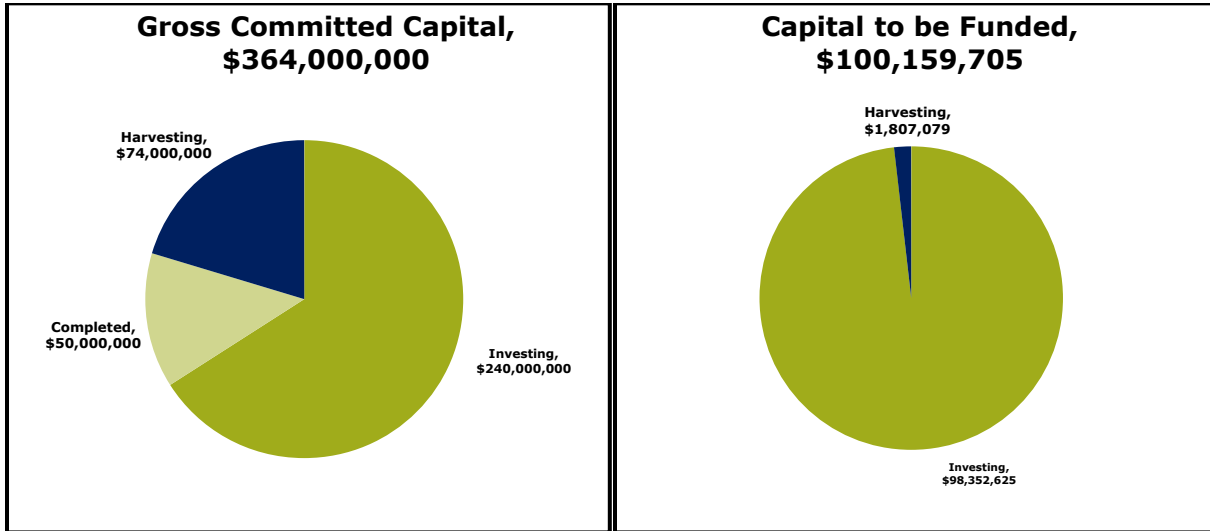
Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)	Total Fund Composite as of 9/30/2015	Infrastructure Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$100,159,705	\$297,594,379	\$2,952,788,131	10%	6.69%	10.08%

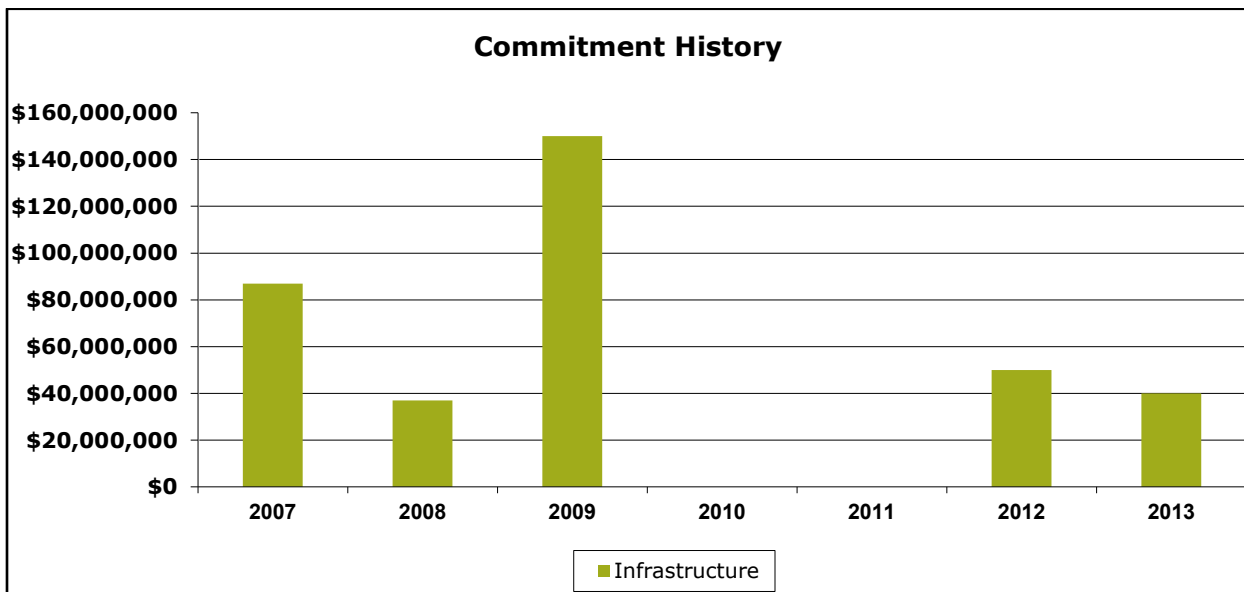
Total Value (Reported Value + Distributions)	Total Value To Capital Call Ratio	Internal Rate of Return IRR, Since Inception (October 9, 2007)
\$272,434,004	1.03	1.19%



As of September 30, 2015, the DPFPS has made commitments totaling \$364.0 million to 8 infrastructure funds. Of the 8 funds in the DPFPS infrastructure portfolio, 5 funds are in the investing stage, 2 funds are in the harvesting stage, and 1 fund has been completed. The following charts illustrate the program's current life cycle:

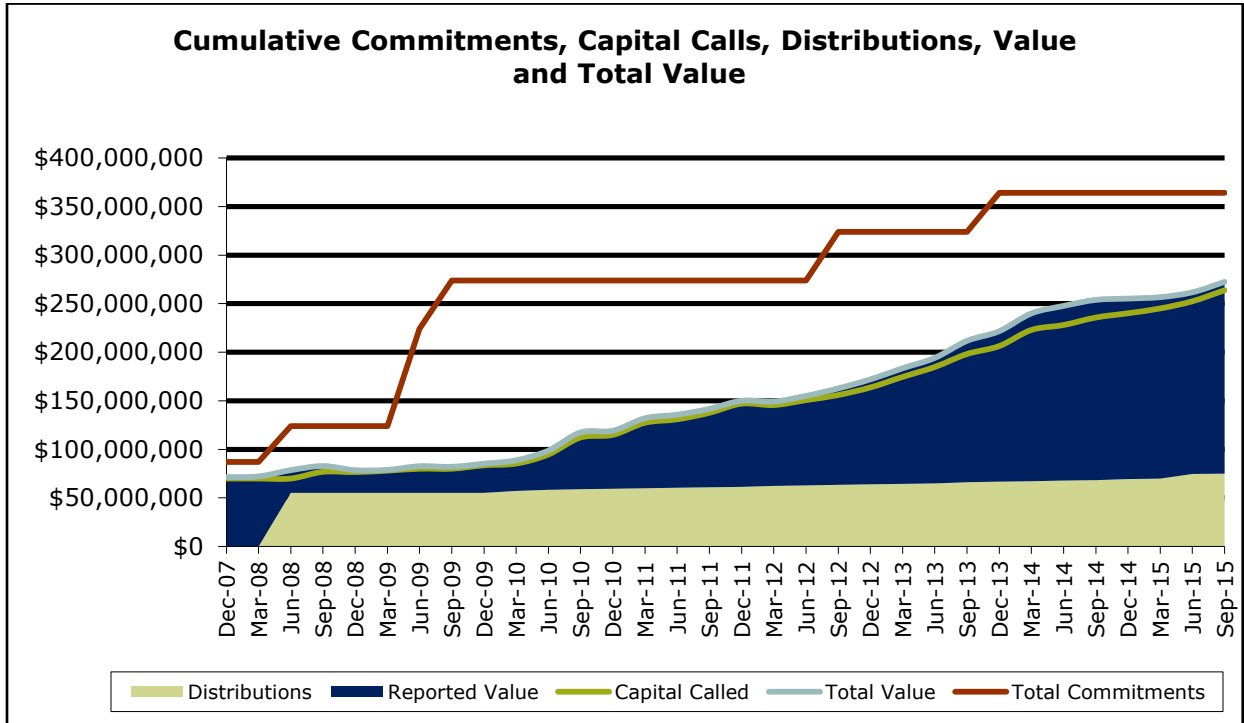


The following chart illustrates the commitment history of the DPFPS infrastructure program through the quarter end:

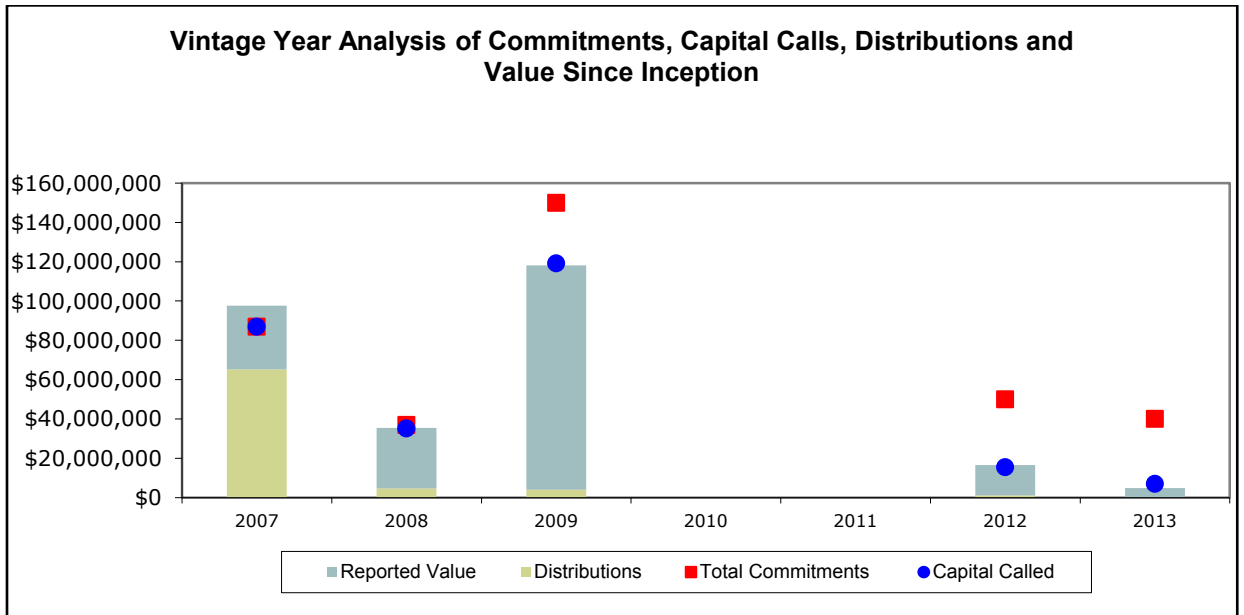




The following chart illustrates the cumulative commitment history, cumulative capital calls, cumulative distributions and reported value for the infrastructure program:



The following chart provides an analysis of the vintage year performance comparing the capital calls to the distributions and reported value for the infrastructure program:





During the quarter-ended September 30, 2015, the DPFPS infrastructure portfolio funded 6 investments and received 1 distribution. The summary of the cash flows follows:

<b>Amount Funded for the Quarter</b>	<b>Number of Funds Calling Capital</b>	<b>Distributions for the Quarter</b>	<b>Number of Funds Making Distributions</b>	<b>Net Cash/Stock Flows for the Quarter</b>
\$11,342,482	6	\$312,441	1	(\$11,030,041)

Since inception, the DPFPS portfolio contributed \$8.51 million in value to the DPFPS.





We thank you for the opportunity to work with the DPFPS and look forward to continued success in the future.

Best regards,

Rhett Humphreys, CFA  
Partner

Keith Stronkowsky, CFA  
Senior Consultant

**Dallas Police & Fire Infrastructure**  
**Executive Summary IRR Performance Report**

9/30/2015

Investment	Vintage Year	Commitment	Qtr TD	YTD	1 Year	3 Year	5 Year	Inception
AIRRO	2008	37,000,000	-3.82	-6.36	-7.54	-1.16	1.24	0.36
AIRRO II	2013	40,000,000	-7.14	-9.02	4.98	N/A	N/A	-13.66
J.P. Morgan Maritime Fund, L.P.	2009	50,000,000	-6.22	-15.52	-24.46	0.33	-8.56	-9.22
JP Morgan Infrastructure Investments Fund	2007	37,000,000	-0.85	1.62	0.20	3.64	4.57	2.23
LBJ Infrastructure Group Holding, LLC (LBJ)	2009	50,000,000	0.00	0.00	0.00	0.00	1.53	1.52
NTE 3a-3b	2012	50,000,000	27.52	0.00	3.67	N/A	N/A	7.96
NTE Mobility Partners Holding, LLC (NTE)	2009	50,000,000	0.00	0.00	0.00	0.00	-0.22	1.56
RREEF North American Infrastructure Fund	2007	50,000,000	N/A	N/A	N/A	N/A	N/A	12.59
<b>Total: Dallas Police &amp; Fire Pension System</b>		<b>364,000,000</b>	<b>-0.34</b>	<b>-3.37</b>	<b>-4.78</b>	<b>0.43</b>	<b>0.91</b>	<b>1.19</b>

Composite IRRs include all flows of the selected investments regardless of the start date of the investment.  
 "N/A" will be displayed if the investment has insufficient cash flows for the period

**Dallas Police & Fire Infrastructure  
Performance Analysis**

9/30/2015

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
1 AIRRO	2008	37,000,000	35,192,921	1,807,079	-361,150	4,652,575	30,713,795	35,366,370	534,600	95 %	0.13	1.02	0.36 %
2 AIRRO II	2013	40,000,000	6,983,946	33,016,054	-401,391	24,675	4,858,294	4,882,969	-1,699,587	17 %	0.00	0.74	-13.66 %
3 J.P. Morgan Maritime Fund, L.P.	2009	50,000,000	32,227,496	17,772,504	-404	242,877	27,138,282	27,381,159	-4,845,933	64 %	0.01	0.85	-9.22 %
4 JP Morgan Infrastructure Investment:	2007	37,000,000	37,000,000	0	0	10,058,448	32,288,371	42,346,819	5,346,819	100 %	0.27	1.14	2.23 %
5 LBJ Infrastructure Group Holding, LL	2009	50,000,000	44,346,229	5,653,771	0	1,782,000	44,346,229	46,128,229	1,782,000	89 %	0.04	1.04	1.52 %
6 NTE 3a-3b	2012	50,000,000	15,464,111	34,535,889	0	1,000,000	15,464,111	16,464,111	1,000,000	31 %	0.06	1.06	7.96 %
7 NTE Mobility Partners Holding, LLC (	2009	50,000,000	42,625,592	7,374,408	0	2,000,000	42,625,592	44,625,592	2,000,000	85 %	0.05	1.05	1.56 %
8 RREEF North American Infrastructur	2007	50,000,000	50,000,000	0	846,289	55,238,755	0	55,238,755	4,392,466	100 %	1.09	1.09	12.59 %
8 Total Partnerships		<b>364,000,000</b>	<b>263,840,295</b>	<b>100,159,705</b>	<b>83,344</b>	<b>74,999,330</b>	<b>197,434,674</b>	<b>272,434,004</b>	<b>8,510,365</b>	<b>72 %</b>	<b>0.28</b>	<b>1.03</b>	<b>1.19 %</b>

\*\*\* Indicates Estimated Valuation for the fund

**Dallas Police & Fire Infrastructure  
Lifecycle Performance Analysis**

9/30/2015

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>2 Investing</b>													
1 AIRRO II	2013	40,000,000	6,983,946	33,016,054	-401,391	24,675	4,858,294	4,882,969	-1,699,587	17 %	0.00	0.74	-13.66 %
2 J.P. Morgan Maritime Fund, L.P.	2009	50,000,000	32,227,496	17,772,504	-404	242,877	27,138,282	27,381,159	-4,845,933	64 %	0.01	0.85	-9.22 %
3 LBJ Infrastructure Group Holding, LLC	2009	50,000,000	44,346,229	5,653,771	0	1,782,000	44,346,229	46,128,229	1,782,000	89 %	0.04	1.04	1.52 %
4 NTE 3a-3b	2012	50,000,000	15,464,111	34,535,889	0	1,000,000	15,464,111	16,464,111	1,000,000	31 %	0.06	1.06	7.96 %
5 NTE Mobility Partners Holding, LLC (NTE)	2009	50,000,000	42,625,592	7,374,408	0	2,000,000	42,625,592	44,625,592	2,000,000	85 %	0.05	1.05	1.56 %
<b>2 Investing Subtotal</b>		<b>240,000,000</b>	<b>141,647,375</b>	<b>98,352,625</b>	<b>-401,795</b>	<b>5,049,552</b>	<b>134,432,508</b>	<b>139,482,060</b>	<b>-1,763,520</b>	<b>59 %</b>	<b>0.04</b>	<b>0.99</b>	<b>-0.55 %</b>
<b>3 Harvesting</b>													
6 AIRRO	2008	37,000,000	35,192,921	1,807,079	-361,150	4,652,575	30,713,795	35,366,370	534,600	95 %	0.13	1.02	0.36 %
7 JP Morgan Infrastructure Investments F	2007	37,000,000	37,000,000	0	0	10,058,448	32,288,371	42,346,819	5,346,819	100 %	0.27	1.14	2.23 %
<b>3 Harvesting Subtotal</b>		<b>74,000,000</b>	<b>72,192,921</b>	<b>1,807,079</b>	<b>-361,150</b>	<b>14,711,023</b>	<b>63,002,166</b>	<b>77,713,189</b>	<b>5,881,418</b>	<b>98 %</b>	<b>0.20</b>	<b>1.08</b>	<b>1.53 %</b>
<b>5 Completed</b>													
8 RREEF North American Infrastructure F	2007	50,000,000	50,000,000	0	846,289	55,238,755	0	55,238,755	4,392,466	100 %	1.09	1.09	12.59 %
<b>5 Completed Subtotal</b>		<b>50,000,000</b>	<b>50,000,000</b>	<b>0</b>	<b>846,289</b>	<b>55,238,755</b>	<b>0</b>	<b>55,238,755</b>	<b>4,392,466</b>	<b>100 %</b>	<b>1.09</b>	<b>1.09</b>	<b>12.59 %</b>
<b>8 Total Partnerships</b>		<b>364,000,000</b>	<b>263,840,295</b>	<b>100,159,705</b>	<b>83,344</b>	<b>74,999,330</b>	<b>197,434,674</b>	<b>272,434,004</b>	<b>8,510,365</b>	<b>72 %</b>	<b>0.28</b>	<b>1.03</b>	<b>1.19 %</b>



**Dallas Police & Fire Infrastructure**  
**Vintage Year Performance Analysis**

9/30/2015

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>2007</b>													
1 JP Morgan Infrastructure Investments F	2007	37,000,000	37,000,000	0	0	10,058,448	32,288,371	42,346,819	5,346,819	100 %	0.27	1.14	2.23 %
2 RREEF North American Infrastructure F	2007	50,000,000	50,000,000	0	846,289	55,238,755	0	55,238,755	4,392,466	100 %	1.09	1.09	12.59 %
<b>2007 Subtotal</b>		<b>87,000,000</b>	<b>87,000,000</b>	<b>0</b>	<b>846,289</b>	<b>65,297,203</b>	<b>32,288,371</b>	<b>97,585,574</b>	<b>9,739,285</b>	<b>100 %</b>	<b>0.74</b>	<b>1.11</b>	<b>3.72 %</b>
<b>2008</b>													
3 AIRRO	2008	37,000,000	35,192,921	1,807,079	-361,150	4,652,575	30,713,795	35,366,370	534,600	95 %	0.13	1.02	0.36 %
<b>2008 Subtotal</b>		<b>37,000,000</b>	<b>35,192,921</b>	<b>1,807,079</b>	<b>-361,150</b>	<b>4,652,575</b>	<b>30,713,795</b>	<b>35,366,370</b>	<b>534,600</b>	<b>95 %</b>	<b>0.13</b>	<b>1.02</b>	<b>0.36 %</b>
<b>2009</b>													
4 J.P. Morgan Maritime Fund, L.P.	2009	50,000,000	32,227,496	17,772,504	-404	242,877	27,138,282	27,381,159	-4,845,933	64 %	0.01	0.85	-9.22 %
5 LBJ Infrastructure Group Holding, LLC	2009	50,000,000	44,346,229	5,653,771	0	1,782,000	44,346,229	46,128,229	1,782,000	89 %	0.04	1.04	1.52 %
6 NTE Mobility Partners Holding, LLC (NTE)	2009	50,000,000	42,625,592	7,374,408	0	2,000,000	42,625,592	44,625,592	2,000,000	85 %	0.05	1.05	1.56 %
<b>2009 Subtotal</b>		<b>150,000,000</b>	<b>119,199,317</b>	<b>30,800,683</b>	<b>-404</b>	<b>4,024,877</b>	<b>114,110,103</b>	<b>118,134,980</b>	<b>-1,063,933</b>	<b>79 %</b>	<b>0.03</b>	<b>0.99</b>	<b>-0.36 %</b>
<b>2012</b>													
7 NTE 3a-3b	2012	50,000,000	15,464,111	34,535,889	0	1,000,000	15,464,111	16,464,111	1,000,000	31 %	0.06	1.06	7.96 %
<b>2012 Subtotal</b>		<b>50,000,000</b>	<b>15,464,111</b>	<b>34,535,889</b>	<b>0</b>	<b>1,000,000</b>	<b>15,464,111</b>	<b>16,464,111</b>	<b>1,000,000</b>	<b>31 %</b>	<b>0.06</b>	<b>1.06</b>	<b>7.96 %</b>
<b>2013</b>													
8 AIRRO II	2013	40,000,000	6,983,946	33,016,054	-401,391	24,675	4,858,294	4,882,969	-1,699,587	17 %	0.00	0.74	-13.66 %
<b>2013 Subtotal</b>		<b>40,000,000</b>	<b>6,983,946</b>	<b>33,016,054</b>	<b>-401,391</b>	<b>24,675</b>	<b>4,858,294</b>	<b>4,882,969</b>	<b>-1,699,587</b>	<b>17 %</b>	<b>0.00</b>	<b>0.74</b>	<b>-13.66 %</b>
<b>8 Total Partnerships</b>		<b>364,000,000</b>	<b>263,840,295</b>	<b>100,159,705</b>	<b>83,344</b>	<b>74,999,330</b>	<b>197,434,674</b>	<b>272,434,004</b>	<b>8,510,365</b>	<b>72 %</b>	<b>0.28</b>	<b>1.03</b>	<b>1.19 %</b>

**Dallas Police & Fire Infrastructure**  
**Investment Strategy Performance Analysis**

9/30/2015

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
<b>410 Infrastructure</b>													
1 AIRRO	2008	37,000,000	35,192,921	1,807,079	-361,150	4,652,575	30,713,795	35,366,370	534,600	95 %	0.13	1.02	0.36 %
2 AIRRO II	2013	40,000,000	6,983,946	33,016,054	-401,391	24,675	4,858,294	4,882,969	-1,699,587	17 %	0.00	0.74	-13.66 %
3 J.P. Morgan Maritime Fund, L.P.	2009	50,000,000	32,227,496	17,772,504	-404	242,877	27,138,282	27,381,159	-4,845,933	64 %	0.01	0.85	-9.22 %
4 JP Morgan Infrastructure Investments F	2007	37,000,000	37,000,000	0	0	10,058,448	32,288,371	42,346,819	5,346,819	100 %	0.27	1.14	2.23 %
5 LBJ Infrastructure Group Holding, LLC	2009	50,000,000	44,346,229	5,653,771	0	1,782,000	44,346,229	46,128,229	1,782,000	89 %	0.04	1.04	1.52 %
6 NTE 3a-3b	2012	50,000,000	15,464,111	34,535,889	0	1,000,000	15,464,111	16,464,111	1,000,000	31 %	0.06	1.06	7.96 %
7 NTE Mobility Partners Holding, LLC (N	2009	50,000,000	42,625,592	7,374,408	0	2,000,000	42,625,592	44,625,592	2,000,000	85 %	0.05	1.05	1.56 %
8 RREEF North American Infrastructure F	2007	50,000,000	50,000,000	0	846,289	55,238,755	0	55,238,755	4,392,466	100 %	1.09	1.09	12.59 %
<b>410 Infrastructure Subtotal</b>		<b>364,000,000</b>	<b>263,840,295</b>	<b>100,159,705</b>	<b>83,344</b>	<b>74,999,330</b>	<b>197,434,674</b>	<b>272,434,004</b>	<b>8,510,365</b>	<b>72 %</b>	<b>0.28</b>	<b>1.03</b>	<b>1.19 %</b>
8 Total Partnerships		<b>364,000,000</b>	<b>263,840,295</b>	<b>100,159,705</b>	<b>83,344</b>	<b>74,999,330</b>	<b>197,434,674</b>	<b>272,434,004</b>	<b>8,510,365</b>	<b>72 %</b>	<b>0.28</b>	<b>1.03</b>	<b>1.19 %</b>

**Dallas Police & Fire Infrastructure  
Transaction Summary**

7/1/2015 - 9/30/2015

	Date	Funding	Additional Fees	Cash	Stock	Net Cash Flow
<b>AIRRO</b>						
	8/11/2015	235,538.74				235,538.74
<b>Total: AIRRO</b>		<b>235,538.74</b>				<b>235,538.74</b>
<b>AIRRO II</b>						
	9/16/2015	149,589.04				149,589.04
<b>Total: AIRRO II</b>		<b>149,589.04</b>				<b>149,589.04</b>
<b>J.P. Morgan Maritime Fund, L.P.</b>						
	9/17/2015	1,601,890.49				1,601,890.49
<b>Total: J.P. Morgan Maritime Fund, L.P.</b>		<b>1,601,890.49</b>				<b>1,601,890.49</b>
<b>JP Morgan Infrastructure Investments Fund</b>						
	9/29/2015			312,441.28		-312,441.28
<b>Total: JP Morgan Infrastructure Investments Fund</b>				<b>312,441.28</b>		<b>-312,441.28</b>
<b>LBJ Infrastructure Group Holding, LLC (LBJ)</b>						
	8/24/2015	211,469.20				211,469.20
	8/26/2015	5,379,000.00				5,590,469.20
<b>Total: LBJ Infrastructure Group Holding, LLC (LBJ)</b>		<b>5,590,469.20</b>				<b>5,590,469.20</b>
<b>NTE 3a-3b</b>						
	7/29/2015	1,111,455.26				1,111,455.26
	8/24/2015	1,024,984.47				2,136,439.73
	9/29/2015	981,010.64				3,117,450.37
<b>Total: NTE 3a-3b</b>		<b>3,117,450.37</b>				<b>3,117,450.37</b>
<b>NTE Mobility Partners Holding, LLC (NTE)</b>						
	8/24/2015	647,544.57				647,544.57

Activity is cumulative for the period

**Dallas Police & Fire Infrastructure  
Transaction Summary**

7/1/2015 - 9/30/2015

Date	Funding	Additional Fees	Cash	Stock	Net Cash Flow
<b>NTE Mobility Partners Holding, LLC (NTE)</b>					
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<b>Total: NTE Mobility Partners Holding, LLC (NTE)</b>					
	<b>647,544.57</b>				<b>647,544.57</b>
<hr/>					
<b>Total: Dallas Police &amp; Fire Pension System</b>					
	<b>11,342,482.41</b>		<b>312,441.28</b>		<b>11,030,041.13</b>
<hr/>					
<b>Total:</b>	<b>11,342,482.41</b>		<b>312,441.28</b>		<b>11,030,041.13</b>
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