



D A L L A S
POLICE & FIRE
PENSION SYSTEM



Portfolio Update

May 8, 2025

Board Meeting

Executive Summary

- **Estimated YTD Return (through 4/30):** 1.2% for DPFP Portfolio; 1.4% for Public Portfolio which makes up 79.2% of the assets.
- The Private Markets Sub-Committee interviewed senior direct lending finalists on April 17th.
- The Investment Advisory Committee reviewed the multi-asset credit search process and approved the formal search process document. Staff issued the invite only RFP to 11 products on April 28th.
- Staff and Meketa continue to monitor the portfolio for potential rebalancing opportunities.

Investment Initiatives – 2025 Plan

Q1 2025

- Appointment of Private Markets Sub-Committee
- Private Credit Pacing Plan
- Public Equity and Public Credit Asset Class Structure Reviews

Q2 2025

- Private Equity Pacing Plan
- ~~Sub-Committee Review of New Private Credit Investments~~
- ~~Initiate Multi Asset Credit Search~~
- Board Approval of Initial Private Credit Commitments

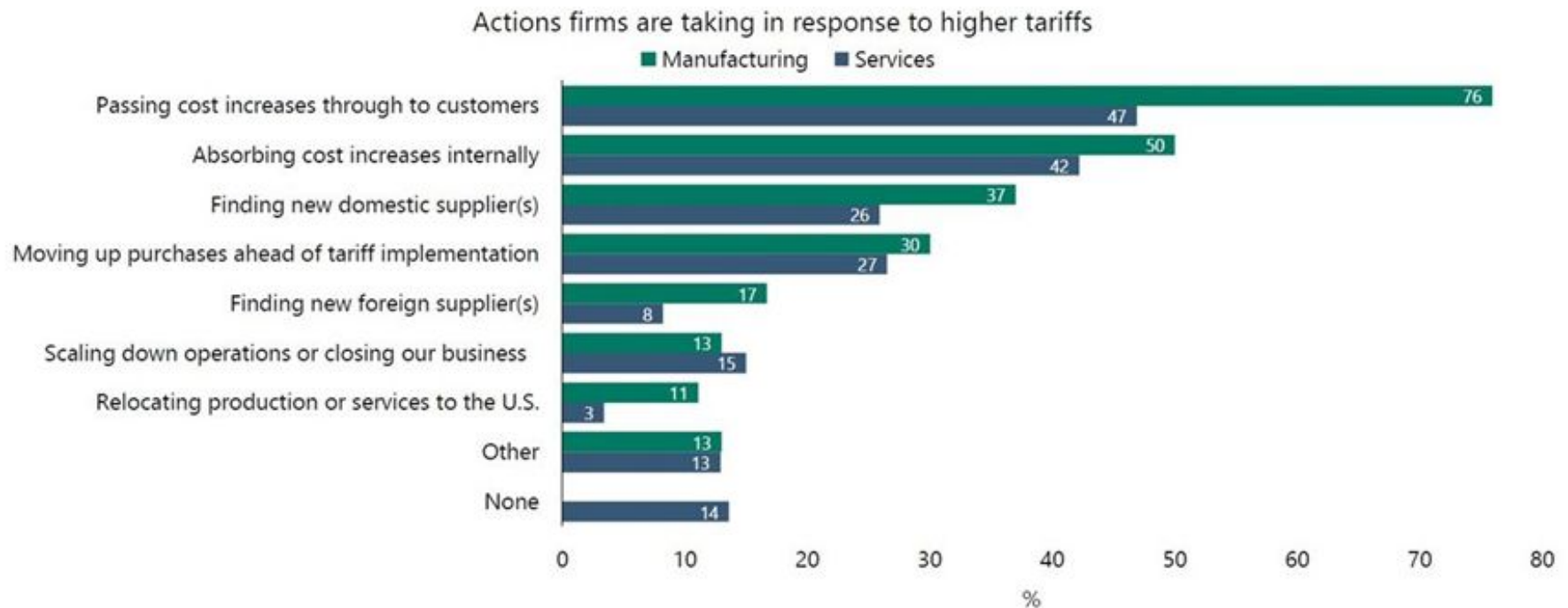
Q3 2025 & Beyond

- Initial New Private Equity Investments
- Diligence of Additional Private Credit Investments
- Multi Asset Credit Manager Selection and Funding

How are firms reacting to tariffs?

APOLLO

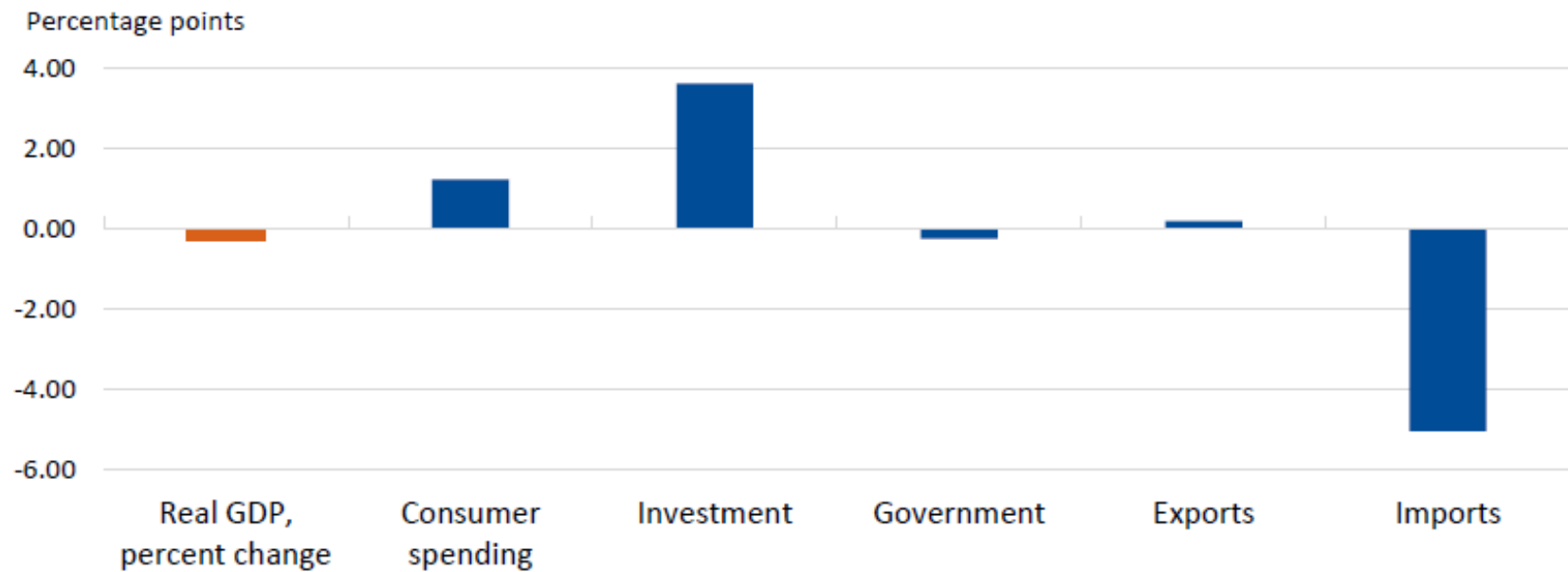
Firms plan to pass tariff-related costs to consumers



Source: Federal Reserve Bank of Dallas, Apollo Chief Economist

Q1 GDP Advance Estimate Shows Small Contraction

Contributions to Percent Change in Real GDP, 1st Quarter 2025 Real GDP decreased 0.3 percent

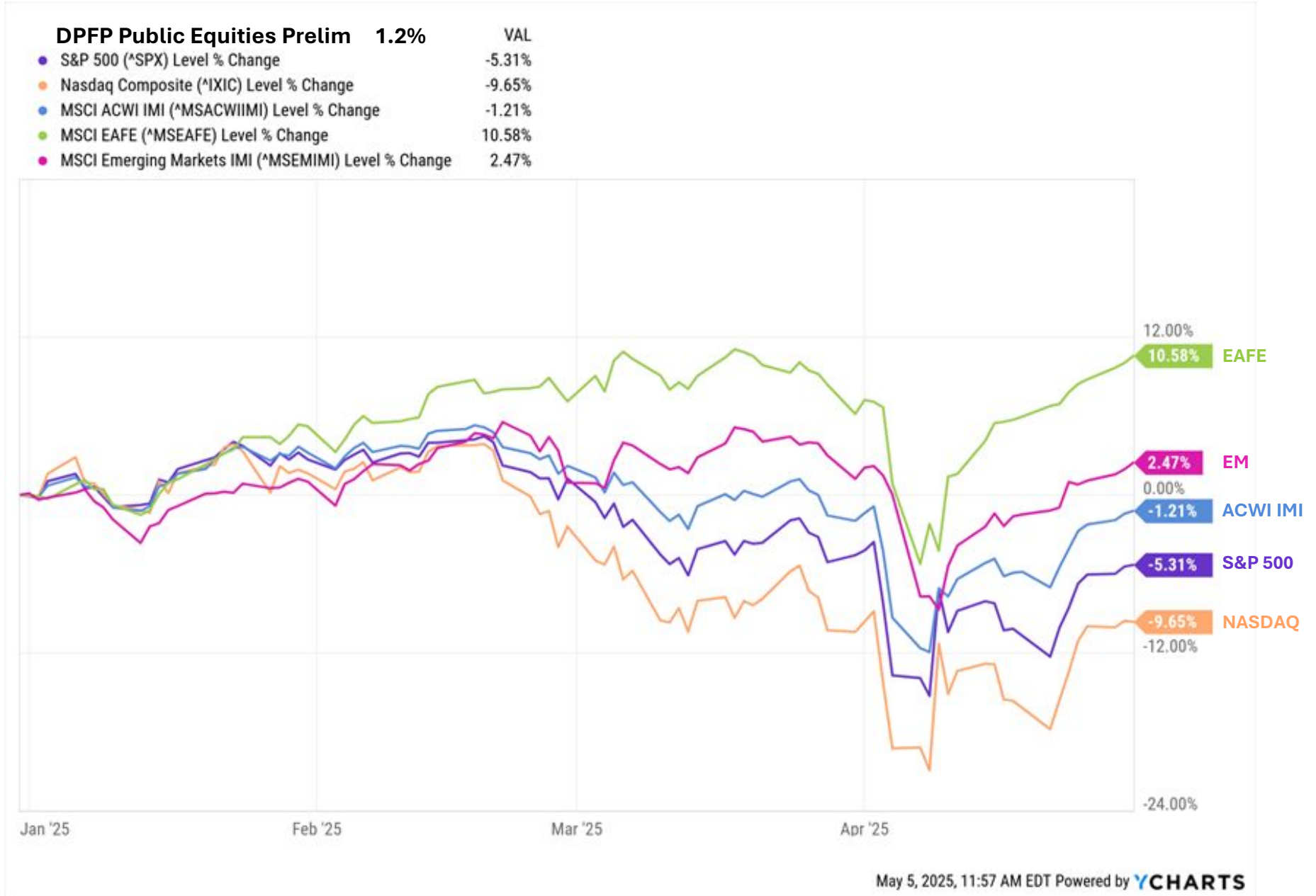


Note. Imports are a subtraction in the calculation of GDP; thus, an increase in imports results in a negative contribution to GDP.

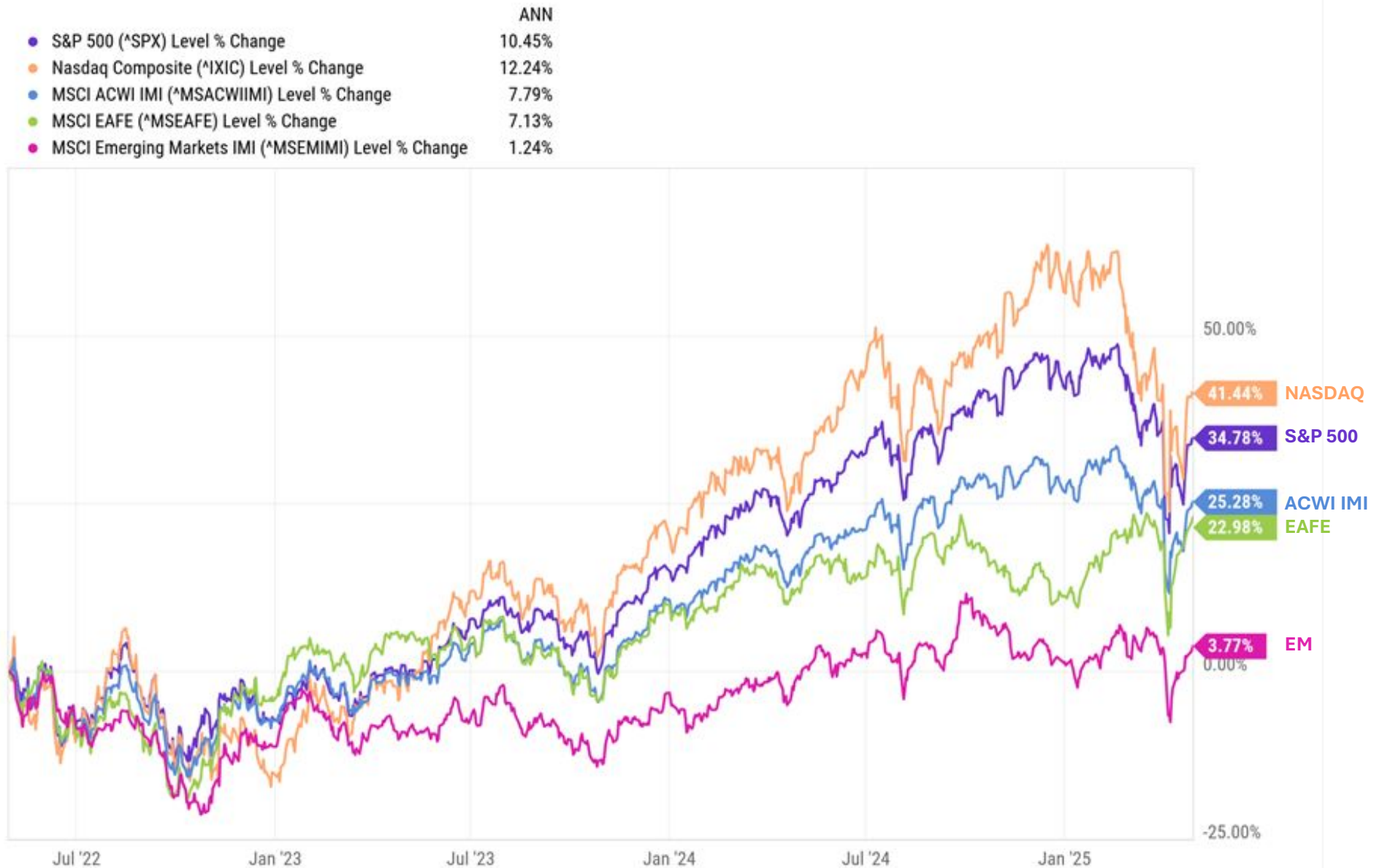
U.S. Bureau of Economic Analysis

Seasonally adjusted annual rates

Equity Market Returns YTD (Ending 4/30/2025)



Equity Market Returns (3 Years Ending 4/30/25)

May 5, 2025, 12:03 PM EDT Powered by **YCHARTS**

Public Markets Performance Snapshot

Public Markets made up 78.9% of DPFP Investment Portfolio.

Asset Allocation & Performance | As of April 30, 2025

Performance Summary Ending April 30, 2025		Market Value (\$)	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Total Public Portfolio		1,607,130,194	1.1	1.4	9.0	8.2	8.7
<i>60% MSCI ACWI IMI Net/40% Bloomberg Global Aggregate Index</i>			1.7	1.8	10.2	6.3	7.2
Public Equity		1,095,964,268	1.4	1.2	10.8	9.9	12.6
<i>MSCI AC World IMI Index (Net)</i>			0.9	-0.7	11.1	9.6	12.8
Boston Partners Global Equity Fund		130,077,688	2.7	11.5	14.2	12.3	17.3
<i>MSCI World Net</i>			0.9	-0.9	12.2	11.1	13.9
Manulife Global Equity Strategy		119,427,788	-1.2	0.7	5.2	9.5	12.6
<i>MSCI ACWI Net</i>			0.9	-0.4	11.8	10.3	13.1
Walter Scott Global Equity Fund		119,546,090	2.3	-1.4	4.7	8.1	10.3
<i>MSCI ACWI Net</i>			0.9	-0.4	11.8	10.3	13.1
WCM Global Equity		121,980,142	3.3	0.2	22.7	--	--
<i>MSCI AC World Index Growth (Net)</i>			3.0	-4.0	13.0	12.3	13.4
NT ACWI Index IMI		408,767,876	0.9	-0.4	11.6	10.3	--
<i>MSCI AC World IMI Index (Net)</i>			0.9	-0.7	11.1	9.6	12.8
Eastern Shore US Small Cap		57,031,141	-0.6	-8.5	6.1	4.1	--
<i>Russell 2000 Index</i>			-2.3	-11.6	0.9	3.3	9.9
Global Alpha International Small Cap		57,119,408	3.9	7.4	3.9	0.1	--
<i>MSCI EAFE Small Cap (Net)</i>			5.8	9.7	12.4	5.3	9.0
RBC Emerging Markets Equity		82,014,135	1.9	4.9	11.1	6.5	7.5
<i>MSCI Emerging Markets IMI (Net)</i>			1.5	3.2	7.5	3.9	7.1

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Public Markets Performance Snapshot

Asset Allocation & Performance | As of April 30, 2025

	Market Value (\$)	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)
Fixed Income and Cash	296,175,596	0.5	2.2	6.9	3.4	2.0
<i>Fixed Income and Cash Blended Benchmark</i>		<i>0.5</i>	<i>2.4</i>	<i>6.7</i>	<i>3.3</i>	<i>1.1</i>
IR&M 1-3 Year Strategy	126,223,879	0.7	2.3	7.0	4.0	2.3
<i>Blmbg. U.S. Aggregate 1-3 Yrs</i>		<i>0.7</i>	<i>2.4</i>	<i>6.8</i>	<i>3.6</i>	<i>1.5</i>
Longfellow Core Fixed Income	82,304,925	0.3	3.0	8.3	2.3	--
<i>Blmbg. U.S. Aggregate Index</i>		<i>0.4</i>	<i>3.2</i>	<i>8.0</i>	<i>2.0</i>	<i>-0.7</i>
Cash Equivalents	87,646,791	0.3	1.4	5.0	4.5	2.8
<i>ICE BofA 3 Month U.S. T-Bill</i>		<i>0.3</i>	<i>1.4</i>	<i>4.9</i>	<i>4.3</i>	<i>2.6</i>
Public Credit	214,990,331	0.2	1.4	8.1	5.8	5.1
<i>Credit Blended Benchmark</i>		<i>0.2</i>	<i>1.6</i>	<i>7.9</i>	<i>6.4</i>	<i>6.1</i>
Aristotle Pacific Capital Bank Loan	84,527,604	0.1	0.6	5.8	7.4	7.5
<i>S&P UBS Leveraged Loan Index</i>		<i>0.0</i>	<i>0.6</i>	<i>6.3</i>	<i>7.0</i>	<i>8.0</i>
Loomis US High Yield Fund	69,485,878	0.1	1.3	10.3	5.8	--
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>		<i>0.0</i>	<i>1.0</i>	<i>8.7</i>	<i>6.2</i>	<i>6.3</i>
Metlife Emerging Markets Debt Blend	60,976,850	0.3	2.7	8.1	--	--
<i>35% JPMEMBI Global Index/35% JPM CEMBI Broad Diversified Index/ 30% JPMGBI-EM Di</i>		<i>0.8</i>	<i>3.8</i>	<i>8.9</i>	<i>5.6</i>	<i>3.1</i>

Fixed Income and Cash Blended Benchmark consists of 23% ICE BofA 3-month T-bill, 46% Bloomberg Aggregate 1-3 Yr Index, and 31% Bloomberg US Aggregate.

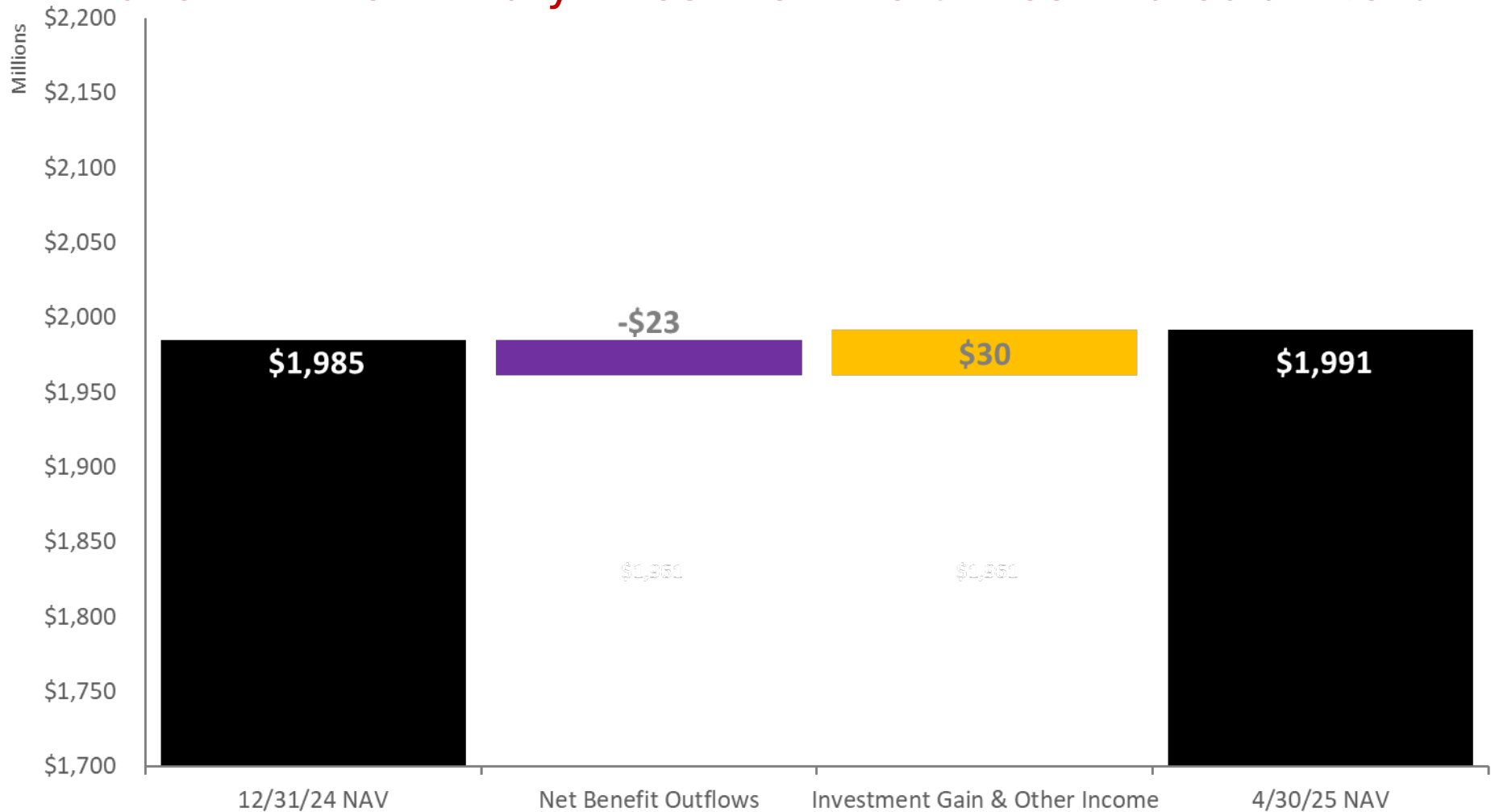
Credit Blended Benchmark consists of 36% S&P UBS Leveraged Loan Index, 36% BBG US High Yield 2% Cap, 27% EMD Blend (35% JPM EMBI, 35% JPM CEMBI Broad Diversified Index, 30% JPM GBI EM Diversified).

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Change in Market Value Bridge Chart - As of 4/30/2025

In Millions

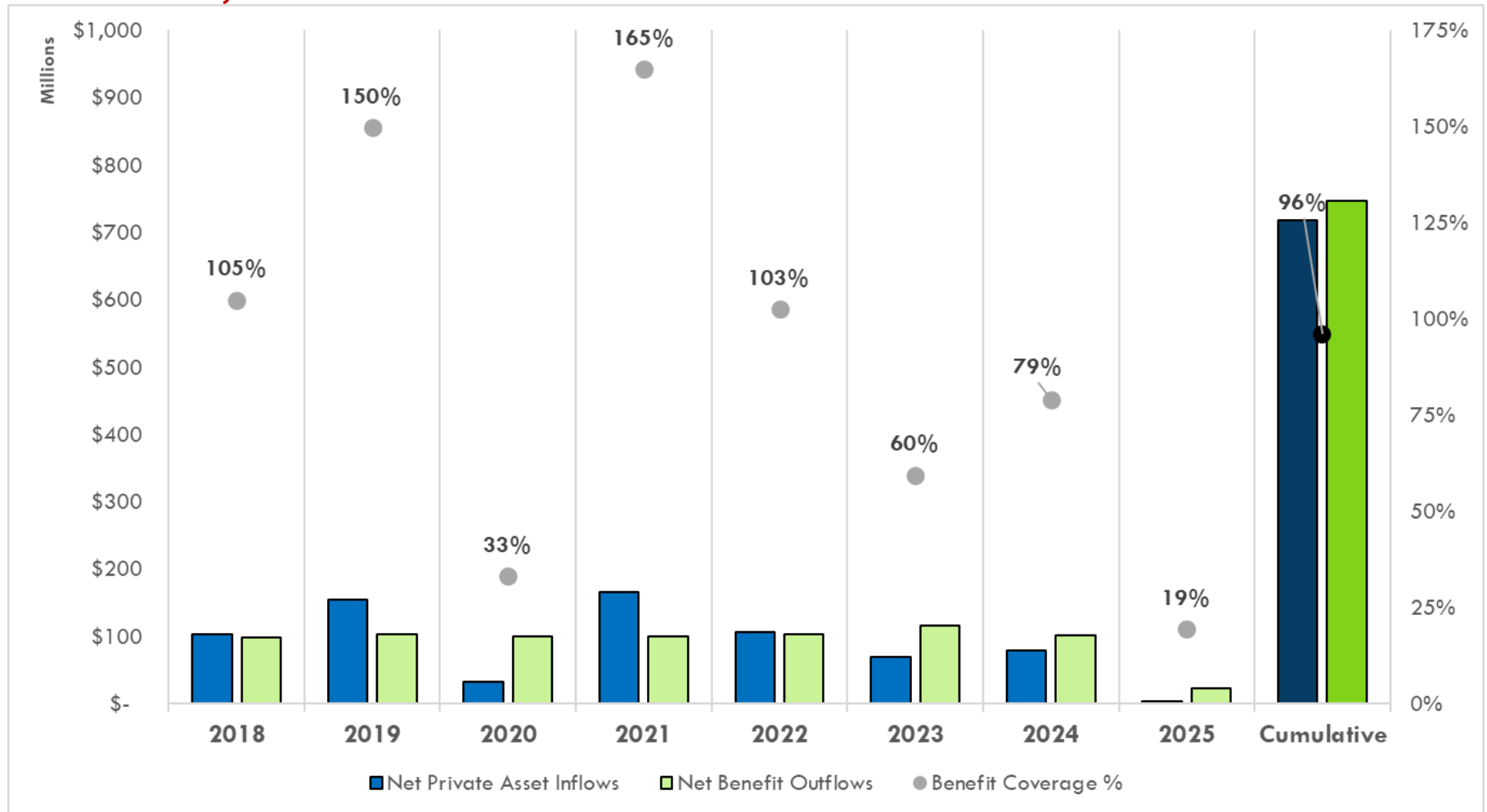
2025 YTD Preliminary Investment Return estimated at 1.5%



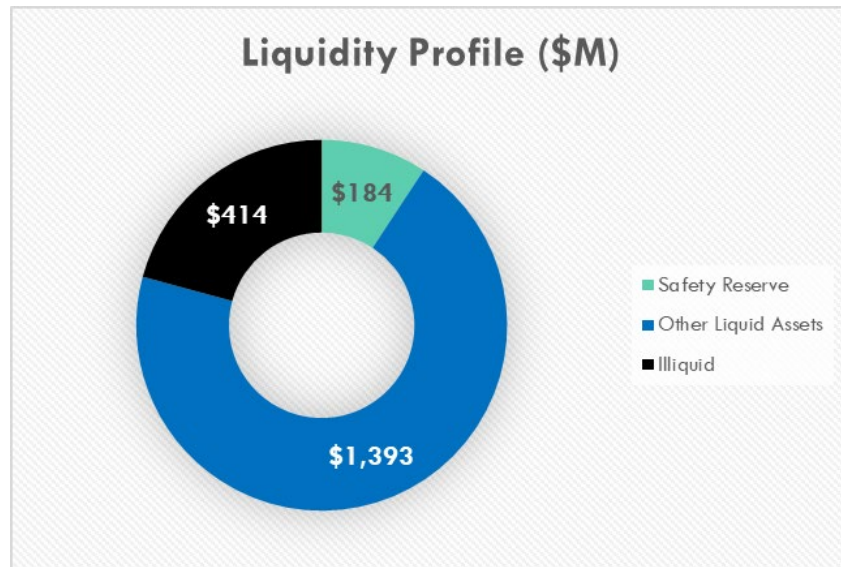
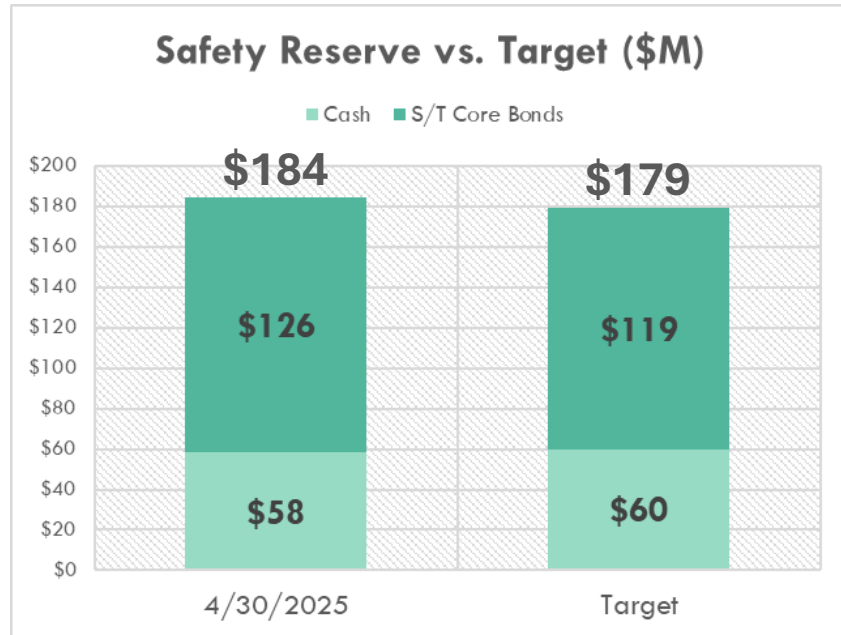
The beginning 12/31/24 value includes a one-quarter lag on private assets.
Numbers may not foot due to rounding.

Benefit Outflow Coverage

Since 2018, net Private Asset inflows have covered 96% of net benefit outflows.



Safety Reserve Dashboard – As of 4/30/25



Projected Net Monthly outflows of **\$6.3M** per month. Safety Reserve of **\$184M** would cover net monthly outflows for next **29 months** or through **September 2027.**

Expected Cash Activity	Date	Amount (\$M)	Projected Cash Balance (\$M)	Projected Cash (%)
	4/30/25		\$58.2	2.9%
City Contribution	5/9/25	\$10.8	\$80.8	4.1%
City Contribution	5/23/25	\$10.8	\$91.6	4.7%
Pension Payroll	5/28/25	(\$28.9)	\$62.7	3.2%
City Contribution	6/6/25	\$10.8	\$73.5	3.8%
City Contribution	6/20/25	\$10.8	\$84.3	4.3%
Pension Payroll	6/26/25	(\$28.9)	\$55.3	2.8%
City Contribution	7/4/25	\$10.8	\$66.1	3.4%
City Contribution	7/18/25	\$10.8	\$76.9	3.9%
City Contribution	7/30/25	(\$28.9)	\$66.1	3.4%
City Contribution	8/1/25	\$10.8	\$76.9	3.9%

Numbers may not foot due to rounding.

Asset Allocation Detail

DPFP Asset Allocation	4/30/2025		Targets			Variance	
	NAV	%	\$ mil.	%	% of Target	\$ mil.	%
Equity	1,256	63.1%	1,274	64%	99%	-18	-0.9%
Public Equity	1,096	55.0%	1,155	58%	95%	-59	-3.0%
<i>Northern Trust ACWI IMI Index</i>	<i>409</i>	<i>20.5%</i>	<i>478</i>	<i>24%</i>	<i>86%</i>	<i>-69</i>	<i>-3.5%</i>
<i>Boston Partners</i>	<i>130</i>	<i>6.5%</i>	<i>119</i>	<i>6%</i>	<i>109%</i>	<i>11</i>	<i>0.5%</i>
<i>Manulife</i>	<i>119</i>	<i>6.0%</i>	<i>119</i>	<i>6%</i>	<i>100%</i>	<i>0</i>	<i>0.0%</i>
<i>Walter Scott</i>	<i>120</i>	<i>6.0%</i>	<i>119</i>	<i>6%</i>	<i>100%</i>	<i>0</i>	<i>0.0%</i>
<i>WCM</i>	<i>122</i>	<i>6.1%</i>	<i>119</i>	<i>6%</i>	<i>102%</i>	<i>3</i>	<i>0.1%</i>
<i>Eastern Shore US Small Cap</i>	<i>57</i>	<i>2.9%</i>	<i>60</i>	<i>3%</i>	<i>95%</i>	<i>-3</i>	<i>-0.1%</i>
<i>Global Alpha Intl Small Cap</i>	<i>57</i>	<i>2.9%</i>	<i>60</i>	<i>3%</i>	<i>96%</i>	<i>-3</i>	<i>-0.1%</i>
<i>RBC Emerging Markets Equity</i>	<i>82</i>	<i>4.1%</i>	<i>80</i>	<i>4%</i>	<i>103%</i>	<i>2</i>	<i>0.1%</i>
Private Equity	41	2.1%	119	6%	34%	-79	-3.9%
Huff Energy Fund	120	6.0%	0	0%		120	6.0%
Credit	216	10.9%	299	15%	72%	-83	-4.1%
Public Credit	215	10.8%	219	11%	98%	-4	-0.2%
<i>Aristotle Pacific Bank Loans</i>	<i>85</i>	<i>4.2%</i>	<i>80</i>	<i>4%</i>	<i>106%</i>	<i>5</i>	<i>0.2%</i>
<i>Loomis Sayles High Yield Bonds</i>	<i>69</i>	<i>3.5%</i>	<i>80</i>	<i>4%</i>	<i>87%</i>	<i>-10</i>	<i>-0.5%</i>
<i>MetLife Emerging Market Debt</i>	<i>61</i>	<i>3.1%</i>	<i>60</i>	<i>3%</i>	<i>102%</i>	<i>1</i>	<i>0.1%</i>
Private Credit	1	0.1%	80	4%	2%	-78	-3.9%
Real Assets	252	12.7%	159	8%	158%	93	4.7%
Real Estate	151	7.6%	100	5%	152%	52	2.6%
Natural Resources	87	4.4%	60	3%	145%	27	1.4%
Infrastructure	14	0.7%	0	0%		14	0.7%
Fixed Income & Cash	267	13.4%	259	13%	103%	8	0.4%
Cash	58	2.9%	60	3%	97%	-2	-0.1%
IR+M Short Term Bonds	126	6.3%	119	6%	106%	7	0.3%
Longfellow IG Bonds	82	4.1%	80	4%	103%	3	0.1%
Total	1,991	100.0%	1,991	100%		0	0.0%
Safety Reserve	184	9.3%	179	9%	103%	5	0.3%
Private Market Assets	414	20.8%	358	18%		55	-3.2%

Source: Preliminary BNY Custodial Data, Staff Estimates and Calculations. Numbers may not foot due to rounding.

Asset Allocation – Actual vs Target

