



Strategic Planning and Budgeting for Outcomes – Implementation of the Clarity and New Accounting System

Overview

ERF is moving forward with a new Strategic Planning and Budgeting for Outcomes process designed to align our mission with measurable results and greater financial transparency. This process will allow the Board and staff to track organizational progress against established goals while directly linking results to cost.

Business Pillars and Goals

The framework centers around eight key Business Pillars. Each pillar has defined smart goals that will be measured and reported through real-time dashboards.

Clarity System (Salesforce Platform)

To support this process, the Executive Director has authorized the implementation of the Clarity System, a Salesforce-based performance platform scheduled to go live in December 2025. The Clarity System will:

- Align Business Pillars, objectives, initiatives, and SMART goals.
- Provide real-time performance dashboards.
- Link goals to budget outcomes.

Integration with New Accounting System

In parallel, the Executive Director will be authorizing a new accounting system. This system will integrate directly with Clarity to provide enhanced financial transparency. The integration will allow ERF to evaluate both performance and financial outcomes side-by-side for each Business Pillar and by Q4 2026, the two systems will establish real-time reports to the Board and staff.

Expected Benefits

- Real-time tracking of progress and costs.
- Enhanced accountability across the organization.
- Greater efficiency in reporting and decision-making.
- Improved transparency between strategic goals and financial allocations.

Board Survey on Vision Statement

Each Board Member has received a survey link related to Strategic Planning. The purpose of this survey is to gather Board guidance on ERF's Vision Statement and key smart goals in preparation for the October Board Meeting. Your input is critical to shaping our future direction.



EMPLOYEES' RETIREMENT FUND
OF THE CITY OF DALLAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEARS ENDED
DECEMBER 31, 2024 & 2023



A COMPONENT UNIT OF THE CITY OF DALLAS, TX



2024 AT – A – GLANCE

(unaudited)
(\$ in thousands)

| | |
|---------------------------|-------------|
| Active Members | 8,070 |
| Benefit Recipients | 8,042 |
| Inactive Members | 2,049 |
| Fund Net Position | \$3,757,482 |
| Benefits Paid | \$348,938 |
| Refunds | \$12,369 |
| Member Contributions | \$74,831 |
| City Contributions | \$80,782 |
| Investment Rate of Return | 9.14% |

The Employees' Retirement Fund provides retirement, disability and death benefits to permanent civilian employees of the City of Dallas.

ANNUAL COMPREHENSIVE FINANCIAL REPORT 2024

FISCAL YEARS ENDED
DECEMBER 31, 2024 AND 2023



Prepared by the Staff of The Employees' Retirement Fund

CHERYL D. ALSTON
EXECUTIVE DIRECTOR

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

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www.dallaserf.org



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INTRODUCTORY SECTION





LETTER OF TRANSMITTAL

June 24, 2025

Board of Trustees and Fund Members
Employees' Retirement Fund of the City of Dallas
1920 McKinney Avenue - 10th Floor
Dallas, Texas 75201

Dear Board of Trustees and Fund Members:

The Annual Comprehensive Financial Report ("Annual Report" or "ACFR") of the Employees' Retirement Fund of the City of Dallas ("ERF" or "Plan") for the fiscal years ended December 31, 2024 and 2023 is submitted herewith. Our mission is to provide retirement benefits and superior service to advance the financial security of our members. The management of ERF assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Weaver and Tidwell, L.L.P. have issued an unmodified ("clean") opinion on the financial statements as of and for the year ended December 31, 2024. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Plan Overview

ERF was established by ordinance in November 1943 and became effective in January 1944 after ratification by the voters of the City of Dallas. ERF is a single-employer defined benefit pension plan sponsored by the City of Dallas, Texas (the "City") and governed by Chapter 40-A of the City Code. It provides retirement, disability, and death benefits to its members. All employees of the City are members except police officers, firefighters, elected officers, non-salaried appointee members of administrative boards or commissions, temporary employees, individuals working under contract, and individuals whose salaries are paid in part by another government agency. Members are entitled to retirement benefits at the date of eligibility for retirement or disability or to survivor benefits after two years of service.

Investments

The Board of Trustees oversees ERF's portfolio, managers, and performance, as well as reviews and approves potential investment opportunities, with input from the investment consultant and staff. The Board follows the "prudent person rule" which states that fiduciaries shall discharge their duties solely in the interest of ERF and its participants and beneficiaries with the degree of diligence, care and skill which a prudent person would ordinarily exercise under similar circumstances in such a position.

An integral part of the overall investment policy is the strategic asset allocation policy. This policy is designed to provide an optimal diversification to reduce risk and maximize the total rate of return relative to risk. This emphasizes a maximum diversification of the portfolio that protects ERF from declines that a particular asset class may experience in a given period. The Plan had a return of 9.14% for 2024 and 10.09% for 2023, and -8.04% for 2022. The Plan



expects and assumes an investment rate of 7.25% over the long term, which encompasses many years in the future.

Additions to Plan Net Position

The collection of employer and member contributions, as well as income from investments, is intended to provide the reserves needed to finance retirement benefits. Contribution and net investment income, including unrealized gains and losses, for 2024 total \$481 million.

City and member contributions for the fiscal year were approximately \$156.0 million, an increase of \$11.6 million from the prior year. This is primarily attributed to merit pay increases for civilian employees and an overall increase in hiring. The City's net contribution rate toward the pension plan was 14.44% in 2024. The City's total contribution rate was 22.68%, of which 8.24% was for debt service payments on pension obligation bonds. The members' contribution rate remained unchanged at 13.32% in 2024. The City's contributions received in 2024 were \$81 million and members' contributions were \$75 million.

Deductions to Plan Net Position

The principal purpose for which ERF was established is to provide retirement benefits, survivor benefits, and total and permanent disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments, refund of contributions to terminated employees, and the cost of administering ERF.

Deductions for fiscal year 2024 totaled \$372 million representing an increase of 6.02% compared to 2023. This increase can be attributed to several factors, including the average number of retirees and beneficiaries, the cost-of-living adjustment of 4.43% for Tier A and 3% for Tier B, as well as higher average benefit payments for new retirees compared to retirees who have passed away. Additionally, administrative expenses, which are controlled by a budget approved by the Board of Trustees, increased by \$822 thousand compared to the previous year due to inflation, merit increases and hiring.

Accounting System and Internal Controls

This ACFR was prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") that apply to government accounting for fiduciary funds. The accompanying financial statements are prepared using the accrual basis of accounting. Member and employer contributions are recognized in the period in which employee services are performed. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

The statistical section presents detailed information, typically in ten-year trends, that assists users in utilizing the basic financial statements, notes to basic financial statements, and required supplementary information to assess the economic condition of a government. The statistical section is a required part of an ACFR.

In developing and evaluating ERF's accounting system, it was determined that internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Funding

A pension fund is well funded when it is receiving enough money to meet all expected future obligations to its participants. ERF's funding objective is to meet long-term benefit payments through contributions that remain approximately level as a percent of member payroll. For Fiscal year 2024 the funded ratio is 66.9%. The actuarial accrued liability and actuarial value of assets of ERF as of December 31, 2024 amounted to \$5.61 billion and \$5.48 billion, respectively. A detailed discussion of funding is provided in the Actuarial Section of this report.



Major Initiatives

On August 14, 2024, the City Council approved amendments to Chapter 40A of the Dallas City Code. This amendment was also approved by a majority of the city's qualified voters at an election held on November 5, 2024. Beginning on October 1, 2025, employees' contribution will be capped at 14% for Tier A. Tier B contribution will remain unchanged at 13.32%. The total contribution rate cap of 36% was eliminated, and will instead be the actuarially determined contribution rate after a 5-year phase-in period. The new changes will be sufficient to amortize the unfunded actuarial accrued liability as of December 31, 2024, within 30 years.

Professional Services

Consultants are appointed by the Board of Trustees to perform professional services that are essential to the effective and efficient operation of ERF. An opinion from the certified public accounting firm of Weaver and Tidwell, L.L.P., the actuarial report from Gabriel, Roeder, Smith & Company, and the investment consultant letter from Wilshire Associates Inc. are included in this report. The consultants appointed by the Board of Trustees are listed in the Introductory Section.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Employees' Retirement Fund of the City of Dallas for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This was the eighth consecutive year that ERF had achieved this prestigious award. To be awarded a Certificate of Achievement, the ERF had to publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfied both GAAP and applicable program requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The compilation of this report reflects the combined effort of the staff under the leadership of the Board of Trustees. It is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions, and as a means of determining responsible stewardship of the funds of ERF. The report is available to all members of ERF.

We would like to express our gratitude to the Board, staff, advisors, and others who have worked so diligently to ensure the successful operation of ERF.

Respectfully submitted,

David K Etheridge
Executive Director

Edward R. Scott
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Employees' Retirement Fund of the City of Dallas
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

BOARD OF TRUSTEES

As of December 31, 2024

Henry Talavera - Chair
Council Appointed Member

Dr. John W. Peavy III – Vice Chair
Council Appointed Member

John Jenkins
Employee Elected Member

T. Dupree Scovell
Council Appointed Member

Mark S. Swann
City Auditor

Sunil King
Employee Elected Member

Tina B. Richardson
Employee Elected Member

ADMINISTRATIVE STAFF

As of December 31, 2024

Cheryl D. Alston
Executive Director/Chief Investment Officer

David K. Etheridge
Deputy Executive Director

Edward R. Scott, CPA
Chief Financial Officer

Natalie Jenkins Sorrell
Deputy Chief Investment Officer

Duc Lam
Chief Technology Officer

Melissa Harris
Chief of Communications

Juan Carlos Ayala
Senior Pension Specialist

Andrew Barker, CPA
Controller

Joshua Berman
Investment Officer

Ruby Castelano
Senior Pension Specialist

Thalia Dominique
Brand Manager

Micaela Galicia
Pension System Specialist

Yvonne Garcia
Senior Pension Specialist

Todd Green
Pension Officer

Andrea Houston
Pension Officer

Patricia Jack
Pension Officer

Jessie Jeyakumar
System Analyst

Kaleb Jones
Pension Officer

Naveed Khan
Senior Accounting Specialist

Margaret Lara
Senior Pension Specialist

Tiffany McGraw
Senior Pension Specialist

Calvin Nguyen
Senior Accounting Specialist

Aditi Patel
Communications Specialist

Al Perez
Pension Officer

Phong Pham
Cyber Security Administrator

Katie Shaw
Learning & Development Manager

Diann Salone
Pension Payroll Manager

Jaladhi Shukla
Senior Investment Officer

Nicole Spencer-Berry
Senior Pension Specialist

Jody Thigpen
Senior Web Developer

Jason Thompson
System Administrator

Trevor Thompson
Desktop Support Engineer

Mubina Tukulic
Communications Specialist

Saki Vimal
Financial Planning & Analysis Manager

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PROFESSIONAL SERVICE PROVIDERS

As of December 31, 2024

MASTER CUSTODIAN

The Northern Trust Company

CONSULTING ACTUARY

Gabriel, Roeder, Smith & Company

INVESTMENT CONSULTANT

Wilshire Advisors LLC

Bloomberg Inc

INVESTMENT ACCOUNTING FIRM

STP Investment Services

AUDITOR

Weaver and Tidwell, L.L.P.

LEGAL ADVISORS

Baker& Hostetler LLP

Foster Garvey PC

Locke Lord LLP

PLAN SUMMARY

Summary of Key Provisions
Employees' Retirement Fund of the City of Dallas
As of December 31, 2024

| | |
|---------------|--|
| Membership | An employee becomes a member upon permanent employment and contributes to the Plan. Tier A members were hired prior to January 1, 2017. An amendment to the governing documents passed by voters on November 8, 2016 created a new tier of benefits, Tier B, for members hired on or after January 1, 2017. |
| Contributions | <p>Member: 37% of the current adjusted total obligation rate. New rates effective October 1 after the valuation date.</p> <p>City: 63% of the current adjusted total obligation rate. New rates effective October 1 after the valuation date.</p> |
| Definitions | <p>Final Average Salary:</p> <p>Tier A Average monthly salary over the member’s highest three years of service.</p> <p>Tier B Average monthly salary over the member’s highest five years of service.</p> <p>Credited Service: Length of time as an employee of the City of Dallas and while making contributions to the Plan.</p> |

Retirement Pension Eligibility

- Tier A**
- a. Attainment of age 60; or
 - b. Attainment of age 55 (if credited service began before May 9, 1972); or
 - c. At any age after completion of 30 years of credited service with a reduced benefit before age 50; or
 - d. Attainment of age 50, if the sum of an active member’s age and credited service is at least equal to 78.
- Tier B**
- a. Attainment of age 65 and 5 years of service; or
 - b. At any age after completion of 40 years of credited service; or
 - c. At any age if the sum of an active member’s age and credited service is at least equal to 80. Under this eligibility rule, the member’s pension will be actuarially reduced for each year prior to the age of 65 that the member retires.

Retirement Benefits

Tier A

The retirement benefit equals 2-3/4% multiplied by average monthly salary multiplied by credited service limited to a maximum of 36.3636 years plus a monthly \$125 health supplement (prorated for service less than 5 years).

Tier B

The retirement benefit equals 2-1/2% multiplied by average monthly salary multiplied by credited service limited to a maximum of 40 years (no monthly health supplement).

Form of Payment

Tier A

An unreduced pension benefit under a joint and one-half survivor option with 10 years guaranteed or a ten-year certain and life option. An actuarially equivalent joint and full survivor option is also available after 15 years of service.

Tier B

An unreduced pension payable for life with 10 years guaranteed. Actuarially equivalent joint and survivor options (50% and 100%) are also available.

Deferred Retirement

Eligibility:

Deferred retirement pension benefit commencing at age 60 for Tier A members or at age 65 for Tier B members with at least five (5) years of credited service if accumulated contributions are left on deposit with the Fund.

Monthly Benefit:

The deferred retirement benefit is equal to the retirement pension based on earnings and credited service at the time of termination.

Disability Retirement Pension

Non-Service Disability:

Eligibility:

Five (5) years of service if active or ten (10) years of service if deferred vested and totally and permanently incapacitated for duty.

Monthly Benefit:

Computed based on average monthly earnings and credited service at time of disability but not less than 10 times the percentage multiplied by the average monthly earning.

Service Disability:

Eligibility:

Totally and permanently incapacitated from the further performance of duty as a result of injury while in the course of employment for the City.

Monthly Benefit:

Calculated as a non-service disability pension but not less than \$1,000 per month.

Death Benefits

Form:

Benefit paid in accordance with the option on file; or the eligible option; or, if no eligible beneficiary, a lump sum equivalent of 10 years of benefit payments to the member's estate.

Monthly Benefit:

Based on average monthly earnings and credited service at death but not less than 10 times the percentage multiplier multiplied by the average monthly earnings.

Minimum Service Death Benefit:

Not less than \$1,000 per month if death resulted from a service-related injury.

Return of Accumulated Contributions

A member at the time of termination is entitled to be paid accumulated member contributions without interest.

Cost-of-Living Adjustment

An annual cost-of-living adjustment to the base pension benefit shall be made based on the greater of:

- a. The percentage of change in the price index for October of the current year over October of the previous year, up to 5% for Tier A and 3% for Tier B or
- b. The percentage of annual average change in the price index for the 12-month period ending with the effective date of the adjustment, up to 5% for Tier A and 3% for Tier B.

FINANCIAL SECTION





2300 North Field Street, Suite 1000
 Dallas, Texas 75201
 972-490-1970

Independent Auditor's Report

To the Board of Trustees of the
 Employees' Retirement Fund of the City of Dallas, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Employees' Retirement Fund of the City of Dallas (the Plan), as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as of December 31, 2024 and 2023, and the changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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The Board of Trustees of the
Employees' Retirement Fund of the City of Dallas

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control – related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of money-weighted rates of return, and schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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The Board of Trustees of the
Employees' Retirement Fund of the City of Dallas

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Plan's basic financial statements. The schedule of administrative expenses, schedule of investment expenses, and schedule of payments for professional services are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of administrative expenses, schedule of investment expenses, and schedule of payments for professional services are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory section, investment section, actuarial section, and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
June 24, 2025

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MANAGEMENT’S DISCUSSION AND ANALYSIS

Required Supplementary Information

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MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)

The Management’s Discussion and Analysis of the Employees’ Retirement Fund of the City of Dallas (“ERF” or “the Plan”) financial performance provides an overview of the financial activities and funding conditions for the fiscal years ended December 31, 2024, 2023, and 2022. The intent of this discussion and analysis is to give a narrative overview and analysis of the Plan’s financial performance as a whole. For more detailed information regarding performance, readers should also review the Financial Statements, Notes to the Financial Statements, and Required Supplementary Information to enhance their understanding of the Plan’s financial performance.

FINANCIAL STATEMENTS

The Plan is a defined benefit plan that provides retirement, disability, and death benefits to permanent full-time and part-time civilian employees of the City of Dallas (“the City”). The Plan has two basic Financial Statements:

- A Statement of Fiduciary Net Position that provides information about the fair value and composition of plan assets, plan liabilities, and fiduciary net position; and
- A Statement of Changes in Fiduciary Net Position that provides information about the year-to-year Changes in Fiduciary Net Position.

There are also notes to the Financial Statements that include a brief Plan description, a summary of significant accounting policies, and information about contributions, legally required reserves, investment concentrations, and the Net Pension Liability. The report also contains the required supplementary information in addition to the basic financial statements. Collectively, this information presents the Net Position Restricted for Pension Benefits and summarizes the Changes in Net Position for those benefits.

FINANCIAL HIGHLIGHTS

Fiscal year 2024 experienced an increase in investments. The Plan’s Financial Highlights for fiscal year ended December 31, 2024, are as follows:

- The Plan had a return of 9.14% for the year, a 5-year return of 6.16% and a 10-year return of 6.27%.
- As of December 31, 2024, the Net Position Restricted for Pension Benefits was \$3.8 billion, reflecting a \$108 million increase from the previous year due to higher investments.
- Total contributions for fiscal year 2024 were \$155.61 million, an increase of approximately \$11.65 million from last fiscal year. This is primarily attributed to a merit pay increase for civilian employees and additional full-time employees eligible to accrue retirement benefits.
- Pension benefits paid to retirees and beneficiaries increased \$20.6 million in 2024 compared to 2023, bringing the total benefit payments to \$349 million. Refunds of contributions paid to former members after termination of employment were \$12 million for 2024 and \$13 million for 2023.
- Net Investment Income (net appreciation/depreciation) in the fair value of investments, plus interest and dividend income, less investment expenses), excluding Other Income, decreased \$15 million compared to last fiscal year.
- Administrative Expenses of \$10 million in 2024 were higher than 2023 by \$822 thousand due to many factors such as inflation, employees’ salary increments, and benefits.

CONDENSED FINANCIAL INFORMATION

(\$ in thousands)

| As of and for the FY Ended December 31, | 2024 | 2023 | 2022 |
|--|--------------------|--------------------|--------------------|
| Fiduciary Net Position | | | |
| Assets | \$5,082,186 | \$4,520,902 | \$4,199,708 |
| Liabilities | 1,324,704 | 871,800 | 683,428 |
| Fiduciary Net Position Restricted for Pension Benefits | <u>\$3,757,482</u> | <u>\$3,649,102</u> | <u>\$3,516,280</u> |
| Changes in Fiduciary Net Position | | | |
| Additions: | | | |
| Employer contributions | \$80,782 | \$73,939 | \$67,288 |
| Employee contributions | 74,831 | 70,025 | 63,427 |
| Investment & other income/(loss), net | 324,929 | 339,878 | (368,929) |
| Deductions: | | | |
| Benefit payments | \$348,938 | \$328,296 | \$317,528 |
| Refund of contributions | 12,369 | 12,700 | 12,158 |
| Administrative expenses | 10,005 | 9,183 | 8,206 |
| Depreciation expense | 850 | 841 | 829 |
| Change in Fiduciary Net Position Restricted for Pension Benefits | <u>\$108,380</u> | <u>\$132,822</u> | <u>(\$576,935)</u> |
| Net Position Restricted for Pension Benefits: | | | |
| Beginning of Year | <u>3,649,102</u> | <u>3,516,280</u> | <u>4,093,215</u> |
| End of Year | <u>\$3,757,482</u> | <u>\$3,649,102</u> | <u>\$3,516,280</u> |

FINANCIAL POSITION AND RESULTS OF OPERATIONS

The Plan's total investment return for fiscal year 2024 was 9.14% as compared to 10.09% in 2023 and -8.38% in 2022. The one-year return was below the policy benchmark of 11.76%. The Plan has performed well over longer time periods. The Plan's 5-year return is 6.16% which is slightly below the policy benchmark of 6.59%. The 10-year return is 6.27%, which is slightly below the policy benchmark of 6.43%.

ERF has a global, diversified investment program. The best performing asset classes in 2024 were Global Listed Infrastructure Composite and Domestic Equity Composite. ERF's Global Listed Infrastructure Composite and Domestic Equity Composite earned 31.69% and 21.68%, respectively. The Fund's real estate investments consist of real estate investment trust, core and value-add real estate funds. Real Estate earned 1.93% for the fiscal year ended December 31, 2024.

Additions to the Plan's Fiduciary Net Position consist of employer and employee contributions and investment income. The Plan's Fiduciary Net Position increased from \$3.649 billion in fiscal year 2023 to \$3.757 billion in 2024, an increase of approximately \$108 million. This increase is primarily due to

investment income, lower investment expenses and employees' and employer's contribution. City and employee contributions for fiscal year 2024 were \$81 million and \$75 million, respectively. Total contributions for 2024 were \$155.6 million compared to \$143.9 million in 2023 and \$130.7 million in 2022.

Net investment income/(loss) is presented net of investment expenses and is comprised of interest, dividend income, gains/(losses) from the sale of investments, net unrealized appreciation/(depreciation) in the fair value of investments, and net income from securities lending activities. For fiscal year 2024, the Plan had net investment income of \$325 million, (excluding non-investment Other Income of \$257 thousand) compared to net investment income of \$340 million in fiscal year 2023 and a net investment loss of \$369 million in 2022.

Fiscal year 2024 liabilities of \$1.325 billion showed an increase of 52% from fiscal year 2023 liabilities of \$872 million. Liabilities for 2023 increased by \$188 million or 28% over 2022. The increase in 2024 was primarily due to an increase in currency contracts by the managers to hedge against changes in foreign currency rates, in accordance with the managers' investment strategies and goals. This was slightly offset by a decrease in liabilities attributed to payable for securities purchased and securities lending collateral.

Year-end balances for securities purchased were \$17 million in 2024, \$37 million in 2023 and \$47 million in 2022. Foreign currency contracts at year-end were \$1.096 billion in 2023, \$586 million in 2023 and \$279 million in 2022. The changes were due to the investment managers' portfolio management.

Deductions from Fiduciary Net Position are largely from benefit payments. During fiscal year 2024, the increase in deductions is attributable to new retirements as well as a Cost-of-Living Adjustment (COLA), as was the increase between 2023 and 2022.

New retirements were 311, 326, and 293, respectively, for fiscal years 2024, 2023 and 2022. COLAs were 4.43% in 2024 for Tier A members, and 3% for Tier B members. For 2023 and 2022, COLAs were 5% for Tier A and 3% for Tier B. A COLA is granted effective January 1 of each year if there is an increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) based on the greater of either a) the change from October of the prior year to October of the current year; b) the monthly average change; or c) zero.

During fiscal year 2024, refunds of contributions amounted to \$12 million (967 refunds), compared to 2023 refunds of \$13 million (919 refunds) and 2022 refunds of \$12 million (812 refunds). The fiscal year 2024 refund amount reflects a decrease in average refund amount per application as compared to fiscal year 2023. Administrative expenses of approximately \$10 million represent approximately 2.7% of total deductions for the year.

CAPITAL ASSETS

The Plan's investment in capital assets as of December 31, 2024, amounts to approximately \$4.7 million (net of accumulated depreciation). This investment in capital assets includes \$33 thousand in Furniture and Fixtures, and \$4.7 million in Intangible Assets. The total net decrease in capital assets for the current fiscal year was -15% compared to last year due to depreciation expense.

Additional information on the Plan's Capital Assets can be found in Note 8 of this report.

CURRENT ENVIRONMENT

Plan membership for active members increased during fiscal year 2024 from 7,894 to 8,070 members, an increase of 2.2%. For 2024, the number of new retirements was 311 compared to 326 in 2023. The trend of benefit payments continues to increase. Similar to most mature plans, benefit payments exceed the level of contribution revenue received, and cash generated from investments is needed in order to meet benefit payments.

An actuarial valuation of the Plan's assets and benefit obligations is performed annually by an independent firm, Gabriel, Roeder, Smith & Company ("GRS"). Based on the actuarial value of assets, the funded ratio of the Plan decreased from 70.10% in 2023 to 66.9% in 2024 primarily due to investment returns. The Unfunded Actuarial Accrued Liability ("UAAL") increased from \$1.641 billion as of December 31, 2023, to \$1.857 billion as of December 31, 2024. Based on accounting principles generally accepted in the United States of America ("GAAP"), the Plan Fiduciary Net Position as a percentage of the Total Pension Liability was 66.92% in 2024 as compared to 54.90% in 2023 and 54.07% in 2022. This is due to a blended discount rate of 7.25% in 2024. See Note 10 (c) for more information.

CONTACTING THE PLAN'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Plan's finances. Questions and requests for additional information should be addressed to the Employees' Retirement Fund of the City of Dallas, 1920 McKinney Avenue, 10th Floor, Dallas, TX 75201.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Statements of Fiduciary Net Position Restricted for Pensions
December 31, 2024 and 2023
(\$ in thousands)

| | 2024 | 2023 |
|--|---------------------|---------------------|
| ASSETS: | | |
| Cash and short-term investments | \$ 105,936 | \$ 95,324 |
| Collateral on loaned securities | 199,812 | 237,524 |
| | <u>305,748</u> | <u>332,848</u> |
| Capital Asset: | | |
| Intangible Assets | 4,713 | 5,551 |
| Furniture and Fixtures, net | 33 | 63 |
| Total capital assets (net) | <u>4,746</u> | <u>5,614</u> |
| Receivables: | | |
| Currency contracts | 1,095,968 | 585,982 |
| Currency Contract gains | 1,064 | - |
| Accrued dividends | 5,590 | 6,150 |
| Accrued interest | 10,736 | 11,504 |
| Accrued real estate income | 1,365 | 1,288 |
| Accrued securities lending | 86 | 107 |
| Securities sold | 5,511 | 14,111 |
| Employer contributions | 1,527 | 878 |
| Employee contributions | 1,409 | 808 |
| Total receivables | <u>1,123,256</u> | <u>620,828</u> |
| Investments, at fair value: | | |
| Commingled index funds | 200,399 | 116,640 |
| Domestic equities | 1,174,945 | 1,372,894 |
| United States and foreign government fixed income securities | 254,931 | 316,628 |
| Domestic corporate fixed-income securities | 878,448 | 731,923 |
| International equities | 430,941 | 312,048 |
| Investments, at estimated fair value: | | |
| Private equities | 369,482 | 371,556 |
| Real estate | 339,290 | 339,923 |
| Total investments | <u>3,648,436</u> | <u>3,561,612</u> |
| Total assets | <u>5,082,186</u> | <u>4,520,902</u> |
| LIABILITIES: | | |
| Accounts payable | 8,343 | 7,269 |
| Payable for securities purchased | 17,392 | 37,169 |
| Investment fees payable | 3,189 | 3,081 |
| Currency contracts | 1,095,968 | 585,982 |
| Currency contract losses | - | 775 |
| Securities lending collateral | 199,812 | 237,524 |
| Total liabilities | <u>1,324,704</u> | <u>871,800</u> |
| NET POSITION RESTRICTED FOR PENSION : | <u>\$ 3,757,482</u> | <u>\$ 3,649,102</u> |

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Statements of Fiduciary Net Position Restricted for Pensions
December 31, 2024 and 2023
(\$ in thousands)

| | 2024 | 2023 |
|---|---------------------|---------------------|
| ADDITIONS: | | |
| Contributions: | | |
| Employer | \$ 80,782 | \$ 73,939 |
| Employee | 74,831 | 70,025 |
| Total contributions | <u>155,613</u> | <u>143,964</u> |
| NET INVESTMENT INCOME: | | |
| Dividends | 67,707 | 69,189 |
| Interest | 60,455 | 55,464 |
| Real estate dividend income | 8,209 | 8,769 |
| Net appreciation/(depreciation) in fair value of investments | 206,920 | 225,506 |
| Securities lending rebates paid by borrowers | (12,082) | (16,251) |
| Securities lending income | 13,428 | 17,840 |
| Total investment income/(loss) | <u>344,637</u> | <u>360,517</u> |
| LESS INVESTMENT EXPENSES: | | |
| Investment management fees | (18,850) | (19,899) |
| Custody fees | (110) | (111) |
| Consultant fees | (736) | (597) |
| Securities lending management fees | (269) | (317) |
| Total investment expenses | <u>(19,965)</u> | <u>(20,924)</u> |
| Net investment income/(loss) | <u>324,672</u> | <u>339,593</u> |
| OTHER INCOME: | <u>257</u> | <u>285</u> |
| Total additions | <u>480,542</u> | <u>483,842</u> |
| DEDUCTIONS: | | |
| Benefit payments | 348,938 | 328,296 |
| Refund of contributions | 12,369 | 12,700 |
| Administrative expenses | 10,005 | 9,183 |
| Depreciation expense | 850 | 841 |
| Total deductions | <u>372,162</u> | <u>351,020</u> |
| Net increase/(decrease) in Net Position Restricted for Pensions | <u>108,380</u> | <u>132,822</u> |
| NET POSITION : | | |
| RESTRICTED FOR PENSION | | |
| Beginning of year | <u>3,649,102</u> | <u>3,516,280</u> |
| End of year | <u>\$ 3,757,482</u> | <u>\$ 3,649,102</u> |

The accompanying Notes are an integral part of these financial statements.

**EMPLOYEES’ RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

1) Description of the Plan

a) General

The Employees' Retirement Fund of the City of Dallas ("ERF" or the "Plan") is a single employer defined benefit pension plan that provides retirement, disability, and death benefits to its members, and is sponsored by the City of Dallas, Texas (the "City"). All employees of the City are members in the Plan, except police officers, firefighters, elected officers, non-salaried appointee members of administrative boards or commissions, part-time employees working less than one-half time, temporary employees, individuals working under contract, and individuals whose salaries are paid in part by another government agency. Members are entitled to retirement benefits after five years of service and to survivor benefits after two years of service or at the date of eligibility for retirement. The Plan was established and derives its authority to continue in operation from Chapter 40A of the Dallas City Code ("Chapter 40A"). The description of the Plan provisions in this report is for financial disclosure only. It is not intended to create or reduce legal rights. The rights and responsibilities of the Board of Trustees, the Plan, the members, and the retirees are governed by the Plan as set forth in Chapter 40A. As of December 31, 2024 and 2023, the Plan's membership consisted of:

| | 2024 | 2023 |
|---|--------|--------|
| Retirees and beneficiaries currently receiving benefits and inactive members entitled to benefits but not yet receiving them. | 10,091 | 10,021 |
| Current members: | | |
| Vested | 4,086 | 4,138 |
| Non-vested | 3,984 | 3,756 |
| Total current members | 8,070 | 7,894 |
| Total membership | 18,161 | 17,915 |

b) Plan Administration

The Plan is governed by seven Board members, consisting of three members appointed by the City Council who may be Council members, three employee members of the Plan (elected by the membership) and the City Auditor (serving ex officio). The Board has general powers and duties to administer the Plan, including appointing an administrator to carry out the business of the Board, investing the assets of the Plan, making expenditures from the Plan, and determining members' eligibility for benefits.

Based on a Plan amendment passed by the voters of the City of Dallas in November 2004, the Board annually increases or decreases contribution rates in a ratio where the City pays 63% and the employee pays 37% of the contribution rate as determined by the actuarial valuation. The Plan requires notice to the City of the contribution rates and provides procedures by which the City may review and challenge those rates; codifying the Board's policies and procedures relating to the Plan's actuarial process and the City's participation in the selection of an actuarial firm to perform a peer

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

review/audit; increasing the Board from five members to seven by adding another employee-elected representative and another council-appointed representative effective March 1, 2005; increasing from three to four the number of Board members required to constitute a quorum; increasing the terms of the employee-elected representatives from two to three years; requiring Council approval before the Board may grant temporary or permanent discretionary adjustments to retirement benefits over and above the regular cost-of-living increases; correcting section references to the term "qualified recipient"; and authorizing either the Council or the Board to propose amendments to Chapter 40A, subject to approval by the Board, the Council, and the voters of the City.

Based on a Plan amendment passed by the voters of the City of Dallas in November 2016, a new tier of benefits was added to the Plan (Tier B), effective January 1, 2017. Benefits provided to each tier of membership are outlined below.

The Plan may be terminated only by ordinance recommended by the Board adopted by the City Council and approved by a majority of the voters of the City voting in a general or special election. The Plan does not address allocation of the net position in the event of termination.

c) Pension Benefits

Tier A

Members of the Plan hired before January 1, 2017, are entitled to pension benefits equal to 2.75% of the average monthly earnings for each year of credited service. Average monthly earnings are based on the most beneficial to the member and are determined based on the member's earnings for the highest three calendar years, last 6,240 hours of credited service, or the length of credited service if less than three years. Normal retirement age is 55 if credited service began before May 9, 1972 or age 60.

Tier A members are also eligible to retire at age 50 if the sum of the member's age and credited service is equal to or greater than 78. Members who have completed 30 years of credited service may alternatively elect retirement before age 50; however, the pension benefits will be actuarially reduced based on the member's age at retirement.

Tier B

Members of the Plan hired on or after January 1, 2017, are entitled to pension benefits equal to 2.5% of the average monthly earnings of the member for each year of credited service. Average monthly earnings are based on the most beneficial to the member and are determined based on the member's earnings for the five highest calendar years, last 10,400 hours of credited service, or the length of credited service if less than five years. Normal retirement age is 65 with five years of credited service.

Tier B members who have completed 40 years of credited service may elect retirement at any age and are entitled to full pension benefits. Members who elect retirement before age 65 are entitled to an actuarially reduced pension benefit depending upon the age of the member. Active members may also elect to retire with actuarially reduced benefit once a combination of their age and years of credited service equal at least 80.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

d) Cost of Living Adjustments

Cost of living adjustments for retirees are made each year on the first of January by adjusting the pension base by the percentage change of the Consumer Price Index ("CPI"), not to exceed 5% for Tier A and 3% for Tier B members. The cost-of-living adjustment effective January 2024 was 4.433% for Tier A members and 3% for Tier B members.

e) Disability and Death Benefits

Members who become totally and permanently disabled may qualify for a service-connected disability with no minimum service requirement, or a non-service connected disability with five or more years of credited service. Non-service connected benefits are based on actual credited service or a minimum of 10 years. Service-connected benefits are equal to normal retirement benefits or a minimum of \$1,000.

Upon the death of an active married member with less than 15 years of service, the joint and one-half survivor option is the automatic death benefit.

If an active married member has at least 15 years of service and is eligible to retire or has reached normal retirement age, the member may elect the joint and full survivor option. Under this option, the member receives a reduced base pension payment which is actuarially computed based on the member's age, average monthly earnings, years of credited service at retirement, and the relative age of the spouse. Upon the death of the member, this option pays the full amount of the member's pension payment to the surviving spouse for life.

Upon the death of a member before retirement, death benefits equal to the normal retirement benefit will be paid to a qualified recipient: surviving spouse, minor child under age 18, a disabled child who became disabled before age 18, a dependent parent, or a parent over age 65. Death benefits vary depending on the beneficiary. The surviving spouse, the disabled child, or the dependent parent will receive a lifetime benefit unless the ten-year option is taken. The minor child under age 18 will receive the normal retirement benefit for ten years or until reaching age 18. If the member has less than two years of credited service, the member's contributions will be refunded.

Upon the death of a retired member, a death benefit is paid in accordance with the option selected by the member at retirement. If there are no qualified recipients at the time of death and benefits have not been paid for ten years, death benefits are paid to the designee (an estate, a person, or an entity) named by the member. The designee will receive a lump-sum payment based on ten years of benefit payments when the member's death occurs before retirement. If death occurs after retirement, the designee will receive a commuted lump-sum payment representing the balance of a guaranteed ten-year period starting from the date of retirement.

If a member does not have an eligible beneficiary, death benefits will be paid to the designee or member's estate in one commuted value payment. Benefit payments will vary depending on whether death occurred before or after retirement. Upon the death of a member before retirement, the designee or member's estate will receive a lump-sum payment based on ten years of benefit payments. Upon the death of a retired member, the designee or estate will receive a commuted value lump-sum payment representing the balance of a guaranteed ten-year period starting from the date of retirement.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

f) Contributions

If employment ends before attaining five years of service and before attaining eligibility for retirement, the member's contributions will be refunded upon written request to the Plan.

If a member's employment is terminated after five years of service, the member may elect a refund of contributions upon a written request, or the member may elect to receive pension benefits at normal retirement age equal to the amount accrued to the date of termination.

In fiscal year 2024, the employees' contribution and the City's total contribution remain unchanged from fiscal year 2023 at 13.32% and 22.68%, respectively. Effective October 1, 2024, the City's 22.68% contribution is divided into 14.44% to the Plan and 8.24% for the City's debt service payments on the pension obligation bonds. Effective October 1, 2023, the City's 22.68% contribution is divided into 14.46% to the Plan and 8.22% for debt service payments on the pension obligation bonds. The pension obligation bonds are scheduled to be paid off in 2035.

The percent contributed may vary from the legally required rate as the annual required contribution is based upon covered payroll as of the actuarial valuation date, December 31, whereas contributions are calculated and paid based upon actual payrolls throughout the year. Certain factors, such as changes in benefit provisions, the size or composition of the population covered by the Plan or the actuarial assumptions used, may significantly affect the identification of trends in the amounts reported in the Schedule of Net Pension Liability and Schedule of Changes in Net Pension Liability located in the Required Supplementary Information section.

2) Summary of Significant Accounting Policies

a) Basis of Accounting

The accompanying financial statements are prepared on the economic resources measurement focus and accrual basis of accounting. Accordingly, interest earned but not received and dividends declared but not received as of the Plan's fiscal year end are recorded as accrued interest and dividends receivable, respectively. Contributions owed but not received as of the Plan's fiscal year end are recorded as contributions receivable. Benefits and refunds are recorded when paid. In addition, unsettled investment purchases and sales are accrued.

b) Administrative Expenses

Administrative expenses are paid from the Plan's contributions. The contribution rates calculated by the actuary take into consideration the expected administrative expenses.

c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

d) Investments and Investment Income

The Plan's investment policy requires that investments comply at all times with applicable local, state, and federal regulations. The Plan's investment policy is based upon an asset allocation study that considers the current and expected condition of the Plan, the expected long-term capital market outlook and the Plan's risk tolerance. Unless specifically permitted in the investment manager guidelines or other governing document, the investment policy prohibits the purchase of non-negotiable securities, short sales, selling on margin, puts, calls, straddles, options, or "letter" (restricted) stock. Also, unless specifically authorized in a manager's individual guidelines, the investment policy prohibits the use of derivatives (See derivatives disclosure in footnote 3).

Marketable Securities are valued at fair value based on quoted market prices, where available. Purchases and sales of securities and any resulting gain or loss are recorded on a trade-date basis. Net appreciation/(depreciation) include the Plan's gains and losses on investments bought and sold as well as held during the year. In May 2023, the Plan modified the asset allocation. The Plan's asset allocation is shown in the following table.

SUMMARY OF ASSET ALLOCATION TARGETS AND RANGES

| | Target | Minimum | Maximum |
|--------------------------------------|----------------|---------------|---------------|
| Equity | | | |
| Domestic Equity | 12.00% | 10.00% | 14.00% |
| International Equity | 11.50% | 9.50% | 13.50% |
| Global Equity | 5.00% | 3.00% | 7.00% |
| Global Low Volatility Equity | 10.00% | 8.00% | 12.00% |
| Private Equity | 10.00% | 5.00% | 15.00% |
| Total Equity | 48.50% | 46.50% | 50.50% |
| | | | |
| Fixed Income | | | |
| Core Fixed Income | 17.50% | 15.50% | 19.50% |
| High Yield | 10.00% | 8.00% | 12.00% |
| Credit Opportunities | 4.00% | 2.00% | 6.00% |
| Private Credit | 2.50% | 0.00% | 5.00% |
| Total Fixed Income | 34.00% | 32.00% | 36.00% |
| | | | |
| Real Assets | | | |
| Real Estate Investment Trusts | 2.50% | 0.50% | 4.50% |
| Global Listed Infrastructure | 5.00% | 3.00% | 7.00% |
| Private Real Estate | 7.50% | 2.50% | 12.50% |
| Total Real Assets | 15.00% | 13.00% | 17.00% |
| | | | |
| Diversifying Strategies | | | |
| Marketable Alternatives | 2.50% | 0.50% | 4.50% |
| Total Diversifying Strategies | 2.50% | 0.50% | 4.50% |
| | | | |
| TOTAL PORTFOLIO | 100.00% | | |

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

e) Private Equity

To enhance the potential for earning higher rates of return relative to its other asset classes and to provide for broader portfolio diversification, the Plan allocates 10.00% of its total Plan portfolio to Private Equity. Recognizing that Private Equity investments have higher risk levels, this target of 10.00% is to be allocated within an acceptable range of 5.0% to 15.0% of private equity-oriented investments. Funding of committed capital in the Private Equity portfolio can occur over an extended time period and may take several years before the total allocation is fully invested. In order to reach the allocation target, a "committed" allocation up to 1.5 times the allocation is authorized. The Plan had four Private Equity managers at December 31, 2024.

Investments in these funds as a limited partner are carried at estimated fair value. Estimated fair values of investments in private limited partnerships are determined by the fund managers or general partner based on the latest investee information available, including audited financial statements and other similar data necessary to the valuation process. The Private Equity values at December 31, 2024 and December 31, 2023 were \$369 million and \$372 million, respectively.

f) Real Assets

The Plan is authorized to allocate 15% of its portfolio to Real Assets. The Plan has seven managers that manage Real Assets for a total value of \$339 million at December 31, 2024 and \$340 million at December 31, 2023. The Plan invests in Heitman's core real estate fund, Invesco's core fund, Invesco II which manages 1900 McKinney, LLC, AEW Partners, Long Wharf Capital, Virtus Real Estate Capital III, L.P and Brasa Capital management. AEW Partners manages AEW Partners Real Estate Fund IX, L.P. and Pix Oakland Park Co-invest L.P. for the Plan.

Estimated fair values of investments are determined by the fund managers based on their best estimates using fair value estimation techniques substantiated, in part, by their audited financial statements and supported by the due diligence of the Plan investment staff.

g) Real Estate Investment Trust (REIT)

The Plan is authorized to allocate 2.5% of its portfolio to REITs. The plan has two managers within this category: Adelante and Center Square. Investments are listed at net asset value.

h) Foreign Currency Transactions

The Plan may enter into forward foreign currency exchange contracts for the purchase or sale of a specific foreign currency at a fixed price on a future date as a hedge against specific transactions or to position the portfolio to protect the Plan against adverse currency movements. Entering into these arrangements involves the risk of dealing with counterparties and their ability to meet the terms of the contracts. These contracts are valued at fair value at the financial statement date, and any realized and unrealized gains and losses are recorded when they are incurred.

Investments denominated in foreign currencies at December 31, 2024 and 2023 were converted to U.S. dollars at the foreign exchange rates quoted at December 31, 2024 and 2023. These foreign

**EMPLOYEES’ RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

exchange gains and losses are included in net appreciation/(depreciation) in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

i) Securities Lending

The Board has authorized the Plan to enter into an agreement with The Northern Trust Company (“Northern Trust”) for the lending of certain of the Plan’s securities (the “Securities Lending Program” or “Program”) including, but not limited to, stocks and bonds to counterparty brokers and banks (“borrowers”) for a predetermined period of time and fee.

In 2009, the Board capped the securities lending exposure at \$538.2 million.

j) Rate of Return

For the year ended December 31, 2024, the annual money-weighted rate of return on pension plan investment, net of investment fees, was 9.08%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Schedule of Money-Weighted Investment Returns

| For Year Ended December 31 | Annual Investment Returns |
|---------------------------------------|--------------------------------------|
| 2015 | -1.92% |
| 2016 | 8.88% |
| 2017 | 13.08% |
| 2018 | -4.99% |
| 2019 | 17.33% |
| 2020 | 5.75% |
| 2021 | 16.25% |
| 2022 | -8.23% |
| 2023 | 10.17% |
| 2024 | 9.08% |

k) Capital Assets

Capital Assets, which include furniture, fixture, and software, are reported in the Plan’s Financial Statements. Capital Assets are defined by the Plan as assets with an initial, individual cost of more than \$50,000 and an estimated useful life in excess of two years. As the Plan constructs or develops additional Capital Assets each period, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in

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relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life.

Furniture and fixtures are depreciated using the straight-line method over an estimated useful life of 5-20 years. Intangible Assets are depreciated using the straight-line method over an estimated useful life of 5-15 years. Construction in progress is not depreciated.

l) Leases

The Plan does not have any material non-cancellable leases. The Plan recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the financial statements with an initial, individual value of \$50,000 or more.

At the commencement of a lease, the Plan initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the Plan determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Plan uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Plan generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the Plan is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

It is the policy of the plan to monitor changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liability if certain changes occur that are expected to be significant.

3) Derivatives

Derivatives are generally defined as contracts whose values depend on, or are derived from, the value of an underlying asset, reference rate, or index. The Plan has classified the following as derivatives:

a) Currency Forward Contracts

A Currency Forward is a contractual agreement between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency at an agreed upon

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exchange rate. Forward commitments are not standardized and carry credit risk due to the possible nonperformance by one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened; however, the likelihood of such loss is remote. No such losses occurred during the fiscal years 2024 and 2023. Currency forwards are usually traded over the counter. These transactions are entered into in order to hedge risks from exposure to foreign currency rate fluctuation and to facilitate trade settlement of foreign security transactions. Currency Forwards carry market risk resulting from adverse fluctuations in foreign exchange rates. Recognition of realized gain or loss depends on whether the currency exchange rate has moved favorably or unfavorably to the contract holder upon termination of the contract. Prior to termination of the contract, the Plan records the realized currency translation gain or loss based on the applicable exchange rates.

The Plan recognized a net realized loss on Currency Forward Contracts of \$1.1 million as of December 31, 2024. The Plan recognized a net realized loss of \$2 million as of December 31, 2023. These gains and losses are included in net appreciation/(depreciation) in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

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Currency Forward Contracts outstanding at December 31, 2024, and 2023 were approximately \$1,096 billion and \$586 million, respectively, with a fair value of \$1,120 million and \$598 million, respectively. The futures value for December 31, 2024 was (\$13,697). (\$ in thousands):

| Currency | <u>2024</u> Currency Forward Contracts Outstanding | <u>2024</u> Futures | <u>2023</u> Currency Forward Contracts Outstanding |
|--------------------------|--|------------------------|--|
| Australian Dollar | \$50,655 | (\$9,094) | \$30,404 |
| Brazilian Real | 12,967 | - | 2,518 |
| Canadian Dollar | 45,306 | (\$4,339) | 33,470 |
| Chile Peso | 799 | - | 2,452 |
| Columbian Peso | 668 | - | 1,694 |
| Czech Koruna | 1,453 | - | 2,338 |
| Denmark Krone | 534 | - | 823 |
| Euro | 58,147 | 788 | 55,529 |
| HK offshore Chinese Yuan | 3,414 | - | - |
| Hong Kong Dollar | 2,133 | - | 2,198 |
| Hungary Forint | 8,986 | - | 3,961 |
| Indonesia-Rupiahs | 3,557 | - | 452 |
| Indian Rupee | 12,837 | 671 | 4,768 |
| Israel Shekel | 13,142 | - | 196 |
| Japanese Yen | 63,892 | (1,632) | 31,266 |
| Malaysian ringgit | 33 | 599 | - |
| Mexican Peso | 15,070 | - | 10,051 |
| New Zealand Dollar | 32,117 | - | 11,555 |
| Norwegian Krone | 44,956 | - | 22,726 |
| Peruvian Nuevo Sol | 8 | - | 21 |
| Philippine Peso | 1,356 | - | - |
| Qatari riyal | - | - | 179 |
| Poland Zloty | 12,730 | - | 5,739 |
| Saudi Riyal | 1,660 | - | 1,622 |
| Singapore Dollar | 348 | 110 | 952 |
| South Africa Rand | 9,347 | (1,469) | 1,981 |
| South Korea Won | 4,975 | - | 155 |
| Swedish Krona | 41,036 | 3,761 | 8,791 |
| Switzerland Franc | 30,195 | - | 21,896 |
| Turkish lira | 5,443 | - | - |
| Thailand Baht | 29 | (1,512) | 268 |
| Taiwan New Dollar | 7,695 | 853 | 3,153 |
| UK Pound | 56,825 | (10,805) | 25,608 |
| US Dollar | 553,655 | 8,372 | 299,216 |
| Totals | \$1,095,968 | (\$13,697) | \$585,982 |

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b) Other Forward Contracts

Forward Contracts other than Currency Forward Contracts include rights and warrants and various other contractual agreements between two parties to buy or sell an asset at a specified price on a certain future date. Forward Contracts carry credit risk due to the possible nonperformance by one of the counterparties. The maximum potential loss is the aggregate face value in U.S. dollars at the time the contract was opened; however, the likelihood of such loss is remote. No such losses occurred during the fiscal years 2024 and 2023. Forward Contracts are usually traded over the counter. These transactions are entered into in order to hedge risks from exposure to fluctuations in prices in securities, commodities, or other financial instruments. Forward Contracts carry market risk resulting from adverse fluctuations in price. Recognition of realized gain or loss depends on whether the price of the asset has moved favorably or unfavorably to the contract holder upon termination of the contract. Prior to termination of the contract, the Plan records the unrealized gain or loss based on the applicable rates.

The Plan recognized a net realized gain on Other Forward Contracts of \$338 thousand as of December 31, 2024. As of December 31, 2024, the Plan had a net realized loss on Currency Forward Contracts of (\$1.1 million). The gains and losses are included in net appreciation/(depreciation) in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

c) Swaps

A Swap is an agreement between two or more parties to exchange a sequence of cash flows over a period of time in the future. No principal is exchanged at the beginning of the Swap. The cash flows that the counterparties exchange is tied to a "notional" amount. The agreements provide, at predetermined future dates, the Plan pays interest based upon a notional principal amount and receives a return based upon the underlying instrument. Notional amounts represent the volume of outstanding transactions and do not represent the potential gain or loss associated with market risk or credit risk of such instruments. Risk associated with Swaps includes adverse movements in the underlying instrument.

As of December 31, 2024 the Plan recognized a net realized loss on Swaps of (\$558) thousand. The gains and losses are included in net appreciation/(depreciation) in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

d) Futures

Financial Futures are agreements to purchase or sell a specific amount of an asset at a specified delivery or maturity date for an agreed upon price. These derivative securities are used to improve yield, adjust the duration of the Fixed Income portfolio, circumvent changes in interest rates, or to replicate an index. Futures Contracts are standardized and traded on organized exchanges, thereby minimizing the Plan's risk. There were no outstanding Futures Contracts at December 31, 2024 and December 31, 2023.

The Plan recognized a net realized gain of \$3 million on futures. The gain is included in net appreciation/(depreciation) in fair value of investments in the accompanying Statements of Changes in Fiduciary Net Position.

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As of December 31, 2024, and 2023 open derivatives contracts values were as follows (\$ in thousands):

| Derivative Type | 12/31/2024 | | 12/31/2023 | |
|-------------------|-------------------------|---------------------|-------------------------|---------------------|
| | Total Notional Value | Total Fair Value | Total Notional Value | Total Fair Value |
| Forward Contracts | \$1,095,968 | \$1,021 | \$585,982 | (\$746) |
| Other Forwards | - | (110) | 92,794 | 326 |
| Futures | (\$13,697) | - | - | - |
| Swap Agreement | - | 172 | - | 43 |
| Totals | \$1,082,271 | \$1,083 | \$678,776 | (\$377) |

4) Deposit and Investment Risk Disclosures

Deposits and investments of state and local governments are exposed to risks that have the potential to result in losses. The common deposit and investment risks include custodial credit risk, credit risk, concentration of credit risk, foreign currency risk and interest rate risk. The required disclosures related to these risks and the Plan's exposures to these risks are disclosed in the following sections.

a) Custodial Credit Risk

In the event of a failure of the counterparty, custodial credit risk is the risk that the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Plan's custodial credit risk policy is set forth in Chapter 40A of the Dallas City Code and in the master custody agreement which includes the Securities Lending Program. All investments are registered in the name of Employees' Retirement Fund of the City of Dallas or in the name of the Plan's custodian established through a master trust custodial agreement. The securities are held by the custodian in the name of the Plan.

As of December 31, 2024, the Plan had \$6.5 million or 0.2% of its approximate \$3.6 billion total investments (excluding short-term investments) exposed to custodial credit risk. The custodial credit risk exposure at December 31, 2023 was \$2.7 million or 0.1% of total investments (excluding short-term investments) of approximately \$3.6 billion. These exposures were uninsured and uncollateralized deposits held by custodian banks outside of the United States. The Plan has experienced no losses on these deposits during the year.

b) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. A concentration of investments in any one single issuer of debt securities presents a greater risk for loss in the event that the issuer fails on its obligations.

The Board has contracted with third party investment managers to manage the investment portfolio of the Plan, subject to the policies and guidelines established by the Board. The Plan's Concentration of Credit Risk Policy is communicated to individual managers in their guidelines through limitations or

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restrictions to securities, sectors, debt ratings, and other factors that may be applicable to a particular manager. As the Plan's custodian bank, Northern Trust has responsibility for the safekeeping of certain investments, handling of transactions based on the instructions of investment managers, and recordkeeping for the investment transactions.

As of December 31, 2024, the Plan held investments that exceeded 5% of the net position available for Plan benefits. These included the NTAM AGG Bond Index Fund and the BlackRock Global Low Volatility Fund – SL.

c) Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality ratings for the Plan's investments in Fixed Income securities as of December 31, 2024 and 2023 are included in the following schedule. Securities are rated using Standard and Poor's quality ratings as presented following in the rating scale.

The Plan's strategic Fixed Income Investment Policy allocates 30% of the total assets to Fixed Income. The Plan's Investment Policy provides for investment of up to 15% of the Fixed Income allocation in Investment Grade assets, up to 10% of the Fixed Income allocation in High Yield (below Investment Grade) assets, and up to 5% for Opportunistic Credit. The Investment Grade allocation also allows selected managers to invest in non-U.S. dollar issues on an opportunistic basis up to 20% of their portfolio assets.

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Long term bond ratings as of December 31, 2024 and 2023 are as follows (\$ in thousands):

| Quality Rating | <u>2024</u> | | <u>2023</u> | |
|---|-------------|---------------------------------|-------------|---------------------------------|
| | Fair Value | Percentage of Bond Portfolio | Fair Value | Percentage of Bond Portfolio |
| AAA | \$92,175 | 8.13% | \$108,738 | 10.37% |
| AA+ | 12,178 | 1.08% | 19,402 | 1.85% |
| AA | 22 | - | 605 | 0.06% |
| AA- | - | - | 47 | 0.00 |
| A+ | 4,613 | 0.41% | 417 | 0.04% |
| A | 1,228 | 0.11% | 828 | 0.08% |
| A- | 13,387 | 1.18% | 17,137 | 1.63% |
| BBB+ | 4,153 | 0.37% | 23,956 | 2.28% |
| BBB | 4,739 | 0.42% | 8,931 | 0.85% |
| BBB- | 7,101 | 0.63% | 15,259 | 1.49% |
| BB+ | 13,839 | 1.22% | 14,160 | 1.35% |
| BB | 34,959 | 3.09% | 37,950 | 3.62% |
| BB- | 45,099 | 3.98% | 53,556 | 5.11% |
| B+ | 48,845 | 4.31% | 51,370 | 4.90% |
| B | 58,957 | 5.20% | 50,844 | 4.85% |
| B- | 36,600 | 3.23% | 37,874 | 3.61% |
| C | 718 | 0.06% | - | - |
| CC | 921 | 0.08% | 988 | 0.09% |
| CCC+ | 14,781 | 1.30% | 12,170 | 1.16% |
| CCC- | 804 | 0.07% | 2,146 | 0.20% |
| CCC | 8,209 | 0.72% | 5,672 | 0.54% |
| D | 396 | 0.03% | 913 | 0.09% |
| Not rated (NR)* | 574,819 | 50.72% | 453,438 | 43.24% |
| U.S. Government fixed income securities (NR)** | 154,836 | 13.66% | 132,150 | 12.59% |
| Total | \$1,133,379 | 100% | \$1,048,551 | 100% |

* NR-Investments that are not rated.

**NR-U.S. Treasury Bonds and Notes are obligations of the U.S. government or explicitly guaranteed by the U.S. government and therefore are not considered to have a credit risk.

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d) Foreign Currency Risk

Foreign Currency Risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Plan's Foreign Currency Risk policy is communicated to those managers who are authorized to hedge currencies in their guidelines and sets specific parameters for each manager individually.

The Plan's investment policies limit the aggregate amount that can be invested in each class of investments. The Plan's General Investment Policy sets an allocation of 11.5% of assets to International Equity, 5.00% of assets to Global Equity and 10.00% to Global Low Volatility Equity.

The Plan's positions in International Equity securities, directly and through commingled funds, were 17.30% and 12.04% of invested assets at December 31, 2024 and 2023, respectively. The Plan's position in Global Equity securities was 3.87% and 5.11% of invested assets at December 31, 2024 and 2023, respectively. The Plan's position in Global Low Volatility Equity was 10.65% at December 31, 2024 and 10.39% at 2023. The Plan's positions in Global Fixed Income assets were 31.06% and 29.44% of invested assets at December 31, 2024 and 2023, respectively.

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Non-US Dollar denominated investments at December 31, 2024 and 2023 were as follows (\$ in thousands):

| | <u>2024</u> | | | <u>2024</u> | | <u>2023</u> | | |
|---------------------------|--------------------------------------|----------------|----------------------------|-------------------|--|--------------------------------------|-----------------|----------------------------|
| | U. S. Dollars Balance of Investments | | | | | U. S. Dollars Balance of Investments | | |
| Currency | Equities | Fixed Income | Currency Forward Contracts | Futures | | Equities | Fixed Income | Currency Forward Contracts |
| Australian Dollar | \$14,990 | \$- | \$50,655 | (\$9,094) | | \$20,644 | \$- | \$30,404 |
| Brazil Real | 5,127 | - | 12,967 | (10,805) | | 11,128 | 17 | 2,518 |
| British Pound Sterling | 55,817 | - | 56,825 | - | | 61,609 | 466 | 25,608 |
| Canadian Dollar | 40,687 | - | 45,306 | (4,339) | | 33,870 | - | 33,470 |
| Chile Peso | 31 | - | 799 | - | | 34 | - | 2,452 |
| Columbia Peso | - | - | 668 | - | | - | - | 1,694 |
| Czech Republic-Koruna | - | - | 1,453 | - | | - | - | 2,338 |
| Denmark Krone | 8,883 | - | 534 | - | | 9,243 | - | 823 |
| Euro | 124,994 | 4,871 | 58,147 | 788 | | 139,783 | 5,958 | 55,529 |
| HK offshore Chinese Yuan | - | - | 3,414 | - | | - | - | - |
| Hong Kong Dollars | 40,741 | - | 2,133 | - | | 37,019 | - | 2,198 |
| Hungary-Forint | 420 | - | 8,986 | - | | 106 | - | 3,961 |
| Indian Rupee | 13,702 | - | 12,837 | 671 | | 18,269 | 958 | 4,768 |
| Indonesia-Rupiahs | 7,199 | - | 3,557 | - | | 5,594 | 1,592 | 452 |
| Israel Shekel | 2,005 | - | 13,142 | - | | 1,636 | - | 196 |
| Japanese Yen | 88,283 | - | 63,892 | (1,632) | | 90,758 | - | 31,266 |
| Malaysia Ringgit | 5,057 | - | 33 | 599 | | 2,078 | - | - |
| Mexican Peso | 2,675 | - | 15,070 | - | | 5,376 | 6,155 | 10,051 |
| New Zealand Dollar | 622 | - | 32,117 | - | | 1,365 | - | 11,555 |
| Norwegian Krone | 9,017 | - | 44,956 | - | | 10,618 | - | 22,726 |
| Peruvian Nuevo Sol | - | - | 8 | - | | - | - | 21 |
| Offshore Chinese-Renminbi | 7,987 | - | - | - | | 6,898 | - | - |
| Philippines-Pesos | 1,816 | - | 1,356 | - | | 1,338 | - | - |
| Poland-Zloty | 1,848 | - | 12,730 | - | | 2,133 | - | 5,739 |
| Qatar-Riyal | 1,250 | - | - | - | | 1,815 | - | 179 |
| Saudi Riyal | - | - | 1,660 | - | | - | - | 1,622 |
| Singapore Dollar | 6,342 | - | 348 | 110 | | 5,825 | - | 952 |
| South Africa Rand | 3,003 | - | 9,347 | (1,469) | | 2,324 | - | 1,981 |
| South Korea-Won | 14,428 | - | 4,975 | - | | 16,691 | - | 155 |
| Swedish Krona | 6,663 | - | 41,036 | 3,761 | | 8,053 | - | 8,791 |
| Swiss Franc | 33,002 | - | 30,195 | - | | 35,342 | - | 21,896 |
| Taiwan New Dollar | 19,561 | - | 7,695 | 853 | | 9,819 | - | 3,153 |
| Thailand Baht | 5,650 | - | 29 | (1,512) | | 5,725 | - | 268 |
| Turkish Lira | 851 | - | 5,443 | - | | 763 | - | - |
| United Arab-Dirham | 1,317 | - | - | - | | 228 | - | - |
| Uruguay-New Peso | - | - | - | - | | 106 | - | - |
| Total | \$523,968 | \$4,871 | \$542,313 | (\$22,069) | | \$546,190 | \$15,146 | \$286,766 |

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e) Interest Rate Risk

Interest rate risk is the risk that future changes in prevailing market rates of interest will have an adverse effect on the fair value of debt investments. The fair value of securities with long terms to maturity may be highly sensitive to interest rate changes.

As of December 31, 2024, and 2023 the weighted-average maturity of the bonds by bond type are as follows (\$ in thousands):

| Bond Category | <u>2024</u> | | | <u>2023</u> | | |
|----------------------------------|----------------------------------|--|-----------------------|----------------------------------|--|-----------------------|
| | Fair Value 12/31/2024 | Weighted Average Maturity (years) | WAM Factor | Fair Value 12/31/2023 | Weighted Average Maturity (years) | WAM Factor |
| Asset Backed Securities | \$32,517 | 15.32 | 0.44 | \$42,656 | 14.79 | 0.60 |
| Bank Loans | 29,857 | 5.16 | 0.14 | 21,304 | 4.75 | 0.10 |
| Commercial Mortgage- Backed | 18,385 | 19.44 | 0.32 | 21,483 | 20.34 | 0.42 |
| Corp Convertible Bonds | 2,281 | 31.06 | 0.06 | 5,007 | 28.44 | 0.14 |
| Corporate Bonds | 517,793 | 9.90 | 4.52 | 608,396 | 10.30 | 5.98 |
| Government Agencies | 6,746 | 15.27 | 0.09 | 6,829 | 9.47 | 0.06 |
| Government Bonds | 168,589 | 11.93 | 1.77 | 161,687 | 15.29 | 2.36 |
| Govt Commer Mtg Backed | - | - | - | 1,227 | 28.32 | 0.03 |
| Govt Mtg Backed | 93,953 | 24.12 | 2.00 | 161,256 | 24.45 | 3.76 |
| Index Linked Government Bonds | 2,048 | 14.73 | 0.03 | 4,392 | 12.06 | 0.05 |
| Municipal/ Provincial Bonds | 815 | 7.16 | 0.01 | 1,176 | 9.64 | 0.01 |
| Non-Government Backed CMOs | 12,229 | 29.84 | 0.32 | 12,665 | 31.60 | 0.38 |
| Unassigned | 248,166 | 19.65 | 4.30 | 473 | 27.46 | 0.01 |
| Total | <u>\$1,133,379</u> | | | <u>\$1,048,551</u> | | |

Portfolio weighted
average maturity

14.00

13.90

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Government Mortgage-Backed Securities are sensitive to changes in interest rates as their prepayments can vary significantly with interest rate changes. This change in prepayments will generally cause the duration, or Interest Rate Risk, of these securities to increase when interest rates rise and decrease when interest rates fall. These securities represent 8% and 16% of the total Fixed Income portfolio for 2024 and 2023 at year end. Their fair values at years ended 2024 and 2023 were \$93,953 million and \$162,483 million, respectively. The Plan's Interest Rate Risk policy is communicated to the Fixed Income managers through the Fixed Income Asset Policy and each manager's guidelines.

5) Appreciation or (Depreciation) of Investments

In 2024 and 2023, the Plan's investments, including investments bought, sold, and held during the year, appreciated (depreciated) in value as follows (\$ in thousands):

| | 2024 | 2023 |
|--|-----------|-----------|
| Investments, at fair value: | | |
| Commingled index funds | \$32,063 | \$18,930 |
| Domestic equities | 165,172 | 166,378 |
| United States and foreign government fixed income securities | (2,220) | (7,126) |
| Domestic corporate fixed income securities | 1,520 | 51,210 |
| International equities | 33,198 | 38,150 |
| Short-term investments | (579) | 36 |
| Currency contracts | 279 | (1,615) |
| | 229,433 | \$265,963 |
| Investments, at estimated fair value: | | |
| Real assets | (7,896) | (20,594) |
| Private equity | (14,617) | (19,863) |
| | \$206,920 | \$225,506 |

6) Fair Value Measurement

The Plan's investments are measured and categorized according to fair value hierarchy guidelines established by GAAP.

The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets.
- *Level 2:* Observable inputs other than quoted market prices in active market; and,
- *Level 3:* Significant unobservable inputs.

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At December 31, 2024, the Plan had the following recurring fair value measurements (\$ in thousands):

**THE CITY OF DALLAS
Investments at Fair Value Measurement
As of December 31, 2024**

| | Total 12/31/2024 | Fair Value Measurements Using | | |
|--|---------------------|-------------------------------|-------------------|---------------|
| | | Level 1 | Level 2 | Level 3 |
| Investments by Fair Value Level | | | | |
| Cash and Short Term Investment: | | | | |
| Short-Term Investment Fund | \$ 105,936 | \$ 105,936 | | |
| Total Cash and Short Term Investment | \$ 105,936 | \$ 105,936 | - | - |
| Fixed Income: | | | | |
| Domestic Asset and Mortgage Backed Securities | \$ 63,857 | \$ - | \$ 63,857 | \$ - |
| Government and US Agency Obligations | 254,931 | - | 254,931 | - |
| Corporate and Taxable Municipal Bonds | 458,265 | - | 458,265 | - |
| Index Commingled | - | - | - | - |
| Total Fixed Income | \$ 777,053 | \$ - | \$ 777,053 | \$ - |
| Equity: | | | | |
| Domestic Common and Preferred Stock | \$ 872,688 | \$ 872,532 | \$ - | \$ 156 |
| International Common and Preferred Stock | 423,366 | 423,615 | (249) | - |
| Total Equity | \$ 1,296,054 | \$ 1,296,147 | \$ (249) | \$ 156 |
| Total Investments by Fair Value Level | \$ 2,179,043 | \$ 1,402,083 | \$ 776,804 | \$ 156 |
| Investments Measured at Net Asset Value | | | | |
| Commingled Funds: | | | | |
| Corporate bonds | \$ 356,326 | | | |
| Index Commingled-Corporate Bonds | 200,399 | | | |
| Domestic Equity and Collective Trust | 302,258 | | | |
| International Equity | 7,574 | | | |
| Total Commingled Funds | \$ 866,557 | | | |
| Alternative Investments: | | | | |
| Private Equity | \$ 369,482 | | | |
| Real Estate | 339,290 | | | |
| Total Alternative Investments | \$ 708,772 | | | |
| Total Investments Measured at Net Asset Value | \$ 1,575,329 | | | |

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At December 31, 2023, the Plan had the following recurring fair value measurements (\$ in thousands):

**THE CITY OF DALLAS
Investments at Fair Value Measurement
As of December 31, 2023**

| | Total 12/31/2023 | Fair Value Measurements Using | | |
|--|---------------------|-------------------------------|---------------------|---------------|
| | | Level 1 | Level 2 | Level 3 |
| Investments by Fair Value Level | | | | |
| Cash and Short Term Investment: | | | | |
| Short-Term Investment Fund | \$ 95,324 | \$ 95,324 | \$ - | \$ - |
| Total Cash and Short Term Investment | \$ 95,324 | \$ 95,324 | \$ - | \$ - |
| Fixed Income: | | | | |
| Domestic Asset and Mortgage Backed Securities | \$ 71,789 | \$ - | \$ 71,789 | \$ - |
| Government and US Agency Obligations | 316,367 | - | 316,367 | - |
| Corporate and Taxable Municipal Bonds | 541,785 | - | 541,785 | - |
| Index Commingled | 90,679 | 17,428 | 73,251 | - |
| Total Fixed Income | \$ 1,020,620 | \$ 17,428 | \$ 1,003,192 | \$ - |
| Equity: | | | | |
| Domestic Common and Preferred Stock | \$ 979,942 | \$ 979,665 | \$ 121 | \$ 156 |
| International Common and Preferred Stock | 416,834 | 416,510 | 324 | - |
| Total Equity | \$ 1,396,776 | \$ 1,396,175 | \$ 445 | \$ 156 |
| Total Investments by Fair Value Level | \$ 2,512,720 | \$ 1,508,927 | \$ 1,003,637 | \$ 156 |
| Investments Measured at Net Asset Value | | | | |
| Investments Measured at Net Asset Value | | | | |
| Commingled Funds: | | | | |
| Corporate bonds | \$ 118,580 | | | |
| Index Commingled-Corporate Bonds | 25,961 | | | |
| Domestic Equity and Collective Trust | 281,190 | | | |
| International Equity | 7,006 | | | |
| Total Commingled Funds | \$ 432,737 | | | |
| Alternative Investments: | | | | |
| Private Equity | \$ 371,556 | | | |
| Real Estate | 339,923 | | | |
| Total Alternative Investments | \$ 711,479 | | | |
| Total Investments Measured at Net Asset Value | \$ 1,144,216 | | | |

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

Private Placement Debt

Private placement debt is initially stated at its fair value, which is adjusted for any transaction costs directly associated with its issuance. Subsequently, the debt is carried at its amortized cost, accounting for adjustments related to discounts or premiums over the term of the debt. They are included with Corporate Bonds.

Commingled Funds

Commingled funds are fund-structure investments reported by the fund managers at NAV per share.

Neuberger Berman, Northern Trust Asset Management S&P 500 Index, Northern Trust ACWI Index, Northern Trust Aggregate Bond Index and BlackRock do not have a redemption period notice requirement. They may be redeemed at any time by the Plan. Earnest Partners has a redemption period notice requirement of 5 days.

Real Estate

Real Estate investments are held either in separate accounts, as a limited partner, or in a joint venture. These investments are illiquid and resold at varying rates, with distributions received over the life of the investments. They are typically not redeemed, nor do they have set redemption schedules. Estimated fair values of investments are determined by the fund managers based on their best estimates using fair value estimation techniques substantiated, in part, by their audited financial statements and supported by the due diligence of the Plan.

The Plan invests in:

- AEW partners
- Brasa Capital Management
- Heitman's core real estate fund
- Invesco's core fund
- Invesco II
- Long Wharf Capital
- Virtus Real Estate Cap

The redemption schedule for each Real Estate investment is as follows:

AEW Partners redemption is at the sole discretion of AEW's general partner; no limited partner of AEW has the right to cause a redemption.

Heitman's core real estate fund does not have a redemption period notice requirement. Heitman may be redeemed quarterly at any time by the Plan.

Invesco's core fund has a 45-day redemption period.

Invesco II manages 1900 McKinney, LLC. There is no redemption period.

Virtus Real Estate Cap's redemption is at the sole discretion of Virtus' general partner; no limited partner of Virtus has the right to cause a redemption.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

Unfunded commitments at December 31, 2024 for real estate are as follows:

AEW Partners \$12 million

Brasa Capital Management \$3 million

Long Wharf Capital \$11 million

Private Equity

Private equity holdings include fund-structure investments with general partners. By their nature, these investments are illiquid and typically not resold or redeemed.

Private equity managers' expectations that the underlying assets of the funds will be liquidated in the future as follows:

Fairview Lone Star Fund: 12 years from subscription date with 3 one-year extensions.

GCM Grosvenor: 15th anniversary of subscription date with 3 one-year extensions.

Hamilton Lane: 10 -14 years after subscription date with 2 one-year extensions.

Upon initial investment with a general partner or in certain fund-structures, the Plan commits to a certain funding level for the duration of the contract. At will, the partners or fund managers may request that the Plan fund a portion of this amount. Such amounts remaining as of December 31, 2024, and 2023 for investments measured at NAV are disclosed as unfunded commitments.

Unfunded commitments at December 31, 2024 for private equity are as follows:

Fairview Lone Star Fund \$38 million

GCM Grosvenor \$43 million

Hamilton Lane \$87 million

Silver Point \$18 million

7) Securities Lending

During the year, Northern Trust lent, on behalf of the Plan, securities held by Northern Trust as Plan custodian and received cash, United States government securities, agency securities, and irrevocable bank letters of credit as collateral. Northern Trust did not have the ability to pledge or sell collateral securities absent a borrower default. Northern Trust's Core USA Collateral Section establishes requirements for participation, collateralization levels, cash and non-cash collateral guidelines, and investment guidelines for the collateral received from borrowers. Borrowers were required to put up collateral for each loan equal to: (i) in the case of loaned securities, the collateral for which is all denominated in the same currency as the loaned securities, 102% of the fair value of the loaned securities plus any accrued but unpaid distributions thereon, and (ii) in the case of loaned securities denominated in a different currency from the loaned securities, 105% of the fair value of the loaned securities plus any accrued but unpaid distributions thereon. Additionally, the guidelines set maturity/liquidity requirements for the collateral received from borrowers.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

The following table shows for open loans at December 31, 2024 and 2023, the type of collateral held, the fair value of the securities on loan, and the fair value of the collateral held (\$ in thousands).

| | <u>12/31/2024</u> | | | <u>12/31/2023</u> | | |
|------|-------------------|-----------------------|-----------------------|-------------------|-----------------------|-----------------------|
| Type | Fair Value | Collateral Fair Value | Collateral Percentage | Fair Value | Collateral Fair Value | Collateral Percentage |
| Cash | \$194,307 | \$199,812 | 103% | \$230,957 | \$237,524 | 103% |

The following represents the balances relating to the Securities Lending transactions as of December 31, 2024, and 2023 (\$ in thousands):

| | <u>12/31/2024</u> | | | <u>12/31/2023</u> | | |
|---------------------------------|-----------------------|-----------------------------|----------------------------------|-----------------------|-----------------------------|----------------------------------|
| Securities Lent | Underlying Securities | Securities Collateral Value | Cash Collateral Investment Value | Underlying Securities | Securities Collateral Value | Cash Collateral Investment Value |
| Lent for cash collateral: | | | | | | |
| Domestic equities | \$45,023 | \$- | \$46,221 | \$36,960 | \$- | \$38,125 |
| Domestic Agencies | 113 | - | 116 | 157 | - | 162 |
| Domestic corporate fixed income | 104,623 | - | 107,239 | 138,738 | - | 142,729 |
| Global corporate fixed income | 559 | - | 605 | 2,006 | - | 2,117 |
| Global government fixed income | 2,508 | - | 2,724 | 1,468 | - | 1,559 |
| International equities | 8,629 | - | 9,318 | 747 | - | 791 |
| Global Agencies | 195 | - | 213 | 226 | - | 234 |
| US government fixed | 32,657 | - | 33,376 | 50,655 | - | 51,807 |
| Subtotal | \$194,307 | \$- | \$199,812 | \$230,957 | \$- | \$237,524 |

Disclosure of Securities Lending income is shown gross with the associated reductions for investment expenses on the Statements of Changes in Fiduciary Net Position, and the cash collateral and associated securities lending payable is shown on the Statements of Fiduciary Net Position for December 31, 2024, and 2023. The net income from Securities Lending in 2024 was \$1.08 million compared to \$1.27 million in 2023.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

8) Federal Income Tax Status

The Internal Revenue Service issued a determination letter dated August 15, 2016, stating that the Plan was designed in accordance with applicable Internal Revenue Code requirements as of that date. The Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, the Plan was qualified, and the related trust was tax-exempt as of the financial statement dates.

9) Capital Assets

Capital Assets activity for the years ended December 31, 2024, and 2023, was as follows (\$ in thousands):

| | Balance 12/31/2022 | Increase | Decrease | Balance 12/31/2023 | Increase | Decrease | Balance 12/31/2024 |
|---|-----------------------|----------|----------|-----------------------|----------|----------|-----------------------|
| Capital asset not being depreciated/amortized | | | | | | | |
| Construction in Progress | \$ - | \$ 223 | \$ (223) | \$ - | - | - | - |
| Capital assets being depreciated/amortized | | | | | | | |
| intangible assets | 8,158 | 223 | - | 8,381 | - | - | 8,381 |
| Furniture, Fixture and Equipment | 99 | 5 | (5) | 99 | - | (32) | 67 |
| Less | | | | | | | |
| Accumulated amortization intangible Assets | (2,003) | (827) | - | (2,830) | (839) | - | (3,669) |
| Accumulated depreciation FF&E | \$ (22) | \$ (14) | \$ - | \$ (36) | \$ - | \$ 3 | \$ (33) |
| Total capital asset being depreciated/amortized net of accumulated Depreciation/Amortization | \$ 6,232 | \$ (613) | \$ (5) | \$ 5,614 | \$ (839) | \$ (29) | \$ 4,746 |
| Total Capital Assets, net of Accumulated depreciation amortization | \$ 6,232 | \$ (390) | \$ (228) | \$ 5,614 | \$ (839) | \$ (29) | \$ 4,746 |

Schedule of Net Pension Liability

a) The components of the Net Pension Liability of the City at December 31, 2024 and 2023 were as follows (\$ in thousands).

| <u>Description</u> | <u>2024</u> | <u>2023</u> |
|---|-------------|-------------|
| Total Pension Liability | \$5,614,481 | \$6,647,257 |
| Plan Fiduciary Net Position | 3,757,482 | 3,649,102 |
| Net Pension Liability | 1,856,999 | 2,998,155 |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 66.92% | 54.90% |

**EMPLOYEES’ RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

b) Actuarial Methods and Assumptions:

| | |
|-------------------------------|---|
| Valuation date | December 31, 2023, for most recent ADEC shown on Schedule of Contributions. December 31, 2024, for Net Pension Liability |
| Actuarial cost method | Entry Age Normal |
| Asset valuation method | 5-year smoothed market |
| Amortization method | The ADEC is initially based on a 30-year open amortization period. As specified in City Ordinance No. 25695, the rate may not change from year-to-year if the calculated rate is 300 basis points higher or lower than the current rate. |
| Remaining Amortization Period | Not determined, see description of amortization method. |
| Investment rate of return | 7.25% |
| Salary increases | 3.00% to 8.25%, including inflation. |
| Inflation | 2.50% per year |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the December 31, 2019 valuation pursuant to an experience study of the 5-year period ended December 31, 2019. |
| Mortality | <p>For Healthy Retirees: The gender-distinct 2019 Texas Municipal Retirees Mortality Tables are used for males and females, respectively. The rates are projected from 2019 on a fully generational basis using Scale UMP.</p> <p>For Disabled Lives: The gender-distinct 2019 Texas Municipal Retirees Mortality Tables are used for males and females respectively, set forward 4 years for males and 3 years for females. The rates are projected from 2019 on a fully generational basis using Scale UMP.</p> <p>For Actives: The PubG-2010 Employee Mortality Table are used for males and females. The rates are projected from 2010 on a fully generational basis using Scale UMP.</p> |

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

Other Information

Notes: The assumptions described above were for the most recent ADEC shown in the Schedule of Contributions. The assumptions used in determining the Net Pension Liability as of December 31, 2024, were those used in the actuarial valuation as of December 31, 2024.

The long-term rate of return on pension plan investments was estimated using a building block methodology in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real return rates by the target asset allocation percentage and by adding expected inflation.

The following table shows the best estimates of arithmetic real rates of return for each of the Plan's asset classes.

| Asset Class | Long-Term Expected Real Rate of Return |
|------------------------------|--|
| Domestic Equity | 4.35% |
| International Equity | 5.35% |
| Global Equity | 4.90% |
| Global Low Volatility Equity | 5.65% |
| Private Equity | 6.25% |
| Core Bond | 5.20% |
| High Yield | 6.35% |
| Private Credit | 7.75% |
| Cash | 3.60% |
| Credit Opportunities | 6.40% |
| US Reits | 5.70% |
| Private RE Core | 5.80% |
| Private RE Value Add | 7.35% |
| MLPs | 6.45% |
| Global Public infrastructure | 5.45% |
| Market Alternatives | 6.35% |

- c) The single discount rate for 2023 was 5.54%. This single discount rate was based on the expected rate of return on pension plan investments of 7.25% and the municipal bond rate of 3.77%. In 2024, a single discount rate of 7.25% was used to measure the total pension liability based on the expected return on pension plan investments. The projection of cash flows used to determine this single discount rate assumed that plan member contributions and employer contributions will be made at the projected future contribution rates assuming that the ERF annually earns 7.25% on its market value of assets and that the number of active members remains constant in the future. Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance all projected benefit payments. As a result, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments and the Single Discount Rate is equal to the long-term expected rate of return of 7.25%.

EMPLOYEES’ RETIREMENT FUND OF
THE CITY OF DALLAS

Notes to the Financial Statements
December 31, 2024 and 2023

d) Below is a table providing the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the Plan’s net pension liability, if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate.

Sensitivity of the Net Pension Liability for FY2024
To the Single Discount Rate Assumption
(\$000)

| <u>1% Decrease</u> | <u>Current Single Discount Rate</u> | <u>1% Increase</u> |
|--------------------|-------------------------------------|--------------------|
| <u>6.25%</u> | <u>7.25%</u> | <u>8.25%</u> |
| \$2,505,941 | \$1,856,999 | \$1,314,471 |

Sensitivity of the Net Pension Liability for FY2023
To the Single Discount Rate Assumption
(\$000)

| <u>1% Decrease</u> | <u>Current Single Discount Rate</u> | <u>1% Increase</u> |
|--------------------|-------------------------------------|--------------------|
| <u>4.54%</u> | <u>5.54%</u> | <u>6.54%</u> |
| \$3,875,545 | \$2,998,155 | \$2,273,343 |

10) Implementation of New Accounting Standards

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, will enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This statement also addresses corrections of errors in previously issued financial statements. The Fund has implemented this Statement in the current fiscal year and there were no changes to the financial statements.

GASB Statement No. 101, *Compensated Absences*, will better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

Notes to the Financial Statements
December 31, 2024 and 2023

The Fund has implemented this Statement in the current fiscal year with no additional changes in the liability calculation.

11) Subsequent Events

On August 14, 2024, the City Council amended Chapter 40A, Retirement, of the Dallas City Code. This amendment was also approved by a majority of the city's qualified voters at an election held on November 5, 2024. Subsequent to the applicable five-year phase-in period beginning on October 1, 2025, the City will generally make contributions to the Plan, minus the member contributions, sufficient to amortize the unfunded actuarial accrued liability as of December 31, 2024, within 30 years.

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REQUIRED
SUPPLEMENTARY INFORMATION

(unaudited)

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SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

(\$ in thousands)

| FY ended December 31, 2024 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$157,423 | \$152,774 | \$94,476 | \$141,653 | \$118,452 | \$124,289 | \$84,843 | \$81,178 | \$133,457 | \$78,020 |
| Interest on the Total Pension Liability | 362,610 | 346,704 | 360,815 | 322,901 | 330,348 | 325,767 | 332,011 | 325,620 | 305,826 | 313,847 |
| Difference between Expected and Actual Experience | (2,815) | 89,578 | 56,503 | 30,791 | (82,641) | (7,819) | 4,793 | (59,066) | (38,327) | (26,829) |
| Assumption Changes | (1,188,687) | (103,487) | 1,226,214 | (1,303,800) | 479,292 | (43,032) | 1,020,969 | - | (1,227,079) | 1,238,431 |
| Benefit Payments | (348,938) | (328,296) | (317,528) | (296,586) | (287,465) | (278,007) | (263,981) | (253,534) | (243,775) | (235,106) |
| Refunds | (12,369) | (12,700) | (12,158) | (10,452) | (6,857) | (10,436) | (8,515) | (8,156) | (5,864) | (4,854) |
| Net Change in Total Pension Liability | (1,032,776) | 144,573 | 1,408,322 | (1,115,493) | 551,129 | 110,762 | 1,170,121 | 86,042 | (1,075,762) | 1,363,509 |
| Total Pension Liability Beginning | 6,647,257 | 6,502,684 | 5,094,362 | 6,209,855 | 5,658,726 | 5,547,964 | 4,377,844 | 4,291,802 | 5,367,564 | 4,004,055 |
| Total Pension Liability Ending (a) | \$5,614,481 | \$6,647,257 | \$6,502,684 | \$5,094,362 | \$6,209,855 | \$5,658,726 | \$5,547,964 | \$4,377,844 | \$4,291,802 | \$5,367,564 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Employer Contributions | \$80,782 | \$73,939 | \$67,288 | \$63,584 | \$61,615 | \$62,177 | \$60,924 | \$58,966 | \$56,130 | \$50,721 |
| Employee Contributions | 74,830 | 70,025 | 63,427 | 59,256 | 58,358 | 58,314 | 56,772 | 55,175 | 53,436 | 50,742 |
| Pension Plan Net Investment Income | 324,930 | 339,879 | (368,929) | 578,010 | 229,105 | 550,942 | (167,783) | 413,510 | 294,918 | (53,344) |
| Benefit Payments | (348,938) | (328,296) | (317,528) | (296,587) | (287,465) | (278,007) | (263,981) | (253,534) | (243,775) | (235,106) |
| Refunds | (12,369) | (12,700) | (12,158) | (10,452) | (6,857) | (10,436) | (8,515) | (8,156) | (5,864) | (4,598) |
| Pension Plan Administrative Expense | (10,005) | (9,184) | (9,035) | (7,349) | (5,699) | (7,513) | (7,485) | (5,951) | (5,343) | (4,598) |
| Other | (850) | (841) | - | - | (392) | 298 | 121 | 207 | 333 | 162 |
| Net Change in Plan Fiduciary Position | 108,380 | 132,822 | (576,935) | 386,462 | 48,665 | 375,775 | (329,947) | 260,217 | 149,835 | (196,277) |
| Plan Fiduciary Net Position - Beginning | 3,649,102 | 3,516,280 | 4,093,215 | 3,706,753 | 3,658,088 | 3,282,313 | 3,612,260 | 3,352,043 | 3,202,208 | 3,398,485 |
| Plan Fiduciary Net Position - Ending (b) | 3,757,482 | 3,649,102 | 3,516,280 | 4,093,215 | 3,706,753 | 3,658,088 | 3,282,313 | 3,612,260 | 3,352,043 | 3,202,208 |
| Net Pension Liability Ending (a)-(b) | 1,856,999 | \$2,998,155 | \$2,986,404 | \$1,001,147 | \$2,503,102 | \$2,000,638 | \$2,265,651 | \$765,584 | \$939,759 | \$2,165,356 |
| Plan Fiduciary Net Position as Percentage of Total Pension Liability | 66.92% | 54.90% | 54.07% | 80.35% | 56.69% | 64.65% | 59.16% | 82.51% | 78.10% | 59.66% |
| Covered Payroll | \$556,566 | \$530,702 | \$476,601 | \$442,863 | \$428,824 | \$433,890 | \$423,083 | \$410,913 | \$402,077 | \$383,669 |
| Net Pension Liability as a Percentage of Covered Payroll | 333.65% | 564.94% | 626.60% | 226.06% | 583.71% | 461.09% | 535.51% | 186.31% | 233.73% | 564.38% |

The covered payroll is the sum of the active members' pay for valuation purposes as of the measurement date. An active member's valuation pay is the greater of their actual pay for the just completed calendar year or their current annual rate of pay.

SCHEDULE OF MONEY-WEIGHTED RATES OF RETURN

SCHEDULE OF MONEY-WEIGHTED RATES OF RETURN

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------------|-------|--------|--------|--------|-------|--------|--------|--------|-------|--------|
| Rate of Return: | 9.08% | 10.17% | -8.23% | 16.25% | 5.75% | 17.33% | -4.99% | 13.08% | 8.88% | -1.92% |

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

(\$ in thousands)

| FY Ending December 31, 2024 | Actuarially Determined Contribution ¹ | Actual Contributions ² | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|-----------------------------------|--|--------------------------------------|--|--------------------|--|
| 2015 | \$64,648 | \$50,721 | \$13,927 | \$383,669 | 13.22% |
| 2016 | 84,316 | 56,130 | 28,186 | 402,077 | 13.96% |
| 2017 | 86,785 | 58,966 | 27,819 | 410,913 | 14.35% |
| 2018 | 90,328 | 60,924 | 29,404 | 423,083 | 14.40% |
| 2019 | 87,455 | 62,177 | 25,278 | 433,591 | 14.34% |
| 2020 | 93,226 | 61,615 | 31,611 | 434,214 | 14.19% |
| 2021 | 99,279 | 63,584 | 35,695 | 452,709 | 14.05% |
| 2022 | 104,309 | 67,288 | 37,021 | 479,089 | 14.05% |
| 2023 | 111,858 | 73,939 | 37,919 | 526,444 | 14.05% |
| 2024 | 123,352 | 80,782 | 42,570 | 583,264 | 13.85% |

Notes to Schedule:

- The actuarially determined employer contribution (ADEC) shown is based on employer contribution rates using a 30-year open amortization period and actual payroll.
- The actual City contribution rate is set by City Ordinance No. 25695. The actual rate does not change from year to year unless the actuarially determined rate is at least 300 basis points higher or lower than the current contribution rate. If the actuarially determined rate is more than 300 basis points different, then the contribution rate is adjusted to halfway between the current rate and the actuarially determined rate, but the rate does not increase or decrease by more than 10% in any year. Since the City's fiscal year is October 1 to September 30 and the Fund's fiscal year is the calendar year, the contribution amounts shown above are a blend of the City's two fiscal year rates that occur during the calendar year.
- For this exhibit, the covered payroll is the estimated payroll for the calendar year on which contributions were made.

OTHER
SUPPLEMENTARY INFORMATION

(unaudited)

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SCHEDULE OF ADMINISTRATIVE EXPENSES

FY 2024

(\$ in thousands)

Personal Services:

| | |
|--------------------------------|----------------|
| Salaries | \$4,986 |
| Retirement | 697 |
| Insurance | 145 |
| Total Personal Services | \$5,828 |

Professional Services:

| | |
|------------------------------------|--------------|
| Actuary Service | \$107 |
| Accounting & Audit Fees | 93 |
| Legal Fees | 762 |
| Total Professional Services | \$962 |

Operating Services:

| | |
|---------------------------------|----------------|
| Data Processing | \$1,205 |
| Rent | 550 |
| Supplies and Services | 77 |
| Travel and Training | 137 |
| Indirect and Other Costs | 889 |
| Total Operating Services | \$2,858 |

Furniture & Fixtures:

| | |
|---------------------------------------|--------------|
| Furniture | \$33 |
| Other | 324 |
| Total Furniture & Fixtures | \$357 |

| | |
|--------------------------------------|-----------------|
| Total Administrative Expenses | \$10,005 |
|--------------------------------------|-----------------|

SCHEDULE OF INVESTMENT EXPENSES

as of December 31, 2024
(\$ in thousands)

| | |
|----------------------------------|-----------------|
| Manager Fees | \$18,850 |
| Custodian Fees | 110 |
| Securities Lending Fees* | 269 |
| Investment Consultant Fees | 736 |
| Total Investment Expenses | \$19,965 |

*Securities lending fees include broker rebates and the lending agent's fees.

SCHEDULE OF PAYMENTS FOR PROFESSIONAL SERVICES

as of December 31, 2024
(\$ in thousands)

Accounting and Audit:

| | |
|----------------------------|------|
| Weaver and Tidwell, L.L.P. | \$47 |
| STP Investment Services | 46 |

Actuarial:

| | |
|----------------------------------|-------|
| Gabriel, Roeder, Smith & Company | \$107 |
|----------------------------------|-------|

Legal:

| | |
|-----------------------|-------|
| BAKER & HOSTETLER LLP | \$118 |
| FOSTER GARVEY | 426 |
| LOCKE LORD | 218 |

| | |
|---|--------------|
| Total Professional Services Payments | \$962 |
|---|--------------|

INVESTMENT SECTION





1299 Ocean Ave, Ste 700
Santa Monica, CA 90401 USA

+1 310 451 3051

Ms. Cheryl Alston
Executive Director
Employees' Retirement Fund of the City of Dallas
1920 McKinney Ave. 10th Floor
Dallas, TX 75201
Re: 2024 Performance Results

Dear Cheryl:

The purpose of this letter is to review the 2024 investment performance results of the Employees' Retirement Fund of the City of Dallas (hereby referred to as "ERF" or "the Fund").

Capital market assumption changes to the various asset classes reflect changes in underlying economic and market conditions as well as a discounting of how those conditions might evolve in the future. An important shift began a couple of years ago, when in early 2022, the Federal Open Market Committee aggressively raised rates in response to high inflation. Rates were increased by 525 basis points during a 17-month period before pausing for roughly one year. The U.S. central bank pivoted to decreasing rates in late 2024 by a total of 100 basis points in three meetings, settling on a range of 4.25% to 4.50% for their short-term overnight rate. Further out on the Treasury curve, the bellwether 10-year Treasury experienced a rollercoaster-like year before finishing at 4.57%. The curve generally ended an extended period of inversion (except in the very short end) with the 10-year to 2-year spread at +33 basis points versus -37 basis points to end 2023. Reported economic growth was solid for 2024, equaling 3.1% (annualized) for the third quarter and 2.7% for the twelve months ending in September. The main driver of economic growth has been consumer spending, although private and government spending has also increased. In fact, only net exports detracted from growth during the past year. From an expected return perspective, elevated valuations and rising rates have led to a drop in expected returns on stocks but an increase for fixed income asset classes.

The FT Wilshire 5000 Index was up 23.8% during 2024, with the U.S. market's largest sector, information technology, up by more than 35% for the year. The second largest sector, financials, also increased, rising nearly 31%. The annual return nearly matched the return for 2023, while the five-year return now equals a quite strong 14.1%, annualized. Non-U.S. equities were up, as well, but trailed the U.S. equity market. Developed markets (MSCI EAFE Index, 4.3%) trailed emerging markets (MSCI EM Index, 8.1%) due, in part, to a possible turnaround in China after several stimulative macroeconomic policies were announced in September. Meanwhile, Europe's largest economic engines – Germany, the United Kingdom, and France – are all experiencing slowdowns. With yields generally rising in the intermediate to long portion of the curve, fixed income allocations managed a modest gain during 2024. Spread sectors were stronger as spreads fell throughout the year. Investment-grade bonds (Bloomberg Corporate Index, 2.1%) trailed high yield for the year (Bloomberg High Yield Index, 8.2%). The aggregate spread on the high yield market finished the year at 2.87% versus 3.23% a year earlier.

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When looking at segment level performance, all the Fund's composites ended the year with positive returns in line with the market. Domestic and Global equities posted solid gains, returning 21.68% and 15.76% for the year, respectively. However, Global Listed Infrastructure was a standout performer, surging 31.69% for the year, benefiting from increased investment in stable, long-term assets. The Opportunistic Credit portfolio contributed strong double-digit gains of 10.24% for the year. Private equity remained a key driver of returns, delivering a 12.70% annualized return since inception in 2009, reinforcing its role in the portfolio's growth. Domestic equities continued to generate strong long-term performance, with an 11.83% annualized return over the past decade, while global equities maintained steady growth, returning 9.29% since inception in 2012. Despite trailing broader equities, global low-volatility strategies played a valuable role in mitigating risk within the portfolio.

The approved allocations as of the end of 2024 were:

| <u>Asset Class</u> | <u>Allocation</u> |
|---------------------------------|-------------------|
| Domestic Equity | 12.0% |
| International Equity | 11.5% |
| Global Equity | 5.0% |
| Global Low Volatility Equity | 10.0% |
| Investment Grade Fixed Income | 17.5% |
| High Yield | 10.0% |
| Credit Opportunities | 4.0% |
| Global Public Infrastructure | 1.25% |
| REIT | 2.5% |
| Private Real Estate – Core | 5.0% |
| Private Real Estate – Value Add | 2.5% |
| Private Equity | 10.0% |
| Private Credit | 2.5% |
| Marketable Alternatives | 2.5% |
| MLP | 3.75% |

* All portfolios are valued at the end of each month. Wilshire calculates performance in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Wilshire measures investment managers' performance using the Modified Dietz method, which is the GIPS recommended approximation of the time-weighted rate of return daily valuation method.

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Wilshire annually publishes a research paper detailing our long-term nominal return forecast for the next ten years. Our geometric return forecasts are shown below for the major asset classes. Changes in equity valuations, inflation expectations, and rising bond yields were drivers of year-over-year changes to our forward-looking assumptions:

| Investment Categories | Total Return | | | Risk | | |
|--------------------------------------|--------------|---------------|---------|---------|----------------|--------|
| | Dec-23 | Dec-24 | Change | Dec-23 | Dec-24 | Change |
| U.S. Stock | 5.00 % | 4.35 % | -0.65 % | 17.00 % | 17.00 % | 0.00 % |
| Dev Ex-U.S. Stock (USD) | 6.00 | 5.35 | -0.65 | 18.00 | 18.00 | 0.00 |
| Emerging Market Stock | 6.25 | 5.60 | -0.65 | 26.00 | 26.00 | 0.00 |
| Global Stock | 5.60 | 4.90 | -0.70 | 17.05 | 17.00 | -0.05 |
| U.S. Buyouts | 7.00 | 5.35 | -1.65 | 30.00 | 30.00 | 0.00 |
| Cash Equivalents | 3.80 | 3.60 | -0.20 | 0.75 | 0.75 | 0.00 |
| Core Bond | 4.75 | 5.20 | 0.45 | 4.70 | 4.75 | 0.05 |
| LT Core Bond | 4.70 | 5.35 | 0.65 | 9.85 | 9.90 | 0.05 |
| U.S. TIPS | 4.15 | 4.70 | 0.55 | 6.00 | 6.00 | 0.00 |
| High Yield Bond | 5.90 | 6.35 | 0.45 | 10.00 | 10.00 | 0.00 |
| Direct Lending | 8.35 | 8.15 | -0.20 | 10.00 | 10.00 | 0.00 |
| Non-U.S. Bond (HDG) | 2.85 | 3.00 | 0.15 | 4.00 | 4.00 | 0.00 |
| U.S. RE Securities | 5.60 | 5.70 | 0.10 | 17.50 | 17.50 | 0.00 |
| Core Prvt Real Estate | 5.35 | 5.80 | 0.45 | 12.00 | 12.00 | 0.00 |
| Commodities* | 4.80 | 4.85 | 0.05 | 16.00 | 16.00 | 0.00 |
| Inflation | 2.25 | 2.35 | 0.10 | 1.75 | 1.75 | 0.00 |
| Total Returns Minus Inflation | | | | | | |
| U.S. Stocks | 2.75 | 2.00 | -0.75 | | | |
| U.S. Bonds | 2.50 | 2.85 | 0.35 | | | |
| Cash Equivalents | 1.55 | 1.25 | -0.30 | | | |
| Stocks Minus Bonds | 0.25 | -0.85 | -1.10 | | | |
| Bonds Minus Cash | 0.95 | 1.60 | 0.65 | | | |

As always, we thank you for the opportunity to be of service to the Employees' Retirement Fund of the City of Dallas.

Sincerely,

Thomas Toth, CFA
Managing Director
TToth@wilshire.com

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INVESTMENT POLICIES SUMMARY

STATEMENT OF GOALS

The general investment goals are broad in nature to encompass the purpose of the Employees' Retirement Fund of the City of Dallas ("ERF" or the "Fund") and its investments. The goals articulate the philosophy by which the ERF Board of Trustees ("Board") will manage the Fund's assets within the applicable regulatory constraints.

1. The overall goal of the Fund is to provide benefits, as anticipated under the Plan document, Dallas City Code Chapter 40A, to its participants and their beneficiaries through a carefully planned and executed investment program.
2. The Fund seeks to produce the highest return on investments which is consistent with sufficient liquidity and investment risk that are prudent and reasonable, given prevailing capital market conditions. While the importance of the preservation of capital is recognized, the theory of capital market pricing which maintains that varying degrees of investment risk should be rewarded with compensating returns is also recognized. Consequently, prudent risk taking is reasonable and necessary.
3. The Fund investment program shall at all times comply with existing and applicable local, state and federal regulations.

INVESTMENT PHILOSOPHY

The Fund is long term in nature, and the selection of investments is regulated by: the investment time horizon; the limits of acceptable risk; and the objective of optimizing the total rate of return. Each investment manager is authorized to execute investment transactions on behalf of the Board.

Investment decisions are made under the framework of the goal established for the rate of return, limits of acceptable risk, and Fund objectives. The goal is to optimize the return of the portfolio, as opposed to maximizing the rate of return.

The optimal portfolio mix is one that carefully equates expected rate of return with expected risk of all investment categories utilized in the portfolio. In setting the optimal mix of assets for the portfolio, the Board has developed a strategic asset allocation policy which incorporates a diversified asset mix. The strategic asset allocation is designed to provide an optimal diversification to reduce risk and maximize total rate of return relative to risk and the existing and projected liability structure.

The Board bases its investment strategy and goals on advice obtained from the investment consultant, the staff, and the external investment managers. The Board uses the annual external audit and annual actuarial valuation in its evaluation of the Fund's performance each year.

Article XVI, Section 67 of the Texas Constitution and Chapter 40A of the Dallas City Code give complete responsibility for the management and investment actions of the Employees' Retirement Fund to the Board of Trustees. The Board is held to the standard of conduct of fiduciaries in discharging their responsibilities. According to Chapter 40A the Trustees, as fiduciaries, must carry out their functions solely in the interest of the members and beneficiaries.

CORPORATE GOVERNANCE

The Board considers the active voting of proxies an integral part of the investment process. Proxy voting may be delegated to the discretion of investment managers retained by the Board. The managers shall be required to establish a proxy voting policy and maintain records of proxy votes and shall make these records available quarterly to the Board or its designee. The Board may at its discretion establish an overall policy of voting proxies in which case the managers' proxy voting policy shall be in accordance with that of the Board's. The Board recognizes that in certain non-U.S. markets, investment managers may, balancing the costs and benefits, not exercise proxy voting.

INVESTMENT RESULTS

The investment managers and the returns by investment category are shown in the following tables.
Time-weighted rate of return based on fair value.

| Investment Category | 2024 Rate of Return |
|------------------------------|---------------------|
| Cash Equivalents | 5.31% |
| Credit Opportunities | 10.24% |
| Domestic Equities | 21.68% |
| Global Equities | 15.76% |
| Global Fixed Income | 0.79% |
| Global Low Volatility | 13.69% |
| High Yield Bonds | 8.19% |
| International Equities | 7.99% |
| Private Equity | 1.44% |
| Global Listed Infrastructure | 31.69% |
| Real Estate | 1.93% |
| Marketable Alternatives | 9.73% |
| Total Portfolio | 9.14% |

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INVESTMENT MANAGERS

Domestic Equities, REITs, Master Limited Partnerships, & Commingled Index Funds

| | |
|----------------------------------|--|
| Adelante Capital Management, LLC | Northern Trust S&P 500 |
| Atlantic Trust | Redwood Investments, LLC |
| CenterSquare | Smith Graham & Co. Investment Advisors |
| Channing Capital Management, LLC | Systematic Financial Management, LLP |
| Cohen & Steers | T. Rowe Price Associates, Inc. |
| Harvest Fund Advisors | |

International Equities

| | |
|-------------------------------|------------------|
| Acadian Asset Management, LLC | Baillie Gifford |
| AQR Capital Management, LLC | Earnest Partners |
| Ativo Capital Management, LLC | |

Global Equity

| | |
|-------------------------------|------------------------------------|
| Acadian Global Low Volatility | Northern Trust Asset Management |
| Ariel Investments | Wellington Management Company, LLP |
| BlackRock, Inc. | |

Marketable Alternatives

| | |
|-------------------------------------|--------------------|
| Davidson Kempner Capital Management | Hudson Bay Capital |
|-------------------------------------|--------------------|

Fixed Income

| | |
|------------------------------------|---------------------------------|
| BlackRock, Inc. | Oaktree Capital Management, LLC |
| Garcia Hamilton & Associates, L.P. | Neuberger Berman |
| MGG Structures Solutions | NTAM AGG Bond Index Fund |
| Silver Point - DOIP II | Wellington - Core Bond |
| Western Asset Management | |

Cash Equivalents

| |
|----------------------------|
| The Northern Trust Company |
|----------------------------|

Private Equity

| | |
|------------------------------|---------------|
| Fairview Capital Partners | Hamilton Lane |
| Grosvenor Capital Management | |

Real Estate

| | |
|---|------------------------|
| AEW Partners | Invesco Real Estate |
| Brasa Capital Management | Long Wharf Capital |
| Heitman Real Estate Investment Management | Virtus Real Estate Cap |

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TOTAL PLAN RESULTS

The Employees' Retirement Fund of the City of Dallas ("ERF", the "Fund") investment portfolio generated a 9.14% return, net of fees, for calendar year 2024. ERF's 5-year return was 6.16%, slightly below its policy index return of 6.59%.

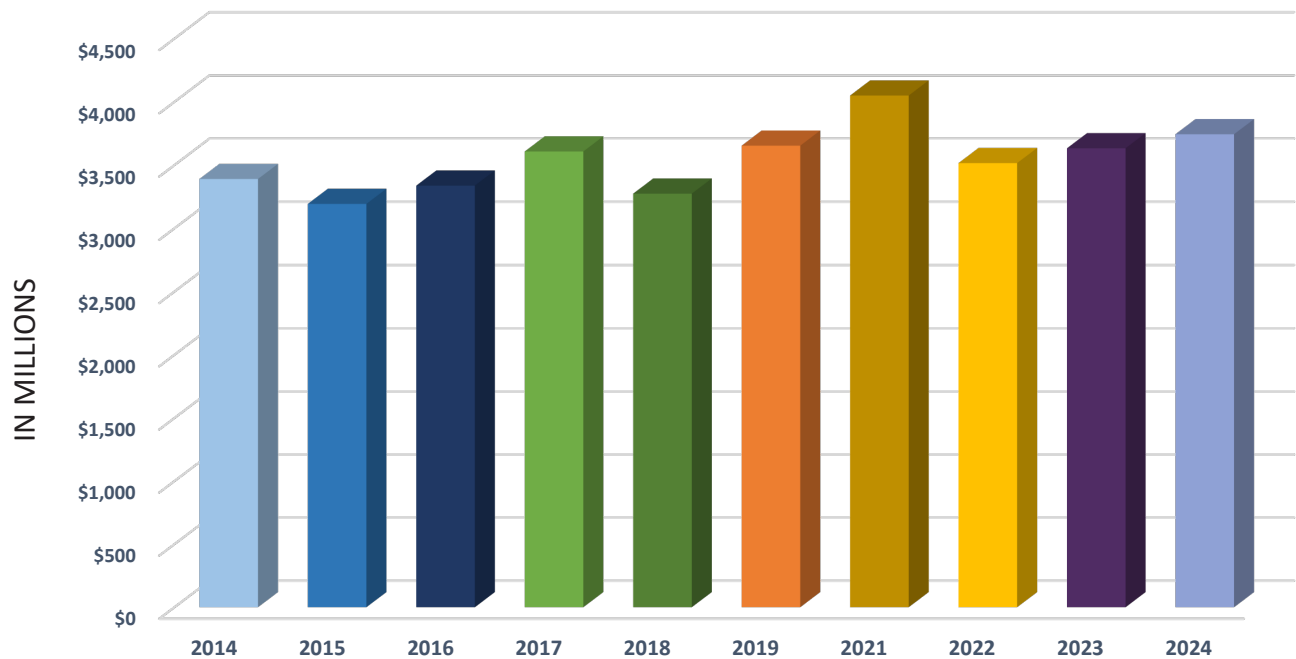
ERF maintains a globally diversified and conservative investment program. The best-performing asset class in 2024 was the Global Listed Infrastructure Composite, which returned 31.69%. This investment recorded a 3-year return of 21.03% and a 5-year return of 11.70%.

International Equity returned 7.99% in 2024. Global Low Volatility Equity returned 13.69%, outperforming the MSCI ACWI Minimum Volatility Index return of 11.37%. The Fund's Real Estate portfolio returned 1.93% for the year, consisting of publicly traded Real Estate Investment Trusts (REITs) and private core and value-add real estate funds.

Fixed Income comprises 34% of the ERF investment portfolio. The Global Fixed Income allocation returned 0.79%. The High Yield portfolio returned 8.19%, while the Opportunistic Credit portfolio returned 10.24%.

As of December 31, 2024, the Fund's total assets increased to \$3.744 billion, up from \$3.633 billion in 2023. This represents a \$111 million increase from last year. The "Market Value of Assets" graph below provides a visual summary of the Fund's 10-year growth trajectory.

FAIR VALUE OF ASSETS



ASSET ALLOCATION

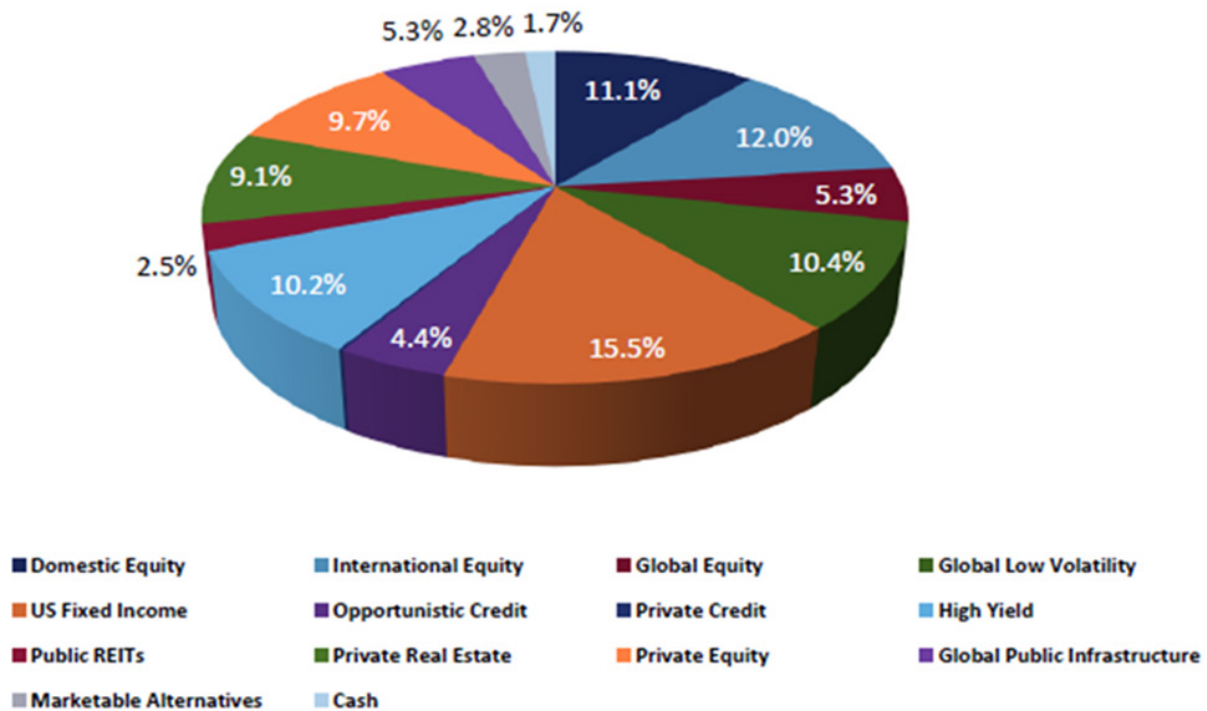
The Fund's long-term strategic asset allocation policy sets the following targets: 66% in equity and 34% in fixed income. Although no specific allocation to cash and equivalents is targeted, cash must be available for the payment of benefits and other expenses of the Plan. To accommodate constantly changing fair values, the Board has approved ranges for each of the asset classes.

ASSET ALLOCATION POLICY TARGETS

| Investment Category | % of Total Fund |
|--------------------------------------|-----------------|
| Equity | |
| Domestic Equity | 12.00% |
| International Equity | 11.50% |
| Global Equity | 5.00% |
| Global Low Volatility | 10.00% |
| Private Equity | 10.00% |
| Total Equity | 48.50% |
| Fixed Income | |
| Core Fixed Income | 17.50% |
| High Yield | 10.00% |
| Credit Opportunities | 4.00% |
| Private Credit | 2.50% |
| Total Fixed Income | 34.00% |
| Real Assets | |
| Real Estate Investment Trusts | 2.50% |
| Global Listed infrastructure | 5.00% |
| Private Real Estate | 7.50% |
| Total Real Assets | 15.00% |
| Diversifying Strategies | |
| Marketable Alternatives | 2.50% |
| Total Diversifying Strategies | 2.50% |
| Total Portfolio | 100.00% |

EQUITY, FIXED INCOME, REAL ESTATE & DIVERSIFYING STRATEGIES

ACTUAL ASSET ALLOCATION



EQUITY (Target: 48.50%)

- Domestic Equity (12.00%)**

The Domestic Equity portfolio seeks long-term capital appreciation through diversified exposure to U.S. large-, mid-, and small-cap stocks. In 2024, Domestic Equity returned 21.68%, trailing its custom benchmark return of 23.76%. Strategies are implemented through a mix of active and passive mandates, maintaining style balance and liquidity.

- International Equity (11.50%)**

International Equity offers exposure to non-U.S. developed and emerging markets. The composite returned 7.99% for the year, outperforming its custom benchmark return of 5.23%. The allocation is actively managed and provides diversification benefits due to its historically low correlation with U.S. equities.

- Global Equity (5.00%)**

Global Equity includes managers investing across both U.S. and non-U.S. markets. The strategy returned 15.76% in 2024, underperforming the 17.49% benchmark. It serves as a flexible complement to standalone U.S. and international allocations, with global mandates offering dynamic capital allocation across regions.

- Global Low Volatility Equity (10.00%)**

This segment seeks to reduce overall equity portfolio volatility through factor-based and low-beta equity strategies. The portfolio returned 13.69%, outperforming the MSCI AC World Minimum Volatility Index (Net), which returned 11.37%. These strategies tend to overweight defensive sectors such as utilities, healthcare, and consumer staples.

- **Private Equity (10.00%)**

The Private Equity program targets long-term return enhancement through commitments to buyout, growth equity, and venture capital funds. As of year-end, Private Equity represented 9.87% of the Plan and returned 1.44% in 2024. The program is diversified by vintage year, geography, and strategy.

FIXED INCOME (Target: 34.00%)

- **Core Fixed Income (17.50%)**

Core Fixed Income includes investment-grade bonds managed with a global opportunity set. In 2024, the portfolio returned 0.79%, underperforming the Bloomberg Aggregate Bond Index return of 1.25%. This allocation is designed to preserve capital and provide consistent income.

- **High Yield (10.00%)**

The High Yield segment of the portfolio returned 8.19%, slightly below the FTSE High Yield Cash Pay Index return of 8.34%. High Yield enhances return and diversifies equity beta exposure within the fixed income sleeve.

- **Credit Opportunities (4.00%)**

This flexible sleeve invests opportunistically across fixed income strategies and risk spectrums. The opportunistic credit portfolio returned 10.24% in 2024.

- **Private Credit (2.50%)**

Private Credit provides customized debt solutions to borrowers. These typically include direct lending, specialty finance, and structured capital. The allocation supports yield enhancement, diversification, and downside protection with reduced correlation to public markets.

REAL ASSETS (Target: 15.00%)

- **Real Estate Investment Trusts (2.50%)**

Public REITs returned 10.46% in 2024, outperforming the Wilshire U.S. Real Estate Securities Index at 9.15%. This allocation provides liquid real estate exposure and supports income generation through dividends and capital appreciation.

- **Global Listed Infrastructure (5.00%)**

The Fund's Global Listed Infrastructure composite returned 31.69%, trailing its benchmark (Alerian MLP and FTSE Global Core Infrastructure 50/50 Index), which returned 38.82%. These investments offer inflation sensitivity and long-duration cash flows through exposure to utilities, transportation, and energy infrastructure.

- **Private Real Estate (7.50%)**

This includes 5.00% Core Real Estate and 2.50% Value-Add Real Estate. The Core component targets stabilized, income-generating properties, while Value-Add focuses on properties undergoing repositioning, leasing, or redevelopment.

DIVERSIFYING STRATEGIES (Target: 2.50%)

- **Marketable Alternatives (2.50%)**

These strategies include absolute return, low-beta, and non-directional exposures, typically through hedge funds or liquid alternative structures. While performance is not broken out in the current year's reporting, the allocation seeks to reduce overall volatility and protect capital in adverse market environments. Strategies may include long/short equity, macro, relative value, and multi-strategy mandates, all designed to be uncorrelated with traditional equity and fixed income.

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ANNUALIZED RATE OF RETURN

As of December 31, 2024

Time-weighted rate of return based on fair value

| | 1-Year | 3-Year | 5-Year |
|--|--------------|--------------|--------------|
| Total Fund | 9.14% | 3.25% | 6.16% |
| Domestic Equity | 21.68 | 7.43 | 13.34 |
| S&P 500 Index | 25.02 | 8.94 | 14.53 |
| Wilshire 5000 Index | 23.76 | 8.12 | 14.11 |
| International Equity | 7.99 | 1.13 | 5.63 |
| MSCI ACWI x-US IMI (Net) | 5.23 | 0.50 | 4.12 |
| MSCI EAFE Index | 3.82 | 1.65 | 4.73 |
| Global Equity | 15.76 | 5.56 | 9.30 |
| MSCI AC World Index (Net) | 17.49 | 5.44 | 10.06 |
| Global Low Volatility | 13.69 | 4.37 | 5.68 |
| MSCI AC World Minimum Volatility Index (Net) | 11.37 | 2.48 | 4.72 |
| MSCI AC World Index (Net) | 17.49 | 5.44 | 10.06 |
| Global Fixed Income | 0.79 | -2.28 | 0.08 |
| Bloomberg Aggregate Bond Index | 1.25 | -2.41 | -0.33 |
| High Yield Fixed Income | 8.19 | 3.37 | 4.32 |
| FTSE High Yield Cash Pay | 8.34 | 3.11 | 4.17 |
| Real Estate | 1.93 | -0.21 | 4.71 |
| Wilshire U.S. Real Estate Securities Index | 9.15 | -2.41 | 4.57 |
| Private Equity | 1.44 | 5.47 | 11.05 |
| S&P 500 Index | 25.02 | 8.94 | 14.53 |
| Public Real Assets | 10.46 | -1.69 | 5.59 |
| Wilshire U.S. Real Estate Securities Index | 9.15 | -2.41 | 4.57 |
| Credit Opportunities | 10.24 | 3.25 | 3.52 |
| Wilshire Custom Benchmark | 7.92 | 3.05 | 3.38 |
| Global Listed Infrastructure | 31.69 | 21.03 | 11.70 |
| Wilshire Custom Benchmark | 38.82 | 26.60 | 13.32 |
| Marketable Alternatives | 9.73 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 |

Source: Wilshire 2024 presentation pages

INVESTMENT MANAGEMENT FEES

As of December 31, 2024
(\$ in thousands)

| Investment | Assets Under Management | Fees | Basis Points |
|------------------------------|-------------------------|-----------------|--------------|
| Domestic Equity | \$418,366 | \$1,352 | 32.3 |
| International Equity | 446,663 | 3,012 | 67.4 |
| Global Equity | 196,565 | 1,066 | 54.2 |
| Global Low Volatility | 389,757 | 722 | 18.5 |
| Core Fixed Income | 580,422 | 803 | 13.8 |
| High Yield Fixed Income | 375,402 | 1,766 | 21.4 |
| Real Estate | 339,290 | 2,932 | 86.4 |
| Global listed infrastructure | 197,538 | 1,287 | 65.2 |
| Marketable Alternatives | 105,871 | 1,284 | 121.3 |
| Private Equity | 366,927 | 3,433 | 93.6 |
| Credit Opportunities | 162,577 | 525 | 32.3 |
| Private Credit Fixed Income | 7,188 | 0 | 0.0 |
| REITs | 94,377 | 504 | 53.4 |
| Cash Equivalents | 62,613 | 164 | 26.2 |
| Total | \$3,743,556 | \$18,850 | 50.4 |

OTHER INVESTMENT SERVICES

As Of December 31, 2024
(\$ in thousands)

| | |
|----------------------------------|-----------------|
| Investment Consultant | \$736 |
| Investment Management Fees | 18,850 |
| Custodian Fees | 110 |
| Securities Lending Fees | 269 |
| Total Investment Expenses | \$19,965 |

TEN LARGEST HOLDINGS - EQUITY

As of December 31, 2024

(\$ in thousands)

| Equity | Shares | Fair Value |
|--------------------------------|------------|---------------|
| CF BLACKROCK MSCI ACWI MINIMUM | 8,159,819 | \$191,714,124 |
| MFB NTGI-QM COLTV DAILY S&P 50 | 7,313 | 166,072,253 |
| CF HEITMAN AMERICA REAL ESTATE | 65,497 | 80,639,556 |
| 1900 MCKINNEY HARWOOD LLC | 48,257,581 | 76,984,932 |
| GCM GROSVENOR - DALLAS ERF PAR | 40,467,087 | 63,224,559 |
| CF INVESCO CORE RE FUND | 335 | 58,608,716 |
| DAVIDSON KEMPNER INSTITUTIONAL | 45,000,000 | 53,160,195 |
| HUDSON BAY FUND LP | 45,000,000 | 52,710,722 |
| VIRTUS REAL ESTATE CAPITAL III | 42,146,491 | 50,422,548 |
| HAMILTON LANE SECONDARY FUND V | 36,473,944 | 47,823,322 |

A complete list of investments is available by contacting the Employees' Retirement Fund of the City of Dallas at 1920 McKinney Avenue, 10th Floor, Dallas, Texas 75201

TEN LARGEST HOLDINGS - FIXED INCOME

As of December 31, 2024

(\$ in thousands)

| Fixed Income | Par Value | Fair Value |
|---|------------|---------------|
| MFB NT COLLECTIVE AGG TIER H - 0.000 % due 12/31/2049 | \$337,823 | \$194,579,090 |
| MFO NEUBERGER BERMAN - 0.000 % due 12/31/2049 | 5,864,121 | 55,298,656 |
| NORTHERN TRUST COLLECTIVE ALL - 0.000 % due 12/31/2024 | 198,372 | 53,268,766 |
| CF WTC CIF II CORE BND MB - 0.000 % due 12/31/2049 | 4,648,119 | 52,942,072 |
| UNITED STATES TREAS NTS - 3.500 % due 02/15/2033 | 26,705,000 | 24,845,023 |
| UNITED STATES TREAS NTS - 1.875 % due 02/15/2032 | 17,735,000 | 14,916,093 |
| UNITED STATES OF AMER TREAS NO - 1.250 % due 08/15/2031 | 15,400,000 | 12,566,631 |
| U.S.A. TREASURY BD - 2.500 % due 02/15/2045 | 17,360,000 | 12,059,089 |
| FEDERAL HOME LN MTG CORP POOL - 3.000 % due 04/01/2052 | 13,243,743 | 11,244,732 |
| UNITED STATES OF AMER TREAS NO - 4.000 % due 02/15/2034 | 9,595,000 | 9,187,587 |

A complete list of investments is available by contacting the Employees' Retirement Fund of the City of Dallas at 1920 McKinney Avenue, 10th Floor, Dallas, Texas 75201

INVESTMENT HOLDINGS SUMMARY

As of December 31, 2024
(\$ in thousands)

| | Market Value | Percentage of Market Value |
|--|--------------------|-------------------------------|
| Fixed Income | | |
| Government Bonds | \$254,931 | 6.81% |
| Corporate Bonds | 878,448 | 23.47% |
| Total Fixed Income | 1,133,379 | 30.28% |
| Equity | | |
| Common Stock | 1,605,886 | 42.90% |
| Index & Commingled | 200,399 | 5.35% |
| Total Equity | 1,806,285 | 48.25% |
| Real Estate | | |
| Real Estate | 339,290 | 9.06% |
| Total Real Estate | 339,290 | 9.06% |
| Alternative Investments | | |
| Private Equity | 369,482 | 9.87% |
| Total Alternative Investments | 369,482 | 9.87% |
| Total Cash and Cash Equivalents | 95,120 | 2.54% |
| Total Fund | \$3,743,556 | 100.00% |

ACTUARIAL SECTION



The Report of the
December 31, 2024 Actuarial Valuation
of the Employees' Retirement Fund
of the City of Dallas

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May 2, 2025

Board of Trustees
Employees' Retirement Fund of the City of Dallas 1920 McKinney Avenue
10th Floor
Dallas, Texas 75201

Dear Members of the Board:

We are pleased to present our report of the actuarial valuation of the Employees' Retirement Fund of the City of Dallas ("ERF" or the "Fund") as of December 31, 2024.

This valuation provides information on the financial health of ERF. Changes to Chapter 40-A were approved by the City of Dallas voters in November 2024. These changes include moving to an actuarially determined contribution (ADC) rate to pay off the unfunded actuarial accrued liability within 30 years. As discussed later in this report, the move to the ADC is being phased over a five-year period. The ADC is calculated as a level percentage of pay (after the completion of the phase-in) intended to cover the normal cost of the fund, make the debt service payments on the previously issued pension obligation bonds and amortize the December 31, 2024 unfunded actuarial accrued liability (UAAL) over a closed 30- year period from the valuation date.

In addition, the report provides various summaries of the data. A separate report is issued with regard to valuation results determined in accordance with Governmental Accounting Standards Board (GASB) Statements 67 and 68. Results of this report should not be used for any other purpose without consultation with the undersigned. Valuations are prepared annually as of December 31st, the last day of the ERF plan year. This report was prepared at the request of the Board and is intended for use by the ERF staff and those designated or approved by the Board. This report may be provided to parties other than ERF staff only in its entirety and only with the permission of the Board.

As authorized in Chapter 40A-4(a)(16) of the Dallas City Code, the actuarial methods and assumptions are set by the Board of Trustees, based upon recommendations made by the plan's actuary. An experience study was performed for the five-year period ending December 31, 2019. As a result of that study, revised assumptions were adopted by the Board effective with the valuation as of December 31, 2019. There were no changes in the actuarial assumptions since the prior valuation. The method for determining the smoothed assets (actuarial value of assets) is being retained, but all deferred investment gains and losses as of December 31, 2024 are being recognized in this valuation.

We believe the assumptions are internally consistent, reasonable, and, where appropriate, based on the actual experience of the ERF. All of the methods and assumptions used for funding purposes meet the parameters set by the Actuarial Standards of Practice. All actuarial methods and assumptions are described under Section P of this report. The results of the actuarial valuation are dependent on the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions.

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Board of Trustees
May 2, 2025
Page 2

Even seemingly minor changes in the assumptions can materially change the liabilities and the calculated contribution rates. Due to the limited scope of this assignment, GRS did not perform an analysis of the potential range of such possible future differences. The actuarial calculations are intended to provide information for rational decision making. Other than the sensitivity analysis shown in Section L, this report does not include a more robust assessment of the future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment.

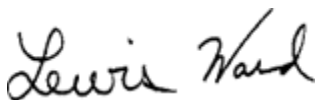
This valuation is based on the provisions of ERF in effect as of the valuation date, data on the ERF membership and information on the asset values of the Fund as of December 31, 2024. The member, annuitant and asset data used in the valuation were all prepared and furnished by ERF staff. While certain checks for reasonableness were performed, the data used was not audited.

To the best of our knowledge, this report is complete and accurate and was conducted in accordance with the Actuarial Standards of Practice as set forth by the Actuarial Standards Board and in compliance with the provisions of the Dallas City Code. The undersigned are independent actuaries and consultants. Mr. White is a Fellow of the Society of Actuaries, an Enrolled Actuary, and a Member of the American Academy of Actuaries and he meets the Qualification Standards of the American Academy of Actuaries. Both Mr. White and Mr. Ward have significant experience in performing valuations for large public retirement systems.

The following schedules in the actuarial section of the ERF Annual Comprehensive Financial Report were prepared by GRS: Executive Summary, Report Highlights, Summary of Actuarial Values, Demonstration of Actuarially Determined Contribution Rate, Information for City Ordinance 32801, Net Assets Available for Benefits, Change in Assets Available for Benefits, Development of Actuarial Assets, Historical Investment Performance, Analysis of Change in Unfunded Actuarial Accrued Liability, Investment Experience (Gain) or Loss, Analysis of Actuarial (Gains) or Losses, Schedule of Funding Status, Summary of Data Characteristics, Distribution of Active Members and Payroll by Age and Years of Service, Distribution of Benefit Recipients, Schedule of Active Member Valuation Data, Schedule of Retirees and Beneficiaries Added to and Removed from Rolls, Solvency Test, Analysis of Pay Experience (Valuation Pay), Analysis of Retirement Experience – Each Age, Analysis of Retirement Experience - Age Groups, Analysis of Turnover Experience, Analysis of Active Mortality Experience, Analysis of Disability Experience, Analysis of Retiree Mortality Experience.

We would like to thank the ERF staff for their assistance in providing all necessary information to complete this valuation. Their courteous help is very much appreciated. We look forward to discussing this actuarial valuation report with you at your convenience. Please do not hesitate to let us know if you have any questions or need additional information.

Respectfully submitted,
Gabriel, Roeder, Smith & Company



Lewis Ward
Consultant



Daniel J. White, FSA, EA, MAAA
Senior Consultant



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EXECUTIVE SUMMARY

(\$ in 000s)

The key results from the actuarial valuation of the Employees' Retirement Fund of the City of Dallas as of December 31, 2024 may be summarized as follows:

| | <u>December 31, 2023</u> | <u>December 31, 2024</u> |
|--|--------------------------|--------------------------|
| Members | | |
| - Actives | 7,894 | 8,070 |
| - Benefit recipients | 7,914 | 8,042 |
| - Deferred vested ¹ | 1,095 | 1,154 |
| - Other terminated ¹ | <u>1,012</u> | <u>895</u> |
| - Total | 17,915 | 18,161 |
| - Covered payroll (including overtime) | \$ 530,702 | \$ 556,566 |
| - Normal cost | \$ 96,851 | \$ 99,768 |
| as % of expected payroll | 18.58% | 18.24% |
| - Actuarial accrued liability | \$ 5,483,251 | \$ 5,614,481 |
| - Actuarial value of assets | \$ 3,842,459 | \$ 3,757,482 |
| - Market value of assets | \$ 3,649,102 | \$ 3,757,482 |
| - Unfunded actuarial accrued liability (UAAL) | \$ 1,640,792 | \$ 1,856,999 |
| - Estimated yield on assets (market value basis) | 9.96% | 9.18% |
| - Estimated yield on assets (actuarial value basis) | 4.87% | 3.52% |
| - Contribution Rates Beginning on October 1st following valuation date | | |
| a. Current Total Obligation Rate | 44.17% | 41.87% |
| b. Total Contribution Rate Maximum | 36.00% | 38.22% |
| c. Current Adjusted Total Obligation Rate (lesser of a. and b.) | 36.00% | 38.22% |
| - Actuarial gains/(losses) | | |
| - Assets | \$ (89,836) | \$ (55,776) |
| - Actuarial liability experience | \$ (71,075) | \$ 1,051 |
| - Assumption and method changes | \$ 0 | \$ (83,516) |
| - Funded ratio | | |
| - Based on actuarial value of assets | 70.1% | 66.9% |
| - Based on market value of assets | 66.5% | 66.9% |

¹ *Deferred vested are members who have applied for a deferred pension. Other terminations are other members who have terminated and still have contribution balances in the Fund.*

PURPOSES OF THE ACTUARIAL VALUATION

At your request, we have performed the actuarial valuation of the Employees' Retirement Fund of the City of Dallas ("ERF" or the "Fund") as of December 31, 2024.

The purposes of an actuarial valuation are as follows:

- To determine the funding status of ERF as of the valuation date;
- To determine the Current Total Obligation Rate, which is the actuarially determined contribution rates that pay: the normal costs of the Fund, the debt service on the Pension Obligation Bonds, and the amortization of any liability layers over the periods specified by statute; and
- To determine the Current Adjusted Total Obligation Rate (which reflects the maximum contribution rate during the phase-in period) for the fiscal year beginning October 1, 2025; and
- Determine the allocation of the Current Adjusted Total Obligation Rate between the members and the City after application of the member contribution rate maximums

For the December 31, 2024 actuarial valuation only, we will determine an amortization schedule for the December 31, 2024 UAAL, which reflects the maximum contribution rates for fiscal years 2026-2030 that are part of the phase-in to the full ADC. The amortization payments shown on this schedule will be used in future valuations to compare the ADC from those future valuations to the ADC from this valuation. Please see the discussion about the maximum contribution rate on pages 6-7 of this report.

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REPORT HIGHLIGHTS

(\$ in 000s)

The following is a set of key actuarial results from the prior year’s valuation as compared to the current year:

| | Valuation Date | |
|--|-------------------|-------------------|
| | December 31, 2023 | December 31, 2024 |
| Contribution Rates (% of Payroll)¹ | | |
| Normal Cost (including administrative expense) | 20.31% | 20.05% |
| Current Total Obligation Rate ² | 35.93% | 41.87% |
| Current Adjusted Total Obligation Rate | 36.00% | 38.22% |
| Total Projected Contributions | \$195,829,072 | \$217,505,606 |
| Funded Status (on AVA basis) | | |
| Actuarial Accrued Liability | \$5,483,251 | \$5,614,481 |
| Actuarial Value of Assets | 3,842,459 | 3,757,482 |
| Unfunded Actuarial Accrued Liability | \$1,640,792 | \$1,856,999 |
| Funded Ratio | 70.08% | 66.92% |

¹For Fiscal Year beginning on next October 1st after valuation date

²The Current Total Obligation Rate is an actuarially determined contribution rate based on the funding parameters of Chapter 40-A incorporating any debt service payments still owed

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FUNDING PROCESS

In November 2024, the voters of the City of Dallas approved changes to Chapter 40-A (previously ratified by the ERF Board of Trustees and the Dallas City Council) which are intended to restore the financial soundness of the ERF by establishing a funding mechanism intended to eliminate the December 31, 2024 unfunded actuarial accrued liability (UAAL) over the next 30 years. The Current Total Obligation Rate is an actuarially determined contribution rate (ADC) that is the total level contribution rate (after the phase-in) needed to pay the normal cost of the ERF, pay any outstanding debt service payments from the pension obligation bonds, and amortize the UAAL over time-period(s) specified in Chapter 40-A. For fiscal years 2026 through 2030, the Current Adjusted Total Obligation Rate is the lesser of the Current Total Obligation Rate and the Total Contribution Rate Maximum in Chapter 40-A. After 2030, the Current Adjusted Total Obligation Rate is equal to the Current Total Obligation Rate.

While the share of the member contributions remains at 37% of the Current Adjusted Total Obligation Rate, these member rates are now capped at 14.00% of pay for Group A members and 13.32% of pay for Group B members. The City is responsible for the difference between the projected contributions based on the Current Adjusted Total Obligation Rate total and the projected member contributions. Please see Section N – Table 3 for a determination of the City Contribution.

Future valuations will determine an ADC which reflects the experience of the Fund during the prior year. Any unanticipated change in the UAAL will be recognized in a new liability layer that is amortized over the greater of the remaining amortization period of the December 31, 2024 UAAL or 20 years. This new ADC is compared to the original projected ADC from the December 31, 2024 valuation to determine if it exceeds that original ADC by more than 5% (after adjusting both the original ADC and the new ADC by removing the amortization payment for the December 31, 2024 UAAL). If the new adjusted ADC does not exceed the original adjusted ADC by 5% then it is the new ADC. If the new adjusted ADC exceeds the original adjusted ADC by more than 5% then the new adjusted ADC is the sum of the original adjusted ADC plus 5% and the amortization payment of the December 31, 2024 UAAL. Any shortfall in contributions as a result of this cap are added as an additional liability layer.

ACTUARIAL CONTRIBUTIONS

As shown in Section N – Table 2, the Actuarially Determined Contribution Rate (ADC) developed in this actuarial valuation is 41.87% of active member payroll. This rate includes the impact of phasing into the ADC over a 5-year phase-in period, and includes payments towards the debt service on the pension obligation bonds. If there was no phase-in period the rate would have been 41.47% of pay. As set out in Chapter 40-A the maximum contribution rate for fiscal years 2026 – 2030 are shown in the table below.

| <u>Fiscal Year</u> | <u>Maximum Total Rate</u> |
|--------------------|---------------------------|
| 2026 | 38.22% |
| 2027 | 39.45% |
| 2028 | 40.68% |
| 2029 | 41.91% |
| 2030 and later | ADC |

This ADC is the total level rate (after the phase-in) as a percentage of pay (member + City) that would need to be contributed to pay the normal cost of the Fund, pay any debt service on the pension obligation bonds, and payoff the unfunded liability of the Fund over the periods specified in Chapter 40-A. The ADC was determined using an open group projection due to the declining nature of the average normal cost of the Fund (as Group B members replace Group A members) and due to the elimination of the debt service payments after fiscal year 2035. Note that because the total rate is assumed to remain level (after the phase-in) and the average normal cost as a percentage of pay is expected to decline over that time period (due to Tier B), and because the debt service will be eliminated in 2035, the payments towards the unfunded liability as a percentage of pay are expected to increase over the remaining amortization period (substantially increasing after 2035). Note that because this ADC incorporates the debt service on the pension obligation bonds which are not a liability of the Fund, it is not an appropriate measure as a reasonable contribution rate under the requirements of ASOP No. 4. See Section L for this disclosure item.

The ADC incorporating the debt service is named the Current Total Obligation Rate (CTOR) in Chapter 40-

- A. The Current Adjusted Total Obligation Rate (CATOR) is the lesser of the CTOR and the Contribution Maximum discussed above. Since the CTOR is 41.87% and the Contribution Maximum for fiscal year 2026 is 38.22%, the CATOR for fiscal year 2026 is 38.22% of pay.

ACTUARIAL CONTRIBUTIONS (CONTINUED)

The members contribute the lesser of 37% of the CATOR and the member maximum contribution rates (14.00% for Group A and 13.32% for Group B). The City's contribution rate is determined in a manner such that the City is expected to contribute the remaining portion of the projected contributions based on the CATOR that are not contributed by the members. As shown on Table 3, the expected fiscal year 2026 contributions based on the CATOR (38.22%) and a projected payroll of \$569 million is \$217.5 million. As shown on Table 3 the members are expected to contribute \$77.4 million. Therefore, the City would be expected to contribute \$140.1. This amount includes the debt service on the pension obligation bonds of \$46.2 million. The remainder of \$93.9 million is the expected contribution from the City to ERF during fiscal year 2026. This amount is then converted to a contribution rate by dividing it by the projected payroll, with the resulting rate being 16.50%.

Since the Current Adjusted Total Obligation Rate for fiscal year 2026 is 38.22% of pay and the members' share (37% of 38.22%) is 14.14% of pay, the members will contribute their maximum member rates of 14.00% for Group A and 13.32% for Group B, respectively. As shown on Table 3, the City portion will be 24.62% of pay. All of the member contribution rate will be contributed to the ERF. As noted on Table 3, 8.12% of the City's contribution rate is projected to go towards the debt service on the pension obligation bonds and the remaining 16.50% will be contributed towards the ERF. This means a total projected contribution rate of 30.10% (member plus City) will be contributed to the ERF for the 2026 fiscal year.

As noted above, the City is contributing 24.62% of pay towards ADC (this pays the debt service with the remainder going to the ERF). In the past the City has contributed 63% of the CATOR. However, 63% of the CATOR (38.22%) is 24.08%. The City is contributing more than this because of the impact of the maximum contribution rates for members. The City's share of the CATOR is now whatever remains after the member contributions are subtracted.

ACTUARIAL ASSUMPTIONS

Section P of this report includes a summary of the actuarial methods and assumptions used in this valuation. In short, costs are determined using the Entry Age Normal actuarial cost method. The assumed annual investment return rate is 7.25% and includes an annual assumed rate of inflation of 2.50%.

There were no changes in the actuarial assumptions since the prior valuation report. The deferred investment gains and losses in the actuarial asset valuation method were fully recognized in this valuation (i.e. the actuarial value of assets was set equal to the market value of assets). The normal smoothing process discussed in the Actuarial Methods and Assumptions section of the report will begin again with the next valuation. Please see Section P of this report for a summary description of these methods and assumptions.

It is expected that the next experience study will occur during 2025 and any recommended changes to the actuarial assumptions will be reflected in the December 31, 2025 actuarial valuation.

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ERF BENEFITS

As previously mentioned Chapter 40-A was amended following action by the ERF Board, the Dallas City Council and approval by the City of Dallas voters. Most of these changes impacted the financing of the Fund. However, in addition, a maximum contribution rate was established for the members (14.00% for Group A and 13.32% for Group B). There were no other changes to the benefit provisions of ERF since the prior valuation. Please see Section Q for a summary description of the ERF benefits.

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EXPERIENCE DURING PREVIOUS YEARS

An Actuarial (Gain)/Loss Analysis [(G)/L] reviews the effects of the actual experience on the expected Unfunded Actuarial Accrued Liability (UAAL). If any unexpected difference increases assets or reduces liabilities (i.e., reductions in the UAAL), we have an actuarial gain. Unexpected increases in the UAAL results in an actuarial loss.

On a market value return basis, the Fund returned approximately 9.18% (calculated on a dollar-weighted basis, net of investment expenses). Given this return, the actual investment income was \$68 million more than the expected investment income on the market value of assets; therefore, an investment gain occurred. Please see Section N – Table 6 for the determination of the actuarial value of assets (AVA) and page 48 for a description of the AVA methodology. As developed on Section N – Table 9a, there was a

\$55.8 million loss on the actuarial value of assets as of December 31, 2024 due to deferred investment losses incurred prior to fiscal year 2024. In addition, the actuarial value of assets was reduced by \$83.5 million due to the actuarial value of assets being set equal to the market value of assets. The rate of return on the actuarial value of assets after reflecting this change was 3.52% (calculated on a dollar-weighted basis, net of investment expenses).

As developed on Section N – Table 8, ERF experienced an overall actuarial experience loss in calendar year 2024 in the amount of \$54.7 million. Since there was a \$55.8 million loss on the actuarial value of assets, and an \$83.5 million loss due to the method change, this implies there was a liability actuarial gain of about \$1.1 million derived from the experience of the Fund compared to the demographic assumptions and non-investment economic assumptions (cost-of-living-adjustment). Please see Section N – Table 9b for an analysis of the experience loss by source.

The total (G)/L for the prior 5 years is broken down as follows (\$ in millions):

| | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Actuarial (Gain)/Loss on Assets | \$16.03 | (\$52.23) | \$71.54 | \$89.84 | \$55.78 |
| Actuarial (Gain)/Loss on Liabilities | (69.81) | 29.37 | 55.13 | 71.07 | (1.05) |
| Actuarial (Gain)/Loss on Methods | 0.00 | 0.00 | 0.00 | 0.00 | 83.52 |
| Total Actuarial (Gain) or Loss (1+2) | (\$53.78) | (\$22.86) | \$126.67 | \$160.91 | \$138.25 |

The unfunded actuarial accrued liability (UAAL) also increased \$47 million due to the shortfall between the calculated contribution rate and the actual contributions during calendar year 2024.

ASSET INFORMATION

The assets of the Fund (on a market value basis) increased from \$3,649 million as of December 31, 2023 to \$3,757 million as of December 31, 2024.

An asset smoothing method (adopted by the Board) is used to recognize asset gains and losses. The purpose of such a smoothing method is to allow the use of market values, but to dampen the effect of the typical year-to-year market fluctuations. Please see page 46 of this report for a description of the smoothing method (actuarial value of asset method). See Table 6 in Section N of this report for the determination of the actuarial value of assets as of December 31, 2024.

The actuarial value of assets has decreased from \$3,842 million to \$3,757 million during 2024. The actuarial assets are less than the expected actuarial assets, \$3,897 million, due to the continued recognition of the unfavorable investment experience in calendar year 2022 and the full recognition of the deferred investment losses this valuation by the setting of the actuarial value of assets equal to the market value of assets. This resulted in the actuarial assets being \$139.3 million less than expected (experience plus method).

The rate of return on investments for 2024 on the actuarial value of assets was 3.52%, compared to 4.87% in 2023. The detailed determinations of asset values utilized in this valuation and the change in assets in the last year are exhibited in Tables 4 and 5 of Section N of this report.

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FUNDED STATUS

The funded status of ERF is measured by the Funded Ratio and the Unfunded Actuarial Accrued Liability (UAAL). The Funded Ratio is the ratio of the actuarial value of assets available for benefits to the actuarial accrued liability (AAL) of the Fund on the valuation date. Therefore, it reflects the portion of the AAL that is covered by ERF assets. The UAAL is the difference between these two amounts.

A Funded Ratio of 100% means that the funding of ERF is precisely on schedule as of the particular valuation date. In addition, an increasing funded ratio from year-to-year may also mean that the funding of ERF is on schedule. By monitoring changes in the Funded Ratio each year, we can determine whether or not funding progress is being made.

Based on the market value of assets, the Funded Ratio of ERF of 66.5% increased as of December 31, 2023 to 66.9% as of December 31, 2024. Based on the actuarial value of assets, the Funded Ratio of ERF decreased from 70.1% as of December 31, 2023 to 66.9% as of December 31, 2024.

The UAAL increased from \$1,640.8 million as of December 31, 2023 to \$1,857.0 million as of December 31, 2024. Since the UAAL is positive, this implies the actuarial accrued liabilities exceed the actuarial assets of the Fund as of December 31, 2024.

The actual \$216.2 million increase in the UAAL was more than the expected increase of \$78.0 million (\$31.0 million due to negative amortization and \$47.0 million as a result of the actual contributions being less than the actuarially determined contribution rate), resulting in a net actuarial experience loss in total. The primary reasons the increase in the UAAL was more than expected were the full recognition of the unfavorable investment experience from 2022, the cost of living adjustment being greater than assumed and the larger than expected salary increases for employees.

The funded status is one of many metrics used to show trends and develop future expectations about the health of a retirement system. The funded status measure itself is not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations or assessing the need for or the amount of future contributions since it does not reflect normal cost contributions, the timing of amortization payments, or future experience other than expected.

GASB DISCLOSURE

Governmental Accounting Standards Board (GASB) Statement Numbers 67 and 68 detail the current accounting standards for ERF and the Fund's sponsor, the City of Dallas, Texas. These standards were effective with the plan year ending December 31, 2014 for the Fund and the fiscal year ending September 30, 2015 for the City. The standards created a clear distinction between the funding requirements of a pension plan and the accounting requirements. As a result, the GASB disclosure information is provided in a separate report.

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ASSESSMENT AND DISCLOSURE OF RISK ASSOCIATED WITH MEASURING PENSION OBLIGATIONS AND DETERMINING PENSION PLAN CONTRIBUTIONS

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

- Investment risk – actual investment returns may differ from the expected returns;
- Asset/Liability mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
- Contribution risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
- Salary and Payroll risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
- Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed;
- Other demographic risks – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

ASSESSMENT AND DISCLOSURE OF RISK ASSOCIATED WITH MEASURING PENSION OBLIGATIONS AND DETERMINING PENSION PLAN CONTRIBUTIONS (CONTINUED)

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The Current Adjusted Total Obligation Rate shown in the Executive Summary may be considered as a minimum contribution rate that complies with Chapter 40A of the Dallas City Code. However, due to the contribution rate cap, this is less than the actuarially calculated rate. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Several generally accepted plan maturity measures are described below and are followed by a table showing a 10-year history of the measurements for ERF.

RATIO OF MARKET VALUE OF ASSETS TO PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll.

RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll.

RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of active to retirees. A mature open plan may have close to the same number of actives to retirees, resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives, resulting in a ratio below 1.0.

RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

DURATION OF PRESENT VALUE OF BENEFITS

The duration of the actuarial accrued liability may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, duration of 10 indicates that the liability would increase approximately 10% if the assumed rate of return were lowered 1%.

ADDITIONAL RISK ASSESSMENT

Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability. While a robust measurement of additional risk assessment is outside the scope of the annual actuarial valuation, we have included a scenario test of a 1% increase or 1% decrease in the investment return assumption. The results of this test are shown at the end of this section.

| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Ratio of the market value of assets to total payroll | 6.75 | 6.88 | 7.38 | 9.24 | 8.64 | 8.43 | 7.71 | 8.55 | 8.13 | 8.12 |
| Ratio of actuarial accrued liability to payroll | 10.09 | 10.33 | 11.07 | 11.50 | 11.50 | 11.21 | 10.68 | 10.39 | 10.48 | 10.50 |
| Ratio of actives to retirees and beneficiaries | 1.00 | 1.00 | 0.96 | 0.94 | 0.96 | 1.00 | 1.05 | 1.11 | 1.10 | 1.11 |
| Ratio of net cash flow to market value of assets | -5.7% | -5.7% | -5.9% | -4.7% | -4.9% | -4.8% | -5.1% | -4.3% | -4.4% | -4.5% |
| Duration of the actuarial present value of benefits* | 12.53 | 12.52 | 12.47 | 12.54 | 12.69 | 12.37 | NA | NA | NA | NA |

*Duration measure not available prior to 2019

Impact on Funding Metrics of Investment Return Assumption +/- 1%

| Cost Item | Investment Return Assumption | | |
|--|------------------------------|-----------|-----------|
| | 6.25% | 7.25% | 8.25% |
| Normal Cost % (excluding admin expenses) | 22.50% | 18.24% | 15.09% |
| UAAL (\$ in millions) | \$2,505.9 | \$1,857.0 | \$1,314.5 |
| Actuarially Determined Contribution Rate (employee + City) | 51.03% | 41.87% | 34.50% |
| Funded Ratio | 60.0% | 66.9% | 74.1% |
| Funding Period | 30 years | 30 years | 30 years |

LOW-DEFAULT-RISK OBLIGATION MEASURE

Actuarial Standards of Practice No. 4 (ASOP No. 4) was revised and reissued in December 2021 by the Actuarial Standards Board (ASB). It includes a new calculation called a low-default-risk obligation measure (LDROM) to be prepared and issued annually for defined benefit pension plans. The transmittal memorandum for ASOP No. 4 includes the following explanation:

“The ASB believes that the calculation and disclosure of this measure provides appropriate, useful information for the intended user regarding the funded status of a pension plan. The calculation and disclosure of this additional measure is not intended to suggest that this is the “right” liability measure for a pension plan. However, the ASB does believe that this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.”

The LDROM estimates the amount of money the plan would need to invest in low risk securities to provide the benefits with greater certainty. The current model expects lower costs but with higher investment risk, which creates less certainty and a possibility of higher costs. Thus, the difference between the two measures (Valuation and LDROM) is one illustration of the possible costs the sponsor could incur if there was a reduction in the investment risk in comparison to the current diversified portfolio. However, the downside risk would be limited in the scenarios where the current portfolio would fail to achieve returns in excess of the low-default-risk discount, in this case 5.49%.

The following information has been prepared in compliance with this new requirement. Unless otherwise noted, the measurement date, actuarial cost methods, and assumptions used are the same as for the funding valuation covered in this actuarial valuation report.

| <u>Valuation Accrued Liability</u> | <u>LDROM</u> |
|---|---------------------|
| \$5,614,481,000 | \$6,843,985,000 |

Again, the difference between the two measures, or \$1,229,504,000, is one illustration of the savings the sponsor anticipates by assuming investment risk in a diversified portfolio.

Disclosures: Discount rate used to calculate LDROM: 5.49% Intermediate FTSE Pension Discount Curve as of December 31, 2024. This measure may not be appropriate for assessing the need for or amount of future contributions as the current portfolio is expected to generate significantly more investment earnings than the low-default-risk portfolio. This measure is also not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligation as this measure includes projections of salary increases and the ability for current members to continue to accrue eligibility and vesting service.

REASONABLE CONTRIBUTION RATE UNDER ASOP NO.4

ASOP No. 4 requires the disclosure of a reasonable actuarial contribution rate. For the purposes of this measure we have defined the reasonable contribution rate as the rate necessary to pay the normal cost and amortize the UAAL as of December 31, 2204 over a closed 30-year amortization period. This rate will be different than the rate calculated for funding purposes for ERF due to: i) the exclusion of the payments on the debt service on the pension obligation bonds which are included in the total (member + City) contribution rate determined by this valuation, ii) determining a level rate over the 30-year period excluding phase-in increase that are part of the aforementioned total contribution rate. Based on these parameters a reasonable actuarially determined contribution rate for the ERF would be 37.63% of pay.

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CLOSING COMMENTS

The unfunded actuarial accrued liability of the Fund has increased by more than expected due to the full recognition of the deferred investment losses and the contributions to the Fund being less than the actuarially calculated rate.

The calculated contribution rate necessary to pay the Fund's normal cost, pay any debt service on the pension obligation bonds, and amortize the December 31, 2024 UAAL over 30 years is 41.47% of pay. However, because the increase to this rate (from the current 36.00% rate) is being phased-in over a five-year period the ultimate rate increases to 41.87% of pay to make up for lower rates during the phase-in period. Chapter 40A of the Dallas City Code limits the contribution rates during fiscal years 2026-2029 to the contribution maximum discussed earlier in this report. Due to this limitation, the total rate to be contributed by the employees and the City for fiscal year 2026 will be 38.22% of pay.

Even though the UAAL increased and the funded ratio decreased, the results of this valuation should be viewed positively. With the approved changes to Chapter 40-A the Fund now expects to receive a full actuarially determined contribution rate by fiscal year 2030 (current projections expect this to occur in fiscal year 2029) and the UAAL to be fully funded by the end of 2054 (30 years). This is a significant improvement over last year, where the Fund was not expected to be fully funded until 2074.

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ACTUARIAL TABLES

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**Summary of Actuarial Values
As of December 31, 2024**

Entry Age Actuarial Values

| | APV* of Projected Benefits | Actuarial Accrued Liability (AAL) | Normal Cost \$ | Normal Cost % of Pay** |
|---|---|--|---------------------------|-----------------------------------|
| 1 Active Members | | | | |
| a. Retirement | \$ 2,065,945 | \$ 1,542,482 | \$ 71,526 | 13.09% |
| b. Death | 22,388 | 12,339 | 1,297 | 0.23% |
| c. Disability | 15,078 | 5,491 | 1,270 | 0.23% |
| d. Termination | 178,489 | (9,608) | 24,208 | 4.43% |
| e. Health Subsidy | 34,052 | 26,659 | 1,467 | 0.26% |
| Total | \$ 2,315,952 | \$ 1,577,363 | \$ 99,768 | 18.24% |
| 2 Benefit Recipients | 3,872,845 | 3,872,845 | | |
| 3 Other Inactive | 164,273 | 164,273 | | |
| 4 Total Actuarial Values of Benefits | \$ 6,353,070 | \$ 5,614,481 | \$ 99,768 | 18.24% |
| 5 Actuarial Value of Assets | | \$ 3,757,482 | | |
| 6 Unfunded Actuarial Accrued Liability (4 - 5) | | \$ 1,856,999 | | |
| 7 Funding Ratio | | 66.92% | | |
| 8 Market Value Measurements | | | | |
| UAAL on market value | | \$ 1,856,999 | | |
| Funded Ratio on market value | | 66.92% | | |

* APV – Actuarial Present Value

** Percentage of expected payroll for continuing active members.

Table 1

DEMONSTRATION OF 30-YEAR AMORTIZATION OF DECEMBER 31, 2024

UNFUNDED ACTUARIAL ACCRUED LIABILITY

| Valuation as of December 31, | Unfunded Actuarial Accrued Liability (UAAL \$M) | Projected Compensation for Plan Year (in \$M) | Total Contributions to Fund for Plan Year (in \$M) | Normal Cost Plus Administrative Expenses (in \$M) | Amortization Payment (in \$M) | Actuarially Determined Contribution Rate for FY Beginning After Valuation Date |
|---------------------------------------|---|--|--|---|-------------------------------------|--|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 2024 | \$ 1,857.0 | \$ 556.6 | \$ 157.7 | \$ 112.8 | \$ 44.9 | 38.22% |
| 2025 | 1,945.1 | 573.3 | 174.1 | 114.5 | 59.6 | 39.45% |
| 2026 | 2,024.4 | 590.5 | 186.5 | 116.0 | 70.5 | 40.68% |
| 2027 | 2,098.1 | 608.2 | 199.5 | 116.7 | 82.7 | 41.87% |
| 2028 | 2,164.6 | 626.4 | 211.0 | 118.5 | 92.5 | 41.87% |
| 2029 | 2,225.6 | 645.2 | 217.3 | 120.4 | 96.9 | 41.87% |
| 2030 | 2,286.7 | 664.6 | 223.8 | 122.5 | 101.3 | 41.87% |
| 2031 | 2,347.5 | 684.5 | 230.6 | 124.6 | 105.9 | 41.87% |
| 2032 | 2,408.0 | 705.0 | 237.5 | 126.8 | 110.7 | 41.87% |
| 2033 | 2,468.0 | 726.2 | 248.4 | 129.0 | 119.4 | 41.87% |
| 2034 | 2,523.3 | 748.0 | 279.0 | 131.3 | 147.7 | 41.87% |
| 2035 | 2,553.3 | 770.4 | 322.6 | 133.7 | 188.8 | 41.87% |
| 2036 | 2,542.9 | 793.5 | 332.3 | 136.3 | 195.9 | 41.87% |
| 2037 | 2,524.4 | 817.3 | 342.2 | 139.1 | 203.1 | 41.87% |
| 2038 | 2,497.0 | 841.9 | 352.5 | 142.1 | 210.4 | 41.87% |
| 2039 | 2,460.2 | 867.1 | 363.1 | 145.2 | 217.8 | 41.87% |
| 2040 | 2,413.0 | 893.1 | 374.0 | 148.6 | 225.4 | 41.87% |
| 2041 | 2,354.5 | 919.9 | 385.2 | 152.1 | 233.1 | 41.87% |
| 2042 | 2,283.7 | 947.5 | 396.7 | 155.7 | 241.0 | 41.87% |
| 2043 | 2,199.7 | 975.9 | 408.6 | 159.6 | 249.0 | 41.87% |
| 2044 | 2,101.3 | 1,005.2 | 420.9 | 163.7 | 257.2 | 41.87% |
| 2045 | 1,987.3 | 1,035.4 | 433.5 | 168.0 | 265.5 | 41.87% |
| 2046 | 1,856.3 | 1,066.4 | 446.5 | 172.5 | 274.1 | 41.87% |
| 2047 | 1,707.1 | 1,098.4 | 459.9 | 177.1 | 282.8 | 41.87% |
| 2048 | 1,538.0 | 1,131.4 | 473.7 | 181.9 | 291.9 | 41.87% |
| 2049 | 1,347.2 | 1,165.3 | 487.9 | 186.8 | 301.2 | 41.87% |
| 2050 | 1,133.0 | 1,200.3 | 502.6 | 191.9 | 310.7 | 41.87% |
| 2051 | 893.4 | 1,236.3 | 517.7 | 197.1 | 320.5 | 41.87% |
| 2052 | 626.2 | 1,273.4 | 533.2 | 202.6 | 330.6 | 41.87% |
| 2053 | 329.3 | 1,311.6 | 549.2 | 208.2 | 341.0 | 41.87% |
| 2054 | 0.0 | | | | | |

Table 2

Information for City Ordinance 32801
For the Fiscal Year Commencing October 1, 2025

1 Current Adjusted Total Obligation Rate for FY 2026 38.22%

2 Projected Contributions for FY2026

| | | | |
|---|--|----|-------------|
| a | Projected Payroll for FY 2026 | \$ | 569,088,452 |
| b | Total Projected Contributions for FY 2026 (1 x 2a) | | 217,505,606 |

3 Projected Member Contributions for FY2026

| | | | |
|---|--|----|-------------|
| a | Group A Projected Payroll | \$ | 236,212,145 |
| b | Group B Projected Payroll | | 332,876,307 |
| c | Group A Projected Contributions (3a x 14.00%) | | 33,069,700 |
| d | Group B Projected Contributions (3b x 13.32%) | | 44,339,124 |
| e | Total Projected Member Contributions for FY 2026 | | 77,408,824 |

• Pension Obligation Bonds

| | | |
|---|----|------------|
| • Scheduled Debt Service Payment for FY 2026 | \$ | 46,203,207 |
| • Pension Obligation Bond Credit Rate (4a / 2a) | | 8.12% |

• City Contributions

| | | |
|---|----|------------|
| • Total City Contributions to ERF (2b - 3e - 4a) | \$ | 93,893,575 |
| • Total City Contributions to ERF as % of Projected Pay (5a / 2a) | | 16.50% |
| • Total City Contributions as % of Projected Pay (4b + 5b) ¹ | | 24.62% |

Table 3

Net Assets Available for Benefits
(\$ in 000s)

| | <u>December 31, 2023</u> | <u>December 31, 2024</u> |
|--|----------------------------|----------------------------|
| 1 Assets | | |
| a. Cash & Short-Term | \$ 338,462 | \$ 310,494 |
| 2 Receivables | | |
| a. Accrued Investment Income | \$ 18,942 | \$ 17,691 |
| b. Securities Sold | 14,218 | 6,660 |
| c. Employer Contribution | 878 | 1,527 |
| d. Employee Contribution | 808 | 1,409 |
| e. Pending Contracts | 585,983 | 1,131,676 |
| | <u>\$ 620,829</u> | <u>\$ 1,158,963</u> |
| 3 Investments | | |
| a. Index Funds | \$ 116,640 | \$ 200,399 |
| b. Fixed Income | 1,048,551 | 1,133,379 |
| c. Equities | 1,684,942 | 1,605,886 |
| d. Real Estate | 339,922 | 339,290 |
| e. Private Equity | 371,556 | 369,482 |
| | <u>\$ 3,561,611</u> | <u>\$ 3,648,436</u> |
| 4 Total Assets | <u>\$ 4,520,902</u> | <u>\$ 5,117,893</u> |
| 5 Liabilities | | |
| a. Accounts Payable | \$ 7,270 | \$ 8,344 |
| b. Investment Transactions | 864,530 | 1,352,067 |
| | <u>\$ 871,800</u> | <u>\$ 1,360,411</u> |
| 6 Net Assets Available For Benefits | <u><u>\$ 3,649,102</u></u> | <u><u>\$ 3,757,482</u></u> |

Table 4

Change in Assets Available for Benefits
Fiscal Year Ending December 31, 2024
(\$ in 000s)

| | 2023 | 2024 |
|--|---------------------|---------------------|
| 1 Assets Available at Beginning of Year | \$ 3,516,280 | \$ 3,649,102 |
| Adjustment * | 0 | 0 |
| | <u>\$ 3,516,280</u> | <u>\$ 3,649,102</u> |
| 2 Revenues | | |
| a. Employer Contributions | \$ 73,939 | \$ 80,782 |
| b. Employee Contributions | 70,025 | 74,830 |
| c. Investment Income | 133,707 | 134,797 |
| d. Investment Expense | (20,924) | (16,785) |
| e. Realized and Unrealized Gains (Losses) | 225,507 | 205,571 |
| f. Other (Security Lending) | 1,589 | 1,347 |
| Total Revenues | <u>\$ 483,843</u> | <u>\$ 480,542</u> |
| 3 Expenses | | |
| a. Benefits | \$ 328,296 | \$ 348,938 |
| b. Refunds | 12,700 | 12,369 |
| c. Administrative Expenses | 9,184 | 10,005 |
| d. Depreciation Expense | 841 | 850 |
| Total Expense | <u>\$ 351,021</u> | <u>\$ 372,162</u> |
| 4 Assets Available at End of Year (1 + 2 - 3) | \$ 3,649,102 | \$ 3,757,482 |

* Change due to difference between unaudited asset value used for prior valuation and audited asset value reported the following year.

Development of Actuarial Value of Assets
(\$ in 000s)

| | December 31, 2024 |
|---|--------------------------|
| 1. Market value of assets at beginning of year | \$ 3,649,102 |
| 2. External cashflow | |
| a. Contributions | \$ 155,612 |
| b. Benefits and refunds paid | (361,307) |
| c. Administrative and miscellaneous expenses | (10,855) |
| d. Subtotal | (216,550) |
| 3. Assumed investment return rate for fiscal year | 7.25% |
| 4. Assumed investment income for fiscal year | \$ 256,847 |
| 5. Expected Market Value at end of year (1+ 2 + 4) | \$ 3,689,399 |
| 6. Market value of assets at end of year | \$ 3,757,482 |
| 7. Difference (6 - 5) | \$ 68,083 |
| 8. Development of amounts to be recognized as of December 31, 2024: | |

| Fiscal Year End | Remaining Deferral of Excess (Shortfall) of Investment Income | Offsetting of Gains/ (Losses) | Net Deferrals Remaining | Years Remaining | Recognized for this valuation | Remaining after this valuation |
|--------------------|--|-------------------------------------|----------------------------|--------------------|----------------------------------|--------------------------------------|
| | (1) | (2) | (3) = (1) + (2) | (4) | (5) = (3) / (4) | (6) = (3) - (5) |
| 2020 | \$ 0 | \$ 0 | \$ 0 | 1 | \$ 0 | \$ 0 |
| 2021 | 0 | 0 | 0 | 1 | 0 | 0 |
| 2022 | (193,357) | 68,083 | (125,274) | 1 | (125,274) | 0 |
| 2023 | 0 | 0 | 0 | 1 | 0 | 0 |
| 2024 | 68,083 | (68,083) | 0 | 1 | 0 | 0 |
| Total | \$ (125,274) | 0 | \$ (125,274) | 5 | \$ (125,274) | 0 |

9. Final actuarial value of plan net assets, end of year
(Item 6 - Item 8, Column 6) \$ 3,757,482
10. Ratio of actuarial value to market value 100.00%

Notes: Remaining deferrals in Column (1) for prior years are from last year's report Table 6, column 6. The number in the current year is Item 7, above. Column 2 is a direct offset of the current year's excess/(shortfall) return against prior years' excess/(shortfall) of the opposite type.

Years remaining in Column 4 set to 1 for all years to reflect actuarial value of assets being "Marked to Market".

Table 6

Historical Investment Performance
Dollar Weighted Basis Net of Investment Expenses

| <u>Calendar Year</u> | <u>On Market Value</u> | <u>On Actuarial Value</u> |
|--------------------------------|------------------------|---------------------------|
| 2005 | 7.93% | 13.71% |
| 2006 | 16.90% | 13.03% |
| 2007 | 3.56% | 9.58% |
| 2008 | -31.31% | -3.76% |
| 2009 | 30.35% | 6.79% |
| 2010 | 15.77% | 4.30% |
| 2011 | 0.86% | 1.15% |
| 2012 | 14.29% | 2.82% |
| 2013 | 16.75% | 10.65% |
| 2014 | 6.14% | 10.29% |
| 2015 | -1.83% | 7.02% |
| 2016 | 8.65% | 8.51% |
| 2017* | 12.34% | 8.99% |
| 2018 | -5.15% | 5.23% |
| 2019 | 17.30% | 6.74% |
| 2020 | 6.42% | 6.81% |
| 2021 | 16.01% | 8.68% |
| 2022 | -9.25% | 5.36% |
| 2023 | 9.96% | 4.87% |
| 2024* | 9.18% | 3.52% |
| | | |
| 5-year average ending in 2024 | 6.11% | 5.83% |
| 10-year average ending in 2024 | 6.01% | 6.56% |
| 20-year average ending in 2024 | 7.32% | 6.42% |

*The yield on the actuarial value of assets for 2017 and 2024 includes the impact of the method change for the Actuarial Value of Assets.

Table 7

Analysis of Change in Unfunded Actuarial Accrued Liability
For the Year Ending December 31, 2024
(\$ in 000s)

| | | |
|---|----------|--------------|
| 1. UAAL as of December 31, 2023 | | \$ 1,640,792 |
| 2. Expected Change in UAAL during 2024 | | |
| a. Expected Amortization Payment for CY 2024 based on the Actuarially Determined Contribution Rate | (84,979) | |
| b. Interest adjustments on 1 & 2a to Year End @ 7.25% | 115,931 | |
| c. Expected change in UAAL | | 30,952 |
| 3. Increase/(Decrease) in UAAL Due to Difference Between the Actuarially Determined Contribution Rate and Actual Contribution Rate | | 47,014 |
| 4. Net Actuarial Experience (Gains) & Losses | | 54,725 |
| 5. Assumption and Method Changes | | 83,516 |
| 6. UAAL as of December 31, 2024 | | \$ 1,856,999 |

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Investment Experience (Gain) or Loss
(\$ in 000s)

| Item | Valuation as of December 31, 2024 |
|---|--------------------------------------|
| 1. Actuarial assets, beginning of year | \$ 3,842,459 |
| 2. Contributions | 155,612 |
| 3. Benefits and refunds paid with administrative expenses | (372,162) |
| 4. Assumed net investment income at 7.25% on | |
| a. Beginning of year assets | 278,578 |
| b. Contributions | 5,542 |
| c. Benefits and refunds paid with administrative expenses | (13,255) |
| d. Total | \$ 270,865 |
| 5. Expected actuarial assets, end of year | |
| (Sum of Items 1 through 4) | 3,896,774 |
| 6. Actual actuarial assets, end of year (before method change) | 3,840,998 |
| 7. Asset experience (gain)/loss for year | 55,776 |

Table 9a

Analysis of Actuarial (Gains) and/or Losses for 2024
(\$ in 000s)

| | 2024 |
|--|-----------|
| Investment Return | \$ 55,776 |
| Salary Increase | 15,097 |
| Age and Service Retirement | (1,857) |
| General Employment Termination | (4,300) |
| Disability Incidence | (276) |
| Active Mortality | 423 |
| Benefit Recipient Mortality | (9,632) |
| Actual vs. Expected Cost of Living Adjustment (COLA)* | 10,713 |
| Other | (11,219) |
| Total Actuarial Experience (Gain)/ Loss | \$ 54,725 |

* Actual COLA of 2.94% for both Tier A and Tier B versus expected COLAs of 2.50% for Tier A and 2.20% for Tier B.

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Schedule of Funding Status
(\$ in 000s)

| End of Year | Actuarial Value of Assets | AAL | UAAL | Funding Ratio | Payroll* | UAAL as % of Payroll |
|------------------------|--|------------|--------------|--------------------------|-----------------|---------------------------------|
| | (a) | (b) | (b-a) | (a/b) | (c) | ((b-a)/c) |
| 2005 | 2,739,269 | 2,606,173 | (133,096) | 105.11% | 332,446 | -40.04% |
| 2006 | 2,998,099 | 2,761,404 | (236,695) | 108.57% | 344,997 | -68.61% |
| 2007 | 3,183,260 | 2,915,164 | (268,096) | 109.20% | 370,150 | -72.43% |
| 2008 | 2,957,506 | 3,075,385 | 117,879 | 96.17% | 389,362 | 30.27% |
| 2009 | 3,031,652 | 3,192,120 | 160,468 | 94.97% | 375,164 | 42.77% |
| 2010 | 3,027,439 | 3,282,126 | 254,687 | 92.24% | 332,045 | 76.70% |
| 2011 | 2,916,746 | 3,391,652 | 474,906 | 86.00% | 318,972 | 148.89% |
| 2012 | 2,846,124 | 3,518,356 | 672,232 | 80.89% | 340,452 | 197.45% |
| 2013 | 3,074,284 | 3,610,845 | 362,477 | 85.14% | 352,486 | 102.83% |
| 2014 | 3,241,053 | 4,004,055 | 763,002 | 80.94% | 374,002 | 204.01% |
| 2015 | 3,320,387 | 4,129,133 | 808,746 | 80.41% | 404,981 | 199.70% |
| 2016 | 3,451,463 | 4,291,802 | 840,339 | 80.42% | 420,693 | 199.75% |
| 2017 | 3,601,612 | 4,377,844 | 776,232 | 82.27% | 432,854 | 179.33% |
| 2018 | 3,620,319 | 4,526,996 | 906,677 | 79.97% | 435,375 | 208.25% |
| 2019 | 3,682,959 | 4,863,325 | 1,180,366 | 75.73% | 444,737 | 265.41% |
| 2020 | 3,747,078 | 4,932,886 | 1,185,808 | 75.96% | 439,544 | 269.78% |
| 2021 | 3,872,601 | 5,094,362 | 1,221,761 | 76.02% | 453,934 | 269.15% |
| 2022 | 3,866,412 | 5,276,469 | 1,410,057 | 73.28% | 488,516 | 288.64% |
| 2023 | 3,842,459 | 5,483,251 | 1,640,792 | 70.08% | 543,970 | 301.63% |
| 2024 | 3,757,482 | 5,614,481 | 1,856,999 | 66.92% | 573,263 | 323.94% |

* Projected to following year.

Summary of Data Characteristics

| As of December 31, | 2022 | 2023 | 2024 |
|--|------------|------------|------------|
| Active Members | | | |
| Number | 7,464 | 7,894 | 8,070 |
| Total Annualized Earnings of Members as of 12/31 (000s) | \$ 476,601 | \$ 530,702 | \$ 556,566 |
| Average Earnings | 63,853 | 67,229 | 68,967 |
| Benefit Recipients | | | |
| Number | 7,766 | 7,914 | 8,042 |
| Total Annual Retirement Income (000s) | \$ 309,799 | \$ 327,190 | \$ 340,021 |
| Total Annual Health Supplement (000s) | 11,234 | 11,440 | 11,613 |
| Average Total Annual Benefit | 41,338 | 42,789 | 43,725 |
| Inactive Members | | | |
| Deferred Vested | 1,042 | 1,095 | 1,154 |
| Deferred Nonvested | 1,150 | 1,012 | 895 |
| Total | 2,192 | 2,107 | 2,049 |

** The number of inactives on 12/31/2024 includes 1,154 members who have applied for a deferred pension and 895 other members who have terminated and still have contribution balances in the Fund.*

Distribution of Active Members and Payroll by Age and Years of Service

| Years of Service | | | | | | | | | | |
|------------------|--------------|---------------|---------------|--------------|--------------|--------------|--------------|-------------|---------------|--|
| Age | Under 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30 & Over | Total | |
| Under 20 | 9 | | | | | | | | 9 | |
| | \$393,099 | | | | | | | | \$393,099 | |
| 20-24 | 155 | 166 | | | | | | | 321 | |
| | \$7,196,350 | \$8,753,094 | | | | | | | \$15,949,444 | |
| 25-29 | 262 | 446 | 60 | 1 | | | | | 769 | |
| | \$13,191,744 | \$24,766,380 | \$3,709,690 | 101,010 | | | | | \$41,768,824 | |
| 30-34 | 213 | 454 | 238 | 48 | | | | | 953 | |
| | \$11,791,081 | \$27,798,635 | \$15,523,112 | \$3,438,203 | | | | | \$58,551,031 | |
| 35-39 | 134 | 379 | 228 | 135 | 41 | | | | 917 | |
| | \$7,370,211 | \$23,741,547 | \$16,472,309 | \$10,386,845 | \$3,377,843 | | | | \$61,348,755 | |
| 40-44 | 139 | 320 | 202 | 142 | 125 | 27 | 4 | | 959 | |
| | \$8,132,221 | \$21,078,057 | \$14,804,811 | \$11,758,145 | \$10,757,561 | \$2,540,759 | 332,956 | | \$69,404,510 | |
| 45-49 | 101 | 282 | 207 | 141 | 143 | 84 | 55 | 0 | 1,013 | |
| | \$5,676,211 | \$18,932,335 | \$15,338,115 | \$11,873,246 | \$11,298,288 | \$8,032,514 | \$4,348,549 | \$0 | \$75,499,258 | |
| 50-54 | 93 | 263 | 185 | 132 | 136 | 116 | 113 | 17 | 1,055 | |
| | \$5,285,061 | \$17,132,713 | \$13,563,565 | \$11,255,305 | \$11,273,231 | \$9,218,284 | \$9,271,507 | \$1,478,310 | \$78,477,976 | |
| 55-59 | 65 | 223 | 194 | 124 | 151 | 101 | 57 | 28 | 943 | |
| | \$3,674,968 | \$14,908,414 | \$14,079,582 | \$8,920,452 | \$12,761,918 | \$9,025,153 | \$4,873,603 | \$2,348,738 | \$70,592,828 | |
| 60-64 | 36 | 155 | 158 | 100 | 120 | 58 | 43 | 26 | 696 | |
| | \$2,560,496 | \$10,351,240 | \$11,075,743 | \$7,382,436 | \$8,966,702 | \$4,925,506 | \$3,944,048 | \$2,251,416 | \$51,457,587 | |
| 65&Over | 20 | 69 | 92 | 63 | 68 | 42 | 46 | 35 | 435 | |
| | \$1,173,026 | \$4,526,420 | \$6,847,629 | \$4,744,870 | \$5,646,432 | \$3,344,050 | \$3,941,274 | \$2,898,710 | \$33,122,411 | |
| Totals | 1,227 | 2,757 | 1,564 | 886 | 784 | 428 | 318 | 106 | 8,070 | |
| | \$66,444,468 | \$171,988,835 | \$111,414,556 | \$69,860,512 | \$64,081,975 | \$37,086,266 | \$26,711,937 | \$8,977,174 | \$556,565,723 | |

Table 12

**Distribution of Benefit Recipients
as of December 31, 2024**

| Age | Number | Annual Benefit | Annal Average Benefit |
|----------------------|---------------|-----------------------|------------------------------|
| Under 50 | 26 | \$ 446,539 | \$ 17,175 |
| 50-54 | 145 | 7,094,179 | 48,925 |
| 55-59 | 497 | 26,084,680 | 52,484 |
| 60-64 | 1,286 | 56,382,929 | 43,844 |
| 65-69 | 1,627 | 70,992,624 | 43,634 |
| 70-74 | 1,755 | 75,143,106 | 42,817 |
| 75-79 | 1,410 | 61,142,696 | 43,364 |
| 80-84 | 709 | 24,986,665 | 35,242 |
| 85-89 | 368 | 11,931,209 | 32,422 |
| 90 & Over | 219 | 5,816,432 | 26,559 |
| Total | 8,042 | \$ 340,021,059 | \$ 42,281 |

Table 13

Schedule of Active Member Valuation Data

| Year Ending December 31, | Active Participants | Percent Change | Covered Payroll | Percent Change | Average Salary | Percent Change |
|-----------------------------|------------------------|-------------------|-----------------|-------------------|-------------------|-------------------|
| 2007 | 8,117 | - | \$ 359,369,000 | - | \$ 44,274 | - |
| 2008 | 8,371 | 3.1% | 378,021,000 | 5.2% | 45,158 | 2.0% |
| 2009 | 7,654 | -8.6% | 364,237,000 | -3.6% | 47,588 | 5.4% |
| 2010 | 7,034 | -8.1% | 322,374,000 | -11.5% | 45,831 | -3.7% |
| 2011 | 6,745 | -4.1% | 309,682,000 | -3.9% | 45,913 | 0.2% |
| 2012 | 6,864 | 1.8% | 330,536,000 | 6.7% | 48,155 | 4.9% |
| 2013 | 6,993 | 1.9% | 342,219,000 | 3.5% | 48,937 | 1.6% |
| 2014 | 7,180 | 2.7% | 363,109,000 | 6.1% | 50,572 | 3.3% |
| 2015 | 7,477 | 4.1% | 393,186,000 | 8.3% | 52,586 | 4.0% |
| 2016 | 7,619 | 1.9% | 409,433,000 | 4.1% | 53,738 | 2.2% |
| 2017 | 7,838 | 2.9% | 421,269,000 | 2.9% | 53,747 | 0.0% |
| 2018 | 7,584 | -3.2% | 423,723,000 | 0.6% | 55,871 | 4.0% |
| 2019 | 7,427 | -2.1% | 433,890,000 | 2.4% | 58,421 | 4.6% |
| 2020 | 7,244 | -2.5% | 428,824,000 | -1.2% | 59,197 | 1.3% |
| 2021 | 7,175 | -1.0% | 442,863,000 | 3.3% | 61,723 | 4.3% |
| 2022 | 7,464 | 4.0% | 476,601,000 | 7.6% | 63,853 | 3.5% |
| 2023 | 7,894 | 5.8% | 530,702,000 | 11.4% | 67,229 | 5.3% |
| 2024 | 8,070 | 2.2% | 556,566,000 | 4.9% | 68,967 | 2.6% |

Table 14a

Schedule of Retirees and Beneficiaries Added to and Removed from Rolls

| Year Ending December 31, | Added to Rolls | | Removed from Rolls | | Rolls-End of Year | | % Increase in Annual Allowances | Average Annual Allowances |
|-----------------------------|----------------|----------------------|--------------------|----------------------|-------------------|----------------------|---------------------------------------|---------------------------------|
| | Number | Annual Allowances | Number | Annual Allowances | Number | Annual Allowances | | |
| 2007 | 239 | \$ 7,250,468 | 205 | \$ 4,551,742 | 5,304 | \$ 142,267,609 | - | \$ 26,823 |
| 2008 | 383 | 8,905,680 | 211 | 4,684,964 | 5,476 | 154,692,846 | 8.7% | 28,249 |
| 2009 | 446 | 9,268,740 | 216 | 4,795,982 | 5,706 | 165,826,328 | 7.2% | 29,062 |
| 2010 | 508 | 12,798,268 | 221 | 4,907,000 | 5,993 | 179,730,384 | 8.4% | 29,990 |
| 2011 | 404 | 10,012,165 | 198 | 4,396,317 | 6,199 | 193,851,170 | 7.9% | 31,271 |
| 2012 | 325 | 9,795,464 | 204 | 4,529,539 | 6,320 | 202,120,582 | 4.3% | 31,981 |
| 2013 | 324 | 11,246,955 | 197 | 4,327,990 | 6,447 | 210,027,512 | 3.9% | 32,578 |
| 2014 | 370 | 12,415,771 | 219 | 4,821,713 | 6,598 | 219,150,070 | 4.3% | 33,215 |
| 2015 | 476 | 13,777,204 | 318 | 6,847,464 | 6,756 | 226,019,290 | 3.1% | 33,455 |
| 2016 | 384 | 12,746,549 | 237 | 5,562,549 | 6,903 | 237,992,528 | 5.3% | 34,477 |
| 2017 | 383 | 9,893,931 | 244 | 6,375,641 | 7,042 | 244,768,143 | 2.8% | 34,758 |
| 2018 | 402 | 14,905,595 | 220 | 5,976,286 | 7,224 | 258,085,328 | 5.4% | 35,726 |
| 2019 | 478 | 17,715,050 | 297 | 8,368,302 | 7,405 | 269,263,106 | 4.3% | 36,362 |
| 2020 | 455 | 28,634,730 | 308 | 11,614,128 | 7,552 | 277,428,698 | 3.0% | 36,736 |
| 2021 | 424 | 16,109,924 | 321 | 8,655,976 | 7,655 | 294,130,270 | 6.0% | 38,423 |
| 2022 | 384 | 14,364,767 | 273 | 8,500,245 | 7,766 | 309,799,134 | 5.3% | 39,892 |
| 2023 | 404 | 15,039,143 | 256 | 8,098,656 | 7,914 | 327,189,809 | 5.6% | 41,343 |
| 2024 | 408 | 15,343,035 | 280 | 9,709,112 | 8,042 | 340,021,059 | 3.9% | 42,281 |

Table 14b

**Solvency Test
(\$ in 000s)**

| Valuation Date | Aggregated Accrued Liabilities | | | | Portions of Accrued Liabilities Covered by Reported Assets | | |
|-------------------|--------------------------------|----------------------------|-----------------------------|-----------------|--|-------------|-------------------|
| | Active and Inactive | | Active and Inactive Members | | | | |
| | Members Contributions | Retirees and Beneficiaries | (Employer Financed Portion) | Reported Assets | (5)/(2) | [(5)-(2)]/3 | [(5)-(2)-(3))/(4) |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| December 31, 2007 | \$ 206,090 | \$ 1,591,731 | \$ 1,117,343 | \$ 3,183,260 | 100.0% | 100.0% | 100.0% |
| December 31, 2008 | 221,667 | 1,707,599 | 1,146,119 | 2,957,506 | 100.0% | 100.0% | 89.7% |
| December 31, 2009 | 228,666 | 1,834,491 | 1,128,963 | 3,031,652 | 100.0% | 100.0% | 85.8% |
| December 31, 2010 | 232,727 | 2,041,322 | 1,008,077 | 3,027,439 | 100.0% | 100.0% | 74.7% |
| December 31, 2011 | 240,821 | 2,181,731 | 969,100 | 2,916,746 | 100.0% | 100.0% | 51.0% |
| December 31, 2012 | 257,716 | 2,250,533 | 1,010,107 | 2,846,124 | 100.0% | 100.0% | 33.4% |
| December 31, 2013 | 278,892 | 2,319,424 | 1,012,529 | 3,074,284 | 100.0% | 100.0% | 47.0% |
| December 31, 2014 | 301,567 | 2,578,071 | 1,124,417 | 3,241,053 | 100.0% | 100.0% | 32.1% |
| December 31, 2015 | 325,607 | 2,650,638 | 1,152,888 | 3,320,387 | 100.0% | 100.0% | 29.9% |
| December 31, 2016 | 350,646 | 2,770,533 | 1,170,623 | 3,451,463 | 100.0% | 100.0% | 28.2% |
| December 31, 2017 | 373,193 | 2,854,818 | 1,149,833 | 3,601,612 | 100.0% | 100.0% | 32.5% |
| December 31, 2018 | 392,004 | 2,989,597 | 1,145,395 | 3,620,319 | 100.0% | 100.0% | 20.8% |
| December 31, 2019 | 408,984 | 3,228,576 | 1,225,766 | 3,682,959 | 100.0% | 100.0% | 3.7% |
| December 31, 2020 | 430,411 | 3,312,228 | 1,190,247 | 3,747,078 | 100.0% | 100.0% | 0.4% |
| December 31, 2021 | 448,149 | 3,456,659 | 1,189,554 | 3,872,601 | 100.0% | 99.1% | 0.0% |
| December 31, 2022 | 467,549 | 3,603,830 | 1,205,090 | 3,866,412 | 100.0% | 94.3% | 0.0% |
| December 31, 2023 | 490,401 | 3,758,969 | 1,233,881 | 3,842,459 | 100.0% | 89.2% | 0.0% |
| December 31, 2024 | 513,897 | 3,872,845 | 1,227,739 | 3,757,482 | 100.0% | 83.8% | 0.0% |

Table 14c

EXPERIENCE TABLES

| Table Number | Content of Tables | Page |
|-----------------|--|------|
| 15 | Analysis of Pay Experience (Valuation Pay) | 132 |
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| 17 | Analysis of Turnover Experience | 134 |
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| 20 | Analysis of Retiree Mortality Experience | 138 |

**Pay Experience for Employees who are Active at
Beginning and End of Year
Valuation Pay Analysis
Analyzed by Years of Service**

| Service Beginning of Year | Experience for 2024 | | | |
|---------------------------------|---------------------|----------------|----------------|------------|
| | Number | Expected Pay | Actual Pay | Ration A/E |
| Under 5 | 2,615 | \$ 160,604,948 | \$ 161,533,044 | 101% |
| 5-9 | 1,599 | 112,876,393 | 113,303,088 | 100% |
| 10-14 | 965 | 74,306,194 | 75,064,099 | 101% |
| 15-19 | 770 | 62,358,661 | 62,944,140 | 101% |
| 20-24 | 433 | 37,204,120 | 37,888,701 | 102% |
| 25-29 | 352 | 28,903,154 | 29,228,668 | 101% |
| 30 & Over | 123 | 10,446,428 | 10,361,401 | 99% |
| Total | 6,857 | \$ 486,699,898 | \$ 490,323,141 | 101% |
| Over 10 Years | 2,643 | \$ 213,218,557 | \$ 215,487,009 | 101% |

| Service Beginning of Year | Experience for 2020-2024 | | | |
|---------------------------------|--------------------------|------------------|------------------|-----------|
| | Number | Expected Pay | Actual Pay | Ratio A/E |
| Under 5 | 10,209 | \$ 584,715,585 | \$ 600,137,058 | 103% |
| 5-9 | 8,319 | 526,159,251 | 534,946,761 | 102% |
| 10-14 | 4,479 | 313,925,979 | 317,704,808 | 101% |
| 15-19 | 4,208 | 306,355,464 | 310,631,134 | 101% |
| 20-24 | 2,759 | 202,829,816 | 204,631,531 | 101% |
| 25-29 | 1,643 | 127,729,552 | 128,467,060 | 101% |
| 30 & Over | 640 | 53,678,352 | 53,355,924 | 99% |
| Total | 32,257 | \$ 2,115,393,999 | \$ 2,149,874,276 | 102% |
| Over 10 Years | 13,729 | \$ 1,004,519,163 | \$ 1,014,790,457 | 101% |

Table 15

**Analysis of Retirement Experience
Each Age**

| | 2024 Retirement | | | 2020-2024 Retirement | | |
|----------------|-----------------|----------|-----------|----------------------|----------|-----------|
| Age | Actual | Expected | Ratio A/E | Actual | Expected | Ratio A/E |
| 46 | - | - | N/A | - | - | N/A |
| 47 | - | - | N/A | - | - | N/A |
| 48 | - | - | N/A | - | - | N/A |
| 49 | - | 0.10 | 0% | 1 | 0.90 | 111% |
| 50 | 7 | 6.75 | 104% | 22 | 25.85 | 85% |
| 51 | 6 | 7.30 | 82% | 23 | 40.45 | 57% |
| 52 | 9 | 10.40 | 87% | 45 | 48.30 | 93% |
| 53 | 14 | 15.00 | 93% | 49 | 58.40 | 84% |
| 54 | 9 | 8.30 | 108% | 41 | 47.95 | 86% |
| 55 | 11 | 12.65 | 87% | 60 | 57.60 | 104% |
| 56 | 12 | 11.50 | 104% | 59 | 61.00 | 97% |
| 57 | 11 | 10.50 | 105% | 71 | 63.45 | 112% |
| 58 | 12 | 11.45 | 105% | 57 | 56.50 | 101% |
| 59 | 12 | 10.80 | 111% | 54 | 61.00 | 89% |
| 60 | 26 | 16.57 | 157% | 135 | 95.71 | 141% |
| 61 | 21 | 15.63 | 134% | 83 | 82.41 | 101% |
| 62 | 15 | 14.85 | 101% | 77 | 80.06 | 96% |
| 63 | 15 | 14.60 | 103% | 68 | 71.53 | 95% |
| 64 | 10 | 10.81 | 93% | 49 | 69.92 | 70% |
| 65 | 12 | 15.66 | 77% | 81 | 82.77 | 98% |
| 66 | 9 | 14.85 | 61% | 68 | 75.49 | 90% |
| 67 | 7 | 12.27 | 57% | 56 | 62.49 | 90% |
| 68 | 14 | 10.44 | 134% | 47 | 44.24 | 106% |
| 69 | 7 | 9.56 | 73% | 28 | 31.92 | 88% |
| 70 & Over | 18 | 97.00 | 19% | 98 | 452.00 | 22% |
| Total | 257 | 336.99 | 76% | 1,272 | 1,669.94 | 76% |
| Total Under 70 | 239 | 239.99 | 100% | 1,174 | 1,217.94 | 96% |

Table 16a

Analysis of Retirement Experience
Age Groups

| Age Group | 2024 Retirements | | | 2020-2024 Retirements | | |
|----------------|------------------|----------|-----------|-----------------------|----------|-----------|
| | Actual | Expected | Ratio A/E | Actual | Expected | Ratio A/E |
| Under 55 | 45 | 47.85 | 94% | 181 | 221.85 | 82% |
| 55-59 | 58 | 56.90 | 102% | 301 | 299.55 | 100% |
| 60-64 | 87 | 72.46 | 120% | 412 | 399.63 | 103% |
| 65-69 | 49 | 62.78 | 78% | 280 | 296.91 | 94% |
| 70 & Over | 18 | 97.00 | 19% | 98 | 452.00 | 22% |
| Total | 257 | 336.99 | 76% | 1,272 | 1,669.94 | 76% |
| Total Under 70 | 239 | 239.99 | 100% | 1,174 | 1,217.94 | 96% |

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Table 16b

Analysis of Turnover Experience

| Years of Service | 2024 Quits | | | 2020-2024 Quits | | |
|------------------|------------|----------|-----------|-----------------|----------|-----------|
| | Actual | Expected | Ratio A/E | Actual | Expected | Ratio A/E |
| 0-4 | 552 | 536.53 | 103% | 2,409 | 2,081.86 | 116% |
| 5-9 | 132 | 116.86 | 113% | 815 | 619.50 | 132% |
| 10-14 | 32 | 30.37 | 105% | 196 | 139.44 | 141% |
| 15-19 | 25 | 10.87 | 230% | 106 | 62.93 | 168% |
| 20-24 | 7 | 3.96 | 177% | 33 | 23.19 | 142% |
| 25-29 | 1 | 0.51 | 196% | 5 | 2.48 | 202% |
| Total | 749 | 699.9 | 107% | 3,564 | 2,929.39 | 122% |

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Table 17

Analysis of Active Mortality Experience

| Age | 2024 Deaths | | | | 2020-2024 Deaths | | |
|-------------|-------------|----------|-----------|--|------------------|----------|-----------|
| | Actual | Expected | Ratio A/E | | Actual | Expected | Ratio A/E |
| 20-24 | 0 | 0.05 | 0% | | 2 | 0.16 | 1222% |
| 25-29 | 0 | 0.13 | 0% | | 2 | 0.54 | 371% |
| 30-34 | 1 | 0.23 | 441% | | 3 | 1.05 | 284% |
| 35-39 | 1 | 0.33 | 304% | | 7 | 1.54 | 453% |
| 40-44 | 4 | 0.50 | 807% | | 6 | 2.46 | 243% |
| 45-49 | 0 | 0.87 | 0% | | 7 | 4.27 | 164% |
| 50-54 | 4 | 1.35 | 297% | | 17 | 6.97 | 244% |
| 55-59 | 7 | 1.87 | 375% | | 18 | 9.80 | 184% |
| 60 and Over | 9 | 3.66 | 246% | | 36 | 17.17 | 210% |
| Total | 26 | 8.96 | 290% | | 98 | 43.98 | 223% |

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Table 18

Analysis of Disability Experience

| Age | 2024 Disabilities | | | 2020-2024 Disabilities | | |
|-------------|-------------------|----------|-----------|------------------------|----------|-----------|
| | Actual | Expected | Ratio A/E | Actual | Expected | Ratio A/E |
| 20-24 | 0 | 0.00 | 0% | 0 | 0.01 | 0% |
| 25-29 | 0 | 0.03 | 0% | 0 | 0.13 | 0% |
| 30-34 | 0 | 0.14 | 0% | 0 | 0.63 | 0% |
| 35-39 | 0 | 0.31 | 0% | 0 | 1.43 | 0% |
| 40-44 | 0 | 0.56 | 0% | 0 | 2.71 | 0% |
| 45-49 | 0 | 0.98 | 0% | 0 | 4.73 | 0% |
| 50-54 | 0 | 1.28 | 0% | 0 | 6.51 | 0% |
| 55-59 | 0 | 1.42 | 0% | 1 | 7.24 | 14% |
| 60 and Over | 0 | 1.25 | 0% | 1 | 5.08 | 20% |
| Total | 0 | 5.96 | 0% | 2 | 28.47 | 7% |

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Table 19

Analysis of Retiree Mortality Experience*

| | 2024 Experience | | | 2020-2024 Experience | | |
|-----------|-----------------|----------|-----------|----------------------|----------|-----------|
| Age | Actual | Expected | Ratio A/E | Actual | Expected | Ratio A/E |
| Under 60 | 1 | 2.16 | 46% | 18 | 11.71 | 154% |
| 60-64 | 12 | 8.36 | 144% | 64 | 41.18 | 155% |
| 65-69 | 24 | 17.82 | 135% | 122 | 88.60 | 138% |
| 70-74 | 40 | 32.33 | 124% | 195 | 152.62 | 128% |
| 75-79 | 51 | 42.21 | 121% | 197 | 161.50 | 122% |
| 80-84 | 59 | 38.73 | 152% | 180 | 152.49 | 118% |
| 85-89 | 43 | 33.12 | 130% | 163 | 126.29 | 129% |
| 90 & over | 43 | 43.32 | 99% | 160 | 160.37 | 100% |
| Total | 273 | 218.04 | 125% | 1099 | 894.75 | 123% |

**This analysis does not include beneficiary, QDRO, or disabled deaths.*

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Table 20

ACTUARIAL METHODS AND ASSUMPTIONS

The most recent experience study was completed in conjunction with the December 31, 2019 actuarial valuation. Please see our experience study, dated June 2020, to see more detail of the rationale for the current assumptions. As authorized under Sec. 40A-9 of Chapter 40A, the actuarial methods and assumptions are established set by the Board of Trustees based upon recommendations from the Fund's actuary.

Entry Age Normal Method

The Entry Age Normal actuarial cost method is the actuarial valuation method used for all purposes under ERF. The concept of this method is that funding of benefits for each member should be affected as a, theoretically, level contribution (as a level percentage of pay) from entry into ERF to termination of active status.

The Normal Cost (NC) for a fiscal year under this method is determined as described in the prior paragraph for each individual member. The ERF NC for the year is the total of individual normal costs determined for each active member. The Actuarial Accrued Liability (AAL) under this method is the theoretical asset balance of the normal costs that would have accumulated to date based upon current actuarial assumptions. To the extent that the current assets of the fund are insufficient to cover the AAL, an Unfunded Actuarial Accrued Liability (UAAL) develops.

Actuarially Determined Contribution

The actuarially determined contribution rate is developed using an open group projection. The total contribution rate (member plus City) is the level percentage of pay needed to fund the Normal Cost for each year and pay off the UAAL over 30 years. The Current Total Obligation Rate which is the actuarially determined contribution rate incorporates debt service payments on the pension obligation bonds. It is intended that the total rate (including the debt service payments) will be level over the amortization periods. Because the normal cost is declining as Group B members replace Group A members and because the debt service will be eliminated after 2035, the contributions towards the UAAL will increase over time, with a substantial increase in 2035 when the pension obligation bonds have been paid off.

In the open group projection, the demographic assumptions are applied to the current active employees and any employees that are assumed to leave employment are replaced one for one with a new employee. Over time this results in the change of the employee group from mostly Tier A members to Tier B members. The projection is built to assume no gains or losses on the actuarial accrued liability or the actuarial value of assets. assumption). Payroll is assumed to grow at 3%.

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

New Entrant Profile

For the purposes of determining the normal cost and liabilities of future members, an open group projection is used which replaces on a one-to-one basis each active member who leaves employment with an average new hire. The average new hire is determined based on a new entrant profile, which is created from the valuation data by determining the entry age and entry pay for anyone with between one and six years of service as of the valuation date, with salaries normalized to the valuation date. A summary of the new entrant profile is shown in the table below, with 60% of the population being male. The salaries below would be applicable for the year preceding the valuation date. Future cohorts of new hires have starting salaries that are assumed to grow at the General Wage Inflation of 3.00% over the salaries of the previous year.

| New Entrant Profile | | |
|---------------------|----------------|-----------------|
| Entry Age | # of Employees | Average Salary |
| 15-19 | 13 | \$49,264 |
| 20-24 | 335 | 50,423 |
| 25-29 | 543 | 53,756 |
| 30-34 | 483 | 57,943 |
| 35-39 | 386 | 59,546 |
| 40-44 | 356 | 62,644 |
| 45-49 | 314 | 61,241 |
| 50-54 | 300 | 60,887 |
| 55-59 | 219 | 59,551 |
| 60-64 | 127 | 62,577 |
| 65-69 | 13 | 48,056 |
| Total | 3,089 | \$57,981 |

Actuarial Value of Asset Method

The method for determining the actuarial value of assets in future years is equal to the market value of assets less a five-year phase in of the excess (shortfall) between expected investment return and actual income. The actual calculation is based on the difference between actual market value and the expected market value of assets each year, and recognizes the cumulative excess return (or shortfall) at a minimum rate of 20% per year. Each year, a base is set up to reflect this difference. If the current year's base is of opposite sign to the deferred bases, then it is offset dollar for dollar against the deferred bases. Any remaining bases are then recognized over the remaining period for that base.

For the December 31, 2024 actuarial valuation all deferred bases were fully recognized. In other words, the actuarial value of assets was set equal to the market value of assets. Beginning with the next valuation the smoothing process will start up again with no prior year bases.

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Annual Rate of Investment Return: For all purposes under the Fund, the rate of investment return is assumed to be 7.25% per annum, net of investment expenses. This rate includes an annual assumed rate of inflation of 2.50%. In addition, annual cost-of-living adjustments are assumed to occur on average at the rate of 2.50% per annum for Tier A members and 2.20% for Tier B members (due to the lower maximum on cost-of-living-adjustments).

Annual Compensation Increases: Each member's compensation is assumed to increase in accordance with a table based on actual ERF experience. Sample rates follow:

| Years of Service | Merit, Promotion, Longevity | General | Total |
|------------------|--------------------------------|---------|--------|
| 0 | 5.25 % | 3.00 % | 8.25 % |
| 1 | 4.25 | 3.00 | 7.25 |
| 2 | 3.25 | 3.00 | 6.25 |
| 3 | 2.50 | 3.00 | 5.50 |
| 4 | 2.00 | 3.00 | 5.00 |
| 5 | 1.75 | 3.00 | 4.75 |
| 6 | 1.75 | 3.00 | 4.75 |
| 7 | 1.25 | 3.00 | 4.25 |
| 8 | 1.25 | 3.00 | 4.25 |
| 9 | 1.00 | 3.00 | 4.00 |
| 10 | 1.00 | 3.00 | 4.00 |
| 11 | 1.00 | 3.00 | 4.00 |
| 12 | 0.75 | 3.00 | 3.75 |
| 13 | 0.75 | 3.00 | 3.75 |
| 14 | 0.75 | 3.00 | 3.75 |
| 15 | 0.75 | 3.00 | 3.75 |
| 16 | 0.75 | 3.00 | 3.75 |
| 17 | 0.75 | 3.00 | 3.75 |
| 18 | 0.50 | 3.00 | 3.50 |
| 19 & Over | 0.00 | 3.00 | 3.00 |

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Mortality:

Disabled Lives: The gender-distinct 2019 Texas Municipal Retirees Mortality Table for males and females respectively, set forward 4 years for males and 3 years for females. Generational mortality improvements in accordance with the ultimate rates from the scales published through 2019 by Retirement Plans Experience Committee of the Society of Actuaries ("Ultimate MP") and projected from the year 2019.

Sample rates as of 2024 follow (rate per 1,000), with projected mortality applied:

| Age | Disability Mortality Rate | |
|-----|---------------------------|--------|
| | Male | Female |
| 20 | 35 | 30 |
| 30 | 35 | 30 |
| 40 | 35 | 30 |
| 50 | 35 | 30 |
| 60 | 35 | 30 |
| 70 | 35 | 30 |
| 80 | 80 | 48 |
| 90 | 230 | 156 |

Other Benefit Recipients: The gender-distinct 2019 Texas Municipal Retirees Mortality Tables are used for males and females respectively. Generational mortality improvements in accordance with the ultimate rates from the scales published through 2019 by Retirement Plans Experience Committee of the Society of Actuaries ("Ultimate MP") and projected from the year 2019.

Sample rates as of 2024 follow (rate per 1,000), with projected mortality applied:

| Age | Mortality Rate | |
|-----|----------------|--------|
| | Male | Female |
| 30 | 0.4 | 0.1 |
| 40 | 0.7 | 0.3 |
| 50 | 2.6 | 1.1 |
| 60 | 7.2 | 3.4 |
| 70 | 19.2 | 10.7 |
| 80 | 53.1 | 34.1 |
| 90 | 150.0 | 109.0 |

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Mortality, Continued:

Active Members: The PubG-2010 Employee Mortality Table for General Employees tables are used for males and females respectively. Generational mortality improvements in accordance with the ultimate rates from the scales published through 2019 by Retirement Plans Experience Committee of the Society of Actuaries (“Ultimate MP”) and projected from the year 2010.

Sample rates as of 2024 follow (rate per 1,000), with projected mortality applied:

| Age | Mortality Rate | |
|-----------|----------------|--------|
| | Male | Female |
| 30 | 0.3 | 0.1 |
| 40 | 0.6 | 0.3 |
| 50 | 1.3 | 0.7 |
| 60 | 2.8 | 1.6 |
| 70 | 6.1 | 4.2 |
| 80 | 15.0 | 11.6 |
| 90 | 128.7 | 100.8 |

10% of active deaths are assumed to be service related.

Disability: A client-specific table of disability incidence with sample rates follows (rate per 1,000):

| Age | Disability Rate |
|-----------|-----------------|
| 30 | 0.1 |
| 40 | 0.5 |
| 50 | 1.2 |
| 60 | 2.2 |

20% of disabilities are assumed to be service related. There is a 0% assumption of disability for members who have over 10 years of service and are eligible for retirement.

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Retirement: Upon eligibility, active members are assumed to retire as follows (rate per 1,000):

Tier A:

| Age | Male | | Female | |
|--------------|---------------------|------------------|---------------------|-------------------|
| | First Year Eligible | Thereafter | First Year Eligible | Thereafter |
| 48-49 | 100 | 100 | 100 | 100 |
| 50 | 550 | 550 | 450 | 350 |
| 51 | 500 | 450 | 400 | 350 |
| 52 | 500 | 300 | 400 | 300 |
| 53 | 400 | 300 | 350 | 300 |
| 54 | 350 | 250 | 350 | 200 |
| 55 | 300 | 250 | 350 | 250 |
| 56 | 300 | 250 | 350 | 250 |
| 57 | 300 | 250 | 350 | 250 |
| 58-59 | 300 | 250 | 250 | 200 |
| | Service < 18 yrs. | Service 18 yrs.+ | Service < 18 yrs. | Service 18 yrs. + |
| 60 | 80 | 230 | 90 | 200 |
| 61 | 90 | 230 | 90 | 180 |
| 62 | 100 | 230 | 90 | 200 |
| 63 | 100 | 230 | 150 | 150 |
| 64 | 150 | 230 | 120 | 130 |
| 65 | 150 | 230 | 120 | 300 |
| 66 | 200 | 230 | 150 | 300 |
| 67 | 200 | 230 | 250 | 300 |
| 68 | 200 | 230 | 150 | 300 |
| 69 | 200 | 230 | 150 | 300 |
| 70 | 1,000 | 1,000 | 1,000 | 1,000 |

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Retirement, Continued: Upon eligibility, active members are assumed to retire as follows (rate per 1,000):

Tier B:

| Age | Male | | Female | |
|-------|-------------------|------------------|-------------------|-------------------|
| | Service < 40 yrs. | Service 40 yrs.+ | Service < 40 yrs. | Service 40 yrs. + |
| <55 | 10 | 350 | 10 | 350 |
| 55-56 | 20 | 350 | 20 | 350 |
| 57-58 | 30 | 350 | 30 | 350 |
| 59-60 | 40 | 350 | 40 | 350 |
| 61-62 | 50 | 350 | 50 | 350 |
| 63-64 | 60 | 350 | 60 | 350 |
| 65 | 180 | 600 | 200 | 450 |
| 66 | 200 | 250 | 250 | 250 |
| 67 | 200 | 250 | 250 | 250 |
| 68 | 200 | 250 | 150 | 250 |
| 69 | 200 | 250 | 150 | 250 |
| 70 | 1,000 | 1,000 | 1,000 | 1,000 |

*For service < 40 yrs, rates shown are for those who met the rule of 80.

Retirement of Deferred Vested Members:

All deferred vested members are assumed to commence payment at their normal retirement age, which is age 60 for Tier A members and age 65 for Tier B members.

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

General Turnover: A table of termination rates based on ERF experience as shown below.

| Years of Service | Terminations (per 1000) | |
|------------------|-------------------------|--------|
| | Male | Female |
| 0 | 228 | 200 |
| 1 | 180 | 165 |
| 2 | 144 | 150 |
| 3 | 110 | 120 |
| 4 | 90 | 95 |
| 5 | 75 | 90 |
| 6 | 67 | 80 |
| 7 | 60 | 65 |
| 8 | 51 | 48 |
| 9 | 43 | 48 |
| 10 | 33 | 45 |
| 11 | 33 | 32 |
| 12 | 30 | 30 |
| 13 | 30 | 30 |
| 14 | 22 | 20 |
| 15 | 22 | 14 |
| 16 | 19 | 14 |
| 17 | 19 | 14 |
| 18 | 19 | 14 |
| 19 | 19 | 14 |
| 20 | 12 | 14 |
| 21 | 12 | 14 |
| 22 | 12 | 6 |
| 23 | 12 | 6 |
| 24 | 12 | 6 |
| 25 | 12 | 6 |
| 26 & Over | 5 | 6 |

There is 0% assumption of termination for members eligible for retirement.

Refunds of Contributions: Members are assumed to choose the most valuable termination benefit.

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Operational Expenses: The amount of estimated administrative expenses expected in the next year is assumed to be equal to the prior year's expenses and is incorporated in the Normal Cost.

Marital Status: 75% of active male members and 50% of active female employees are assumed to be married.

Vacation Leave Conversions: Members with 20 or more years of service are assumed to convert unused vacation leave to 1.5 months of service. Other members are assumed to convert unused vacation leave to 1 month of service. No vacation leave conversion is assumed for disability retirement.

Spouse Age: The female spouse is assumed to be 3 years younger than the male spouse.

Payroll Growth Rate: Used to estimate the growth of future payroll. The assumption is equal to 3.00%.

Member's Pay: In determining the member's valuation salary, the greater of the prior calendar year's gross pay and the member's rate of compensation is used.

Form of Payment: For Tier A it is assumed that 60% of married active male members and 84% of married active female employees will elect a Joint & 50% Survivor form of payment. Taking into consideration the marriage assumption and the inherent subsidy in the ERF's Joint & 100% Survivor factors, the male employees are valued with Joint and 28.0% Survivor annuities and the female employees are valued with Joint and 19.5% Survivor annuities. It is also assumed that 100% of Tier B employees will elect the normal form of payment under Tier B.

Data Adjustments: Certain records are missing spousal information. For these records we use the marital status assumption and spousal age difference assumption to value these records. No other adjustments are made to the data.

Actuarial Equivalence Assumptions: for form of payment conversion and Tier B early retirement factors are based on the following assumptions:

- Interest Rate of 8.00%.
- Mortality: Unisex blend (60% male and 40% female) of the following assumptions for males and females. 109% of the RP-2000 Combined Healthy Table for males with Blue Collar adjustment projected to 2026 using improvement scale BB for males. 103% of the RP-2000 Combined Healthy Table for females with Blue Collar adjustment projected to 2026 using improvement scale BB for females.
- Cost-of-living-adjustments (COLA): a 3.00% COLA assumption for Tier A members and a 2.50% COLA assumption for Tier B members.

ACTUARIAL METHODS AND ASSUMPTIONS (CONT.)

Actuarial Model: This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

Changes in Methods and Assumptions Since Prior Valuation: The actuarial value of assets was set equal to the market value of assets as of December 31, 2024 (in other words all deferred investment gains/losses were fully recognized as of that date). This was done in recognition of the changes made to Chapter 40-A with regards to the determination of the actuarially determined contribution rate. The normal smoothing process will start again with the December 31, 2025 actuarial valuation. No other changes to the assumptions were made.

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SUMMARY OF BENEFIT PROVISIONS
Employees' Retirement Fund of the City of Dallas
As of December 31, 2024

| | |
|----------------------|---|
| Membership | <p>An employee becomes a member upon permanent employment and contributes to the Fund.</p> |
| | <p><i>Tier A</i></p> <p>A person who was employed by the City prior to January 1, 2017, or who was re-employed by the City on or after January 1, 2017 and whose pre January 1, 2017 credited service was not cancelled by withdrawal or forfeiture or was reinstated.</p> <p><i>Tier B</i></p> <p>A person who was employed by the City on or after January 1, 2017, or who was re-employed by the City on or after January 1, 2017 and whose pre January 1, 2017 credited service has been cancelled by withdrawal or forfeiture.</p> |
| Contributions | <p>Member: 37% of the current adjusted total obligation rate with a maximum rate of 14.00% for Group A members and 13.32% for Group B members. New rates effective October 1 after the valuation date.</p> <p>City: 63% of the current adjusted total obligation rate plus and difference between the 37% employee share of the current adjusted total obligation rate and the actual member rates due to the maximum rates discussed above. New rates effective October 1 after the valuation date.</p> |
| Definitions | <p>Final Average Salary:</p> <p><i>Tier A</i></p> <p>Average monthly salary over the member's highest three years (or 36 months) of service.</p> <p><i>Tier B</i></p> <p>Average monthly salary over the member's highest five years (or 60 months) of service.</p> <p>Credited Service: Length of time as an employee of the City of Dallas and while making contributions to the Fund.</p> |

SUMMARY OF BENEFIT PROVISIONS (cont.)

Retirement Pension

Eligibility:

Tier A

- Attainment of age 60; or
- Attainment of age 55 (if credited service began before May 9, 1972); or
- At any age after completion of 30 years of credited service with a reduced benefit before age 50; or
- Attainment of age 50, if the sum of an active member’s age and credited service is at least equal to 78.

Tier B

- Attainment of age 65 and 5 years of service; or
- At any age after completion of 40 years of credited service; or
- At any age if the sum of an active member’s age and credited service is at least equal to 80 (under this eligibility the member’s pension will be actuarially reduced for each year prior to the age of 65 that the member retires).
- Restricted Prior Service Credit included for eligibility (if approved).

Retirement Benefits:

Tier A

The retirement benefit equals 2-3/4% multiplied by average monthly earnings multiplied by credited service limited to a maximum of 36.3636 years plus a monthly \$125 health supplement (prorated for service less than 5 years).

Tier B

The retirement benefit equals 2-1/2% multiplied by average monthly earnings multiplied by credited service limited to a maximum of 40 years (no monthly health supplement).

Form of Payment:***Tier A***

An unreduced pension benefit under a joint and one-half survivor option with 10 years guaranteed or a ten-year certain and life option. An actuarially equivalent joint and full survivor option is also available.

Tier B

An unreduced pension payable for life with 10 years guaranteed. Actuarially equivalent joint and survivor options (50% and 100%) are also available.

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SUMMARY OF BENEFIT PROVISIONS (cont.)

Early Retirement Factors:

Tier A

For members retiring prior to age 50 with 30 or more years of service the pension shall be multiplied by the following percentage:

| Age | Percentage |
|-----|------------|
| 49 | 93.3 |
| 48 | 87.2 |
| 47 | 81.5 |
| 46 | 76.3 |
| 45 | 71.5 |
| 44 | 67.0 |

Tier B

For members retiring prior to age 65 with less than 40 years of service, the pension shall be multiplied by the following percentage:

| Age | Percentage | Age | Percentage |
|-----|------------|-----|------------|
| 64 | 89.72 | 56 | 40.03 |
| 63 | 80.66 | 55 | 36.41 |
| 62 | 72.64 | 54 | 33.15 |
| 61 | 65.53 | 53 | 30.22 |
| 60 | 59.21 | 52 | 27.57 |
| 59 | 53.58 | 51 | 25.18 |
| 58 | 48.56 | 50 | 23.01 |
| 57 | 44.06 | 49 | 21.05 |

Deferred Retirement

Eligibility: Deferred retirement pension benefit commencing at age 60 for Tier A members or at age 65 for Tier B members, with at least five (5) years of credited service, and accumulated contributions are left on deposit with the Fund.

Monthly Benefit: The deferred retirement benefit is equal to the retirement pension based on earnings and credited service at the time of termination.

SUMMARY OF BENEFIT PROVISIONS (cont.)

Disability Retirement

Pension

Non-Service Disability:

- Eligibility: Five (5) years of service and totally and permanently incapacitated for duty.
- Monthly Benefit: Computed based on average monthly earnings and credited service at time of disability but not less than 10 times the percentage multiplier multiplied by the average monthly earnings.

Service Disability:

- Eligibility: Totally and permanently incapacitated from the further performance of duty as a result of injury while in the course of employment for the City.
- Monthly Benefit: Calculated as a non-service disability pension but not less than \$1,000 per month.

Death Benefits

Eligibility: active or inactive members who die prior to retirement

Benefit: For members with less than 2 years of service or inactive member with less than 5 years of service: refund of the members contributions.

Benefit: For members with more than 2 years of service but less than 15 years of service: an unreduced pension to designated beneficiary for 120 months or a one-half survivor option for life with 120 payments guaranteed.

Benefit: For members eligible for retirement or members and inactive members with more than 15 years of service: an unreduced pension to designated beneficiary for 120 months or a Full Survivor option for life with 120 payments guaranteed.

Form: Benefit paid in accordance with the option on file, or the eligible option, or if no eligible beneficiary, a lump sum equivalent of 10 years of benefit payments to the member's estate.

Minimum Benefit for Service Death: For job-related death a minimum of 10 years of service used in calculation of benefit. Benefit will not be less than \$1,000 per month.

SUMMARY OF BENEFIT PROVISIONS (cont.)

Return of Accumulated
Contributions

A member at the time of termination is entitled to be paid accumulated contributions without interest.

Cost-of-Living
Adjustments

An annual cost-of-living adjustment to the base pension benefit shall be made based on the greater of:

Tier A

- The percentage of change in the price index for October of the current year over October of the previous year, up to 5%, or
- The percentage of annual average change in the price index for the 12-month period ending with the effective date of the adjustment, up to 5%.

Tier B

- The percentage of change in the price index for October of the current year over October of the previous year, up to 3%, or
- The percentage of annual average change in the price index for the 12-month period ending with the effective date of the adjustment, up to 3%.

STATISTICAL SECTION



The Statistical Section provides additional historical perspective, context and detail to assist the reader using the information in the financial statements, notes to the financial statements and required supplementary information to understand the economic condition of the Plan. The schedules presented contain information on financial trends, operations, and additional analytical information on employees' membership and retirement benefits. The information in this section is obtained from Annual Comprehensive Financial Reports for relevant years, actuarial reports, and various internal sources.

Schedule of Additions by Source: Presents contributions, investment revenue and contributions as a percent of covered payroll for ten years.

Schedule of Deductions by Type: Presents benefit payments, administrative expenses and refunds for ten years.

Schedule of Changes in Net Position: Presents the increase or decrease in net position for ten years.

Schedule of Benefit Expenses by Type: Presents retiree, beneficiary, disability and supplemental benefit expenses for ten years.

Average Benefit Payment: Presents the average monthly benefit payment, average final salary, and number of retired members based on years of credited service for nine years. An additional year will be displayed as it becomes available.

Retired Members by Type of Benefit: Presents the number of retirees receiving various ranges of monthly benefit amounts. The information is further broken out by type of retirement and retirement option selected.

Average Age and Monthly Pension at Retirement: Presents the average age, average monthly pension, and average age at retirement based on status (members only, members and survivors, and survivors only).

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SCHEDULE OF ADDITIONS BY SOURCE

(\$ in thousands)

| Year Ending | Member Contributions | Employer Contributions | % of Annual Covered P/R | Investment Income | Investment Professional Expenses | Other Income | Total Increases |
|-------------|----------------------|------------------------|-------------------------|-------------------|----------------------------------|--------------|-----------------|
| 2015 | \$50,742 | \$50,721 | 13.2 | (\$35,158) | (\$18,185) | \$162 | \$48,282 |
| 2016 | 53,436 | 56,130 | 13.9 | 310,730 | (15,812) | 333 | 404,817 |
| 2017 | 55,175 | 58,966 | 14.4 | 430,396 | (16,886) | 207 | 527,858 |
| 2018 | 56,772 | 60,924 | 14.4 | (150,098) | (17,685) | 121 | (49,966) |
| 2019 | 58,314 | 62,177 | 14.3 | 569,071 | (18,129) | 301 | 671,734 |
| 2020 | 58,358 | 61,615 | 14.2 | 246,936 | (17,915) | 84 | 349,078 |
| 2021 | 59,256 | 63,584 | 14.1 | 599,003 | (21,074) | 81 | 700,850 |
| 2022 | 63,427 | 67,288 | 14.1 | (349,377) | (19,621) | 69 | (238,214) |
| 2023 | 70,025 | 73,939 | 14.1 | 360,517 | (20,924) | 285 | 483,842 |
| 2024 | 74,831 | 80,782 | 13.9 | 344,637 | (19,965) | 257 | 480,542 |

SCHEDULE OF DEDUCTIONS BY TYPE

(\$ in thousands)

| Year Ending | Benefit Payments | Administrative and Depreciation Expenses | Refunds | Total Deductions |
|-------------|------------------|--|---------|------------------|
| 2015 | \$235,106 | \$4,594 | \$4,854 | \$244,554 |
| 2016 | 243,775 | 5,343 | 5,864 | 254,982 |
| 2017 | 253,534 | 5,951 | 8,156 | 267,641 |
| 2018 | 263,981 | 7,485 | 8,515 | 279,981 |
| 2019 | 278,007 | 7,513 | 10,436 | 295,956 |
| 2020 | 287,465 | 6,091 | 6,857 | 300,413 |
| 2021 | 296,586 | 7,349 | 10,452 | 314,387 |
| 2022 | 317,528 | 9,035 | 12,158 | 338,721 |
| 2023 | 328,296 | 10,024 | 12,700 | 351,020 |
| 2024 | 348,938 | 10,855 | 12,369 | 372,162 |

SCHEDULE OF CHANGES IN NET POSITION

(\$ in thousands)

| Year Ending | Change in Net Position |
|-------------|------------------------|
| 2015 | (\$196,277) |
| 2016 | 149,835 |
| 2017 | 259,392 |
| 2018 | (329,947) |
| 2019 | 375,775 |
| 2020 | 48,665 |
| 2021 | 386,462 |
| 2022 | (576,935) |
| 2023 | 132,822 |
| 2024 | 108,380 |

SCHEDULE OF BENEFIT PAYMENTS BY TYPE

(\$ in thousands)

| Year Ending | Retiree | Beneficiary | Disability | Supplement | Total |
|-------------|-----------|-------------|------------|------------|-----------|
| 2015 | \$214,343 | \$6,101 | \$4,908 | \$9,754 | \$235,106 |
| 2016 | 220,979 | 7,926 | 4,884 | 9,986 | 243,775 |
| 2017 | 229,843 | 8,317 | 5,194 | 10,180 | 253,534 |
| 2018 | 240,186 | 8,276 | 5,109 | 10,410 | 263,981 |
| 2019 | 253,635 | 8,640 | 5,046 | 10,686 | 278,007 |
| 2020 | 263,182 | 8,436 | 4,947 | 10,900 | 287,465 |
| 2021 | 271,984 | 8,682 | 4,823 | 11,099 | 296,588 |
| 2022 | 288,006 | 13,336 | 4,924 | 11,262 | 317,528 |
| 2023 | 305,307 | 6,632 | 4,901 | 11,456 | 328,296 |
| 2024 | 321,994 | 10,472 | 4,831 | 11,641 | 348,938 |

AVERAGE BENEFIT PAYMENT

As of December 31, 2024

| Retirement Effective Dates | Years of Credited Service | | | | | | |
|--|---------------------------|------------|------------|------------|------------|------------|------------|
| | 0 - 5 | 5 - 10 | 10 - 15 | 15 - 20 | 20 - 25 | 25 - 30 | 30+ |
| Period 01/01/2023 to 12/31/2024 | | | | | | | |
| Average monthly benefit | \$584.72 | \$951.60 | \$1,886.17 | \$2,585.11 | \$3,866.57 | \$4,536.38 | \$6,469.45 |
| Average final average salary | \$6,742.54 | \$4,476.86 | \$5,679.52 | \$5,348.92 | \$6,300.34 | \$6,343.83 | \$7,327.23 |
| Number of retired members | 3 | 47 | 36 | 62 | 65 | 69 | 30 |
| Period 01/01/2022 to 12/31/2023 | | | | | | | |
| Average monthly benefit | \$555.95 | \$1,018.13 | \$1,729.63 | \$2,581.71 | \$3,346.25 | \$4,514.87 | \$7,371.77 |
| Average final average salary | \$7,553.71 | \$4,944.93 | \$3,061.69 | \$5,594.58 | \$5,453.90 | \$6,157.80 | \$8,285.17 |
| Number of retired members | 2 | 49 | 46 | 70 | 65 | 56 | 38 |
| Period 01/01/2022 to 12/31/2022 | | | | | | | |
| Average monthly benefit | \$359.97 | \$832.04 | \$1,625.48 | \$2,431.09 | \$3,435.22 | \$4,640.07 | \$5,828.64 |
| Average final average salary | \$4,544.98 | \$4,522.27 | \$4,660.34 | \$5,260.12 | \$5,611.51 | \$6,754.08 | \$6,455.67 |
| Number of retired members | 7 | 42 | 43 | 49 | 68 | 54 | 26 |
| Period 01/01/2021 to 12/31/2021 | | | | | | | |
| Average monthly benefit | \$512.73 | \$883.59 | \$1,662.03 | \$2,390.70 | \$3,315.48 | \$4,346.92 | \$5,826.24 |
| Average final average salary | \$7,266.21 | \$4,589.03 | \$5,013.79 | \$5,013.79 | \$5,478.37 | \$5,986.19 | \$6,592.88 |
| Number of retired members | 2 | 48 | 48 | 41 | 86 | 61 | 36 |
| Period 01/01/2020 to 12/31/2020 | | | | | | | |
| Average monthly benefit | \$412.15 | \$1,088.17 | \$1,544.86 | \$2,473.03 | \$3,156.40 | \$4,068.53 | \$6,084.19 |
| Average final average salary | \$3,980.24 | \$4,261.10 | \$4,162.30 | \$4,874.51 | \$5,077.47 | \$5,615.31 | \$6,554.32 |
| Number of retired members | 13 | 39 | 37 | 43 | 93 | 39 | 44 |
| Period 01/01/2019 to 12/31/2019 | | | | | | | |
| Average monthly benefit | \$411.49 | \$868.60 | \$1,559.50 | \$2,554.02 | \$3,007.07 | \$4,360.05 | \$5,478.80 |
| Average final average salary | \$4,573.78 | \$3,200.67 | \$3,625.18 | \$4,812.60 | \$4,531.23 | \$5,776.53 | \$6,132.39 |
| Number of retired members | 13 | 50 | 51 | 56 | 106 | 68 | 39 |
| Period 01/01/2018 to 12/31/2018 | | | | | | | |
| Average monthly benefit | \$452.84 | \$901.30 | \$1,727.75 | \$2,169.69 | \$3,120.36 | \$4,181.67 | \$5,731.43 |
| Average final average salary | \$2,312.10 | \$2,700.97 | \$4,721.44 | \$3,588.84 | \$5,033.05 | \$5,807.68 | \$6,395.12 |
| Number of retired members | 18 | 28 | 43 | 47 | 65 | 62 | 55 |
| Period 01/01/2017 to 12/31/2017 | | | | | | | |
| Average monthly benefit | \$395.27 | \$840.28 | \$1,456.48 | \$2,422.33 | \$3,365.92 | \$4,441.36 | \$5,039.49 |
| Average final average salary | \$4,260.11 | \$1,821.11 | \$3,470.15 | \$4,985.34 | \$5,366.59 | \$6,123.49 | \$5,798.23 |
| Number of retired members | 12 | 41 | 51 | 44 | 53 | 56 | 37 |
| Period 01/01/2016 to 12/31/2016 | | | | | | | |
| Average monthly benefit | \$325.38 | \$762.64 | \$1,487.94 | \$2,427.06 | \$2,488.97 | \$4,170.49 | \$4,974.11 |
| Average final average salary | \$4,289.71 | \$3,561.23 | \$4,840.13 | \$5,273.92 | \$4,942.79 | \$5,650.83 | \$5,719.72 |
| Number of retired members | 20 | 37 | 40 | 65 | 45 | 50 | 65 |
| Period 01/01/2015 to 12/31/2015 | | | | | | | |
| Average monthly benefit | \$144.71 | \$882.40 | \$1,364.61 | \$2,125.58 | \$3,025.21 | \$4,105.72 | \$4,922.06 |
| Average final average salary | \$3,346.57 | \$4,697.46 | \$4,059.07 | \$4,581.92 | \$4,947.81 | \$5,592.10 | \$5,691.11 |
| Number of retired members | 4 | 33 | 24 | 50 | 46 | 62 | 57 |

RETIRED MEMBERS BY TYPE OF BENEFIT

As of December 31, 2024

| Amount of Monthly | | Type of Retirement | | | | | | | Option Selected | | | |
|-------------------|---------|--------------------|------------|--------------|-----------|-----------|-----------|-----------|-----------------|--------------|--------------|------------|
| Benefits | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | #1 | #2 | #3 | #4 |
| \$1 | \$250 | 61 | 0 | 20 | 0 | | | | 19 | 35 | 23 | 5 |
| \$251 | \$500 | 151 | 1 | 96 | 0 | | | 10 | 31 | 142 | 61 | 24 |
| \$501 | \$750 | 237 | 2 | 85 | 3 | | 5 | 13 | 37 | 192 | 92 | 23 |
| \$751 | \$1,000 | 250 | 5 | 73 | 19 | | 14 | 9 | 46 | 212 | 91 | 21 |
| \$1,001 | \$1,250 | 241 | 5 | 78 | 2 | 2 | 6 | 13 | 53 | 184 | 90 | 22 |
| \$1,251 | \$1,500 | 231 | 4 | 85 | 1 | 9 | 10 | 3 | 68 | 173 | 77 | 24 |
| \$1,501 | \$1,750 | 241 | 6 | 75 | | 8 | 10 | 5 | 74 | 155 | 110 | 12 |
| \$1,751 | \$2,000 | 257 | 5 | 84 | | 8 | 6 | 4 | 87 | 152 | 111 | 15 |
| over | \$2,000 | 4,919 | 81 | 523 | | 9 | 31 | 26 | 1,432 | 2,499 | 1,622 | 28 |
| Total | | 6,588 | 109 | 1,119 | 25 | 36 | 82 | 83 | 1,847 | 3,744 | 2,277 | 174 |

a) Type of Retirement

- 1) Normal retirement
- 2) Early retirement
- 3) Beneficiary payment, normal or early retirement
- 4) Beneficiary payment, service connected death
- 5) Service connected disability retirement
- 6) Non-Service connected disability retirement
- 7) Beneficiary payment, disability retirement

b) Option Selected

- 1) Joint & 100%- beneficiary receives 100% of member's benefit
- 2) Joint & 50%- beneficiary receives 50% of member's benefit
- 3) 10 Year Certain- beneficiary receives member's unused benefits
- 4) QDRO retirement

AVERAGE AGE AND MONTHLY PENSION AT RETIREMENT

As of December 31, 2024

| Status | Average Age | Average Pension | Average Age at Retirement |
|-----------------------|-------------|-----------------|---------------------------|
| Members Only | 71 | \$3,879 | 58 |
| Members and Survivors | 73 | \$3,480 | N/A |
| Survivors Only | 75 | \$3,081 | N/A |

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EMPLOYEES' RETIREMENT FUND
OF THE CITY OF DALLAS



A COMPONENT UNIT OF THE CITY OF DALLAS, TX

1920 MCKINNEY AVE, 10TH FLOOR | DALLAS, TX | 75201
PHONE 214.580.7700 | FAX 214.580.3515

WWW.DALLASERF.ORG

DISCUSSION SHEET

Employees' Retirement Fund Board of Trustees Meeting

September 16, 2025

Issue: October 2025 Budget

Attachment: Proposed ERF October 2025 Budget

Discussion: The fiscal year budget begins 10/1/25. Staff are proposing to adopt a one-month budget for October 2025 in preparation for a new Budgeting for Outcomes budget model.

Previous budgets were developed by analyzing line item expenses for the entire fund. While this method is effective for establishing an overall budget, it does not provide the transparency needed to identify the cost of the Fund's individual goals. To address this, the Fund will move towards a Budgeting for Outcomes methodology. This will align costs with specific initiatives and goals established by the Board.

In order to ensure proper alignment between the Strategic Goals and Budgeting for Outcomes, a one-month budget for October is presented for the Board's approval. The proposed for October 2025 is \$4,461,500, which includes recurring expenditures and special projects. This maintains all expenses at the current service level, including estimated quarterly management fees of \$3,500,000.

Recommendation: Approve the proposed budget for October 2025. Suggested motion for the approval is as follows: Move approval of the proposed October 2025 budget totaling \$4,461,500 which is attached to this discussion sheet and authorize the Executive Director to administer the budget as noted below.

The Executive Director is authorized to expend, as required, up to 110% of each line item or \$75,000 whichever is less of the funds appropriated herein, but in no instance, is the authorization given to exceed the total budgeted for each category (Administrative, Benefits Management, Investments Management, Capital, or Special Projects) without Board approval.

The Executive Director is authorized to negotiate and sign contracts which are required in the conduct of Fund business and funds have

been approved in this budget. This authorization is limited to \$75,000 per contract.

The Executive Director is authorized to pay budgeted expenses, and to further pay pensions and member refunds which are authorized by law but are not specifically included in this budget.

EMPLOYEES' RETIREMENT FUND
EXPENDITURE BUDGET
Proposed October 2025 Budget

| | Proposed Budget |
|--------------------------------------|---------------------|
| ADMINISTRATIVE | |
| Salaries | \$ 390,000 |
| Merits | - |
| Service Incentive Pay | - |
| Lump Sum Pay | - |
| Pensions | 60,000 |
| Flexible Benefits | 31,000 |
| FICWA/Medicare | 16,000 |
| Workers' Compensation | - |
| Temporary Help Services | 35,000 |
| Supplies | 1,000 |
| Food Supplies | 1,000 |
| Meter Postage | 1,500 |
| Printing/Communication | 1,000 |
| Property Insurance | - |
| Liability Insurance | - |
| Membership Dues | 2,000 |
| Subscriptions | 500 |
| Professional Development/Travel | 20,000 |
| Reimbursement for Vehicle Use | 500 |
| Data and Telecommunications Services | 50,000 |
| Rent | 50,000 |
| Parking and Public Transportation | - |
| Legal | 35,000 |
| Accounting | 5,000 |
| Audit | - |
| Actuary | 50,000 |
| Election | - |
| Other | 5,000 |
| Total Administrative | 754,500 |
| BENEFITS MANAGEMENT | |
| Disabilities/Continuations/Etc | 2,000 |
| Pension Benefit Information | - |
| Total Benefits Management | 2,000 |
| INVESTMENTS MANAGEMENT | |
| Manager Fees | 3,500,000 |
| Investment Consultant & Services | 130,000 |
| Custodial Fees | 5,000 |
| Total Investments Management | 3,635,000 |
| CAPITAL | |
| Furniture, Fixtures, Equipment | 5,000 |
| Computer Equipment | 10,000 |
| Total Capital | 15,000 |
| TOTAL RECURRING | \$ 4,406,500 |
| NON-RECURRING | |
| Special Projects | 55,000 |
| TOTAL BUDGET | \$ 4,461,500 |

DISCUSSION SHEET

Employees' Retirement Fund Board of Trustees Meeting

September 16, 2025

Issue: Fiscal Year 2024-25 Budget Amendments

Attachment: FY 2024-25 Expenditure Budget Report

Discussion: The current fiscal year budget is from 10/1/24 to 9/30/25.

Overall, the proposed budget amendment will have no net effect on the budget. The budget amendment will only reallocate costs.

Within the Administrative expense category, the total proposed budget amendments are \$130,000 higher than the original budget. Temporary Help Services are expected to be \$150,000 higher due to vacancies in Salaries. This increase will be offset by a decrease to the budget for Salaries. Legal costs are expected to be \$130,000 higher due to a final invoice for litigation expenses. The budget for Manager Fees will be reduced by \$130,000 due to savings.

Please refer to the attachment for additional details related to the proposed budget amendment.

Recommendation: Approve the proposed budget amendments for FY 2024-25. Suggested motion for the approval is as follows: Move approval of the proposed FY 2024-25 budget amendments reallocating the line-item budgets as attached to this discussion sheet and authorize the Executive Director to administer the budget.

EMPLOYEES' RETIREMENT FUND
EXPENDITURE BUDGET
Proposed Fiscal Year 2024-25 Amended Budget

| | Expenditures Through 8/31/25 | Projected Through 9/30/25 | Approved Budget | Proposed Budget Amendments | Amended FY 2024-25 Budget |
|--------------------------------------|------------------------------------|---------------------------------|----------------------|----------------------------------|---------------------------------|
| ADMINISTRATIVE | | | | | |
| Salaries | \$ 4,265,153 | 4,838,890 | \$ 5,113,100 | \$ (150,000) | \$ 4,963,100 |
| Merits | 35,046 | 35,046 | 160,000 | | 160,000 |
| Service Incentive Pay | 2,208 | 2,208 | 2,100 | | 2,100 |
| Lump Sum Pay | (0) | 0 | 363,000 | | 363,000 |
| Pensions | 978,390 | 1,061,238 | 1,165,700 | | 1,165,700 |
| Flexible Benefits | 362,400 | 362,400 | 362,400 | | 362,400 |
| FICWA/Medicare | 58,784 | 65,378 | 74,200 | | 74,200 |
| Workers' Compensation | - | 21,000 | 21,000 | | 21,000 |
| Temporary Help Services | 353,806 | 386,806 | 245,000 | 150,000 | 395,000 |
| Supplies | 9,449 | 10,949 | 11,600 | | 11,600 |
| Food Supplies | 1,762 | 3,762 | 11,600 | | 11,600 |
| Meter Postage | 20,959 | 21,459 | 20,000 | | 20,000 |
| Printing/Communication | 6,760 | 6,760 | 10,000 | | 10,000 |
| Property Insurance | 10,878 | 10,878 | 11,600 | | 11,600 |
| Liability Insurance | 305,411 | 305,411 | 344,300 | | 344,300 |
| Membership Dues | 20,209 | 21,209 | 25,000 | | 25,000 |
| Subscriptions | 557 | 768 | 1,400 | | 1,400 |
| Professional Development/Travel | 203,657 | 223,657 | 250,000 | | 250,000 |
| Reimbursement for Vehicle Use | - | 0 | 400 | | 400 |
| Data and Telecommunications Services | 798,323 | 823,323 | 825,000 | | 825,000 |
| Rent | 545,033 | 594,033 | 660,000 | | 660,000 |
| Parking and Public Transportation | 4,320 | 4,320 | 5,000 | | 5,000 |
| Legal | 495,418 | 525,418 | 400,000 | 130,000 | 530,000 |
| Accounting | 45,740 | 49,898 | 50,000 | | 50,000 |
| Audit | 47,800 | 50,800 | 50,800 | | 50,800 |
| Actuary | 134,692 | 150,000 | 150,000 | | 150,000 |
| Election | 21,000 | 21,000 | 25,000 | | 25,000 |
| Other | 57,905 | 62,905 | 100,000 | | 100,000 |
| Total Administrative | 8,785,660 | 9,659,515 | 10,458,200 | 130,000 | 10,588,200 |
| BENEFITS MANAGEMENT | | | | | |
| Disabilities/Continuations/Etc | 1,123 | 1,823 | 28,000 | | 28,000 |
| Pension Benefit Information | 10,891 | 10,891 | 10,000 | | 10,000 |
| Total Benefits Management | 12,014 | 12,714 | 38,000 | - | 38,000 |
| INVESTMENTS MANAGEMENT | | | | | |
| Manager Fees | 11,797,126 | 11,797,126 | 14,000,000 | (130,000) | 13,870,000 |
| Investment Consultant & Services | 395,265 | 395,265 | 420,000 | | 420,000 |
| Custodial Fees | 271,516 | 274,616 | 284,000 | | 284,000 |
| Total Investments Management | 12,463,907 | 12,467,007 | 14,704,000 | (130,000) | 14,574,000 |
| CAPITAL | | | | | |
| Furniture, Fixtures, Equipment | 40,125 | 40,125 | 50,000 | | 50,000 |
| Computer Equipment | 65,426 | 65,426 | 120,000 | | 120,000 |
| Total Capital | 105,550 | 105,550 | 170,000 | - | 170,000 |
| TOTAL RECURRING | \$ 21,367,131 | 22,244,786 | \$ 25,370,200 | - | \$ 25,370,200 |
| NON-RECURRING | | | | | |
| Special Projects | 374,404 | 374,404 | 650,000 | | 650,000 |
| TOTAL BUDGET | \$ 21,741,535 | 22,619,190 | \$ 26,020,200 | \$ - | \$ 26,020,200 |



July 29, 2025

Subject: Discontinuation of Support for Legacy Vitech Platforms

Dear Customer,

We are reaching out to inform you of an important update regarding the future of Vitech's retirement administration software. As part of our long-term strategy to drive innovation and deliver maximum value to our clients, we will be discontinuing support for our legacy software platforms—specifically **on-premises versions v8, v9, v10 as well as VSG Hosting —effective July 11th, 2028.**

We understand this represents a significant change, and we are committed to assisting you through this transition. Our team is here to provide guidance, support, and resources as you plan your move to **V3locity**, our modern, cloud-native SaaS platform.

This decision reflects a broader shift across the pension administration industry. Today's landscape is shaped by increasing complexity, higher member service expectations, and constrained IT resources. In response, pension organizations - public, private, and Taft-Hartley alike - are modernizing their administration with cloud-based platforms like V3locity.

Why the Move to SaaS Matters:

- **Insight-Driven Decisions:** Real-time dashboards and analytics empower business users to act without IT dependencies.
- **Agility and Scalability:** V3locity adapts rapidly to regulatory changes, growth, and organizational shifts with no infrastructure headaches.
- **Lower Total Cost of Ownership:** SaaS eliminates capital expenses and reduces operational costs through vendor-managed hosting, updates, and support.
- **Security and Compliance:** Enterprise-grade security and continuous compliance monitoring help ensure peace of mind.
- **Automatic Updates and Zero Downtime:** You'll always have the latest features and performance without interruption.
- **AI-Enabled Automation:** Streamline core tasks like eligibility, calculations, and disbursements while boosting accuracy and freeing up your team.



Remaining on legacy systems poses growing risks: increasing costs, reduced agility, and difficulty meeting the needs of your members. With V3locity, you gain a strategic foundation for sustainable success that is backed by decades of Vitech expertise.

We will be in touch to schedule a discussion about your transition path and the support options available. In the meantime, if you have any questions or would like to initiate planning, please contact your Vitech Account Executive or email us at revops@vitechinc.com.

Thank you for your continued partnership.

Sincerely,

James Ousley

James Ousley
Chief Executive Officer
Vitech Systems Group

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

BOARD OF TRUSTEES RESOLUTION

September 16, 2025

RESOLUTION REGARDING RESTRICTED PRIOR SERVICE CREDIT (RPSC)

WHEREAS, the Employees' Retirement Fund of the City of Dallas ("ERF") is governed by Dallas City Code Chapter 40A, which authorizes the administration of retirement benefits for eligible City of Dallas employees; and

WHEREAS, Section 40A-10.1 of the Dallas City Code allows Tier B members of the ERF to apply for Restricted Prior Service Credit ("RPSC"), which may be used solely for determining the member's eligibility to vest or retire, and not toward the calculation of benefits; and

WHEREAS, the RPSC provision became effective for Tier B members on January 1, 2017, and includes a statutory application period of 36 months from the member's employment or re-employment date with the City of Dallas; and

WHEREAS, the ability of many Tier B members to apply for RPSC within the specified timeframe was negatively impacted by the COVID-19 global pandemic, expanded and lengthy new employee orientation agendas, and the lack of automation and digital accessibility in the RPSC application process; and

WHEREAS, the Board of Trustees of the ERF (the "Board") acknowledges that these unforeseen and widespread challenges impaired members' awareness and access to complete RPSC applications in a timely manner, through no fault of their own; and

WHEREAS, the Board is empowered under Section 40A-4 to administer the ERF in accordance with Chapter 40A for the exclusive purposes of providing benefits to members and to make determinations of the eligibility of members for ERF benefits;

NOW, THEREFORE, BE IT RESOLVED THAT:

The Board finds that the effects of the global pandemic, administrative delays, and lack of automated systems resulted in a material barrier to members' ability to timely submit RPSC applications.

The Board hereby extends a one-time RPSC Application Amnesty Period for eligible Tier B members who:

- Were employed by the City of Dallas on or after January 1, 2017;
- Would have been eligible to submit an RPSC application within 36 months of their hire or

rehire date; and

- Did not submit an RPSC application within the original deadline.

The one-time RPSC Application Amnesty Period shall be 364 days, commencing January 2, 2026, and ending December 31, 2026, during which eligible Tier B members may submit completed RPSC applications to the ERF Executive Director or his designee for verification and approval, consistent with all requirements outlined in Section 40A-10.1.

The ERF Executive Director is directed to implement this resolution, including:

- Issuing written notice to all Tier B members;
- Providing access to application materials;
- Documenting all approved extensions; and
- Reporting results to the Board no later than the January 2026 regular meeting.

This resolution shall not modify the actuarial assumptions or benefits calculations of the ERF and is adopted strictly for the purpose of ensuring equitable treatment and access to the vesting and retirement provisions originally intended by Chapter 40A.

ADOPTED this 16th day of September 2025, by the Board of Trustees of the Employees' Retirement Fund of the City of Dallas.

Wilshire

Quarterly Market Review

June 30, 2025

Market Commentary

U.S. Equity

The U.S. stock market was up 11.1% for the second quarter and 5.7% for the past six months. Sector performance was mostly positive for the quarter, with eight sectors producing a gain. The two best performing sectors were information technology (+23.5%) and communication services (+18.6%). Small-cap underperformed large-cap by 470 basis points while growth stocks generally outperformed value by a large margin.

Historically, the U.S. federal government has boosted spending during economic downturns and rising unemployment. One example is the recession in the 1980s, where unemployment exceeded 10%. With the Federal Reserve fighting double-digit inflation via tight monetary policy, the U.S. Congress passed a stimulus bill that largely focused on tax reform, which increased the federal deficit. As the economy recovered, the relative size of the deficit fell back towards 3% of gross domestic product (GDP). A more recent and troubling change in this pattern is the practice of increasing deficits under benevolent economic conditions. Even before the COVID crisis, the relative deficit was growing as unemployment fell to 3.5%. While spending is currently below the 2020 stimulus levels, the ratio has remained above 5% of GDP since 2022. With total U.S. debt now at ~120% of GDP, the sobering question is what might these levels reach should the United States enter a meaningful recession?

Non-U.S. Equity

The U.K. experienced what many believe to be a temporary jump in economic growth during the first quarter as consumers sought to take advantage of a tax break for homebuyers before it expired. Current conditions still seem favorable as a recent study showed that consumer confidence hit a nine-year high in June. The situation in Germany, Europe's largest economy, is looking more dire. Retail sales fell in May for the second straight month while consumer sentiment is down. China's retail sales accelerated in May as government subsidies helped boost spending. Stable economic growth in China remains challenging, however, due to heightened uncertainty around trade policies.

Fixed Income

The U.S. Treasury yield curve was down among intermediate maturities during the quarter but up for longer maturities starting at 10 years. The 10-year Treasury yield ended the quarter at 4.23%, up just 2 basis points. The FOMC met twice during the quarter and left their overnight rate unchanged. Expectations for rate cuts this year equal -0.5%, as signaled following the June meeting. Fed Chair Jerome Powell recently emphasized the need to tame inflation and stay the current course.

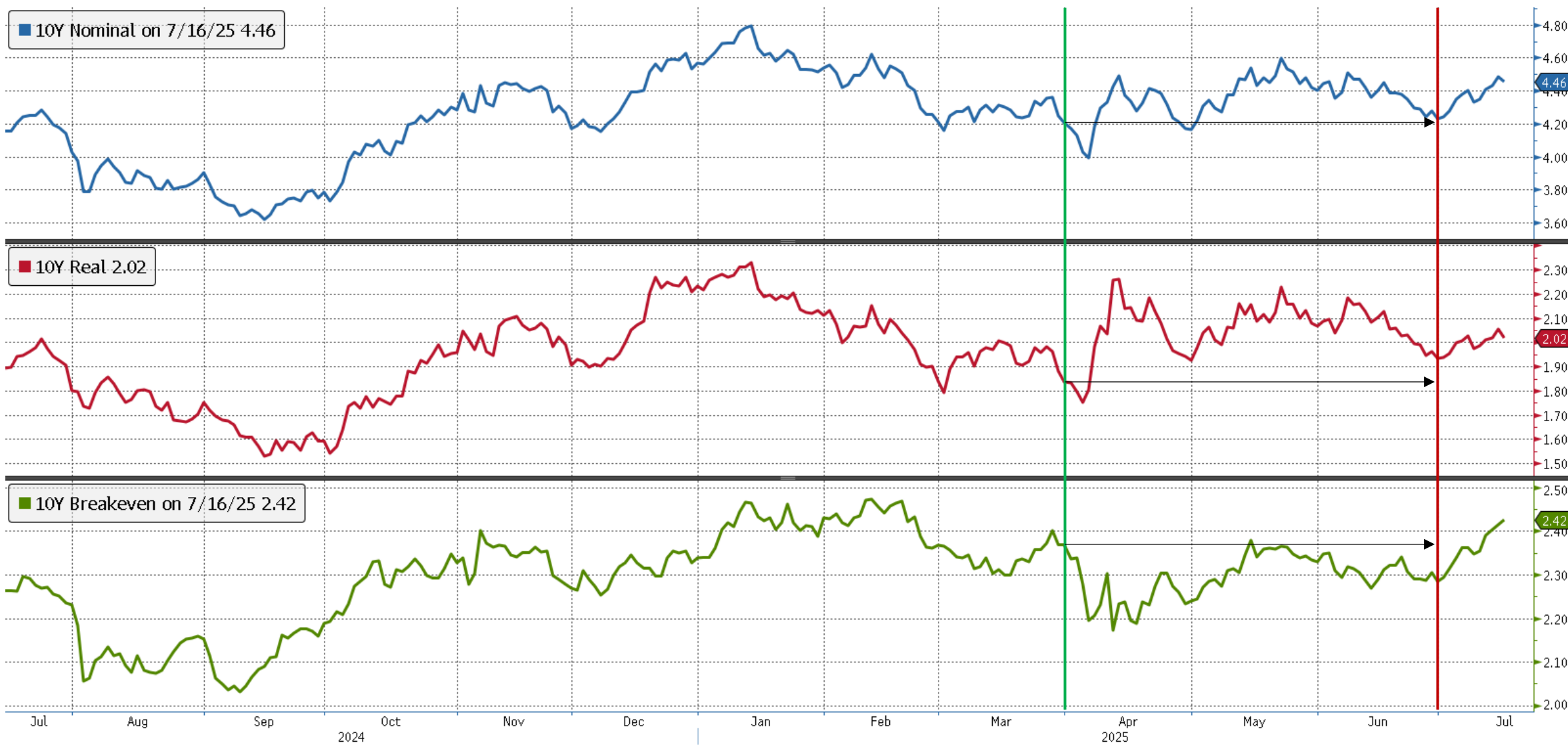
June 2025 Asset Class Assumptions

| | Equity | | | | | | Fixed Income | | | | | | Real Assets | | | | | | |
|---------------------------|------------|-------------------|-----------|----------------------|--------------|----------------|--------------|-----------|--------------|-------|------------|----------------|------------------------|-------------|-------|-------|-------|-------------|----------|
| | U.S. Stock | Dev ex-U.S. Stock | Emg Stock | Global ex-U.S. Stock | Global Stock | Private Equity | Cash | Core Bond | LT Core Bond | TIPS | High Yield | Private Credit | Dev ex-U.S. Bond (Hdg) | Real Estate | | | Cmdty | Real Assets | U.S. CPI |
| Compound Return (%) | 4.30 | 5.30 | 5.55 | 5.65 | 4.85 | 6.20 | 3.55 | 5.05 | 5.25 | 4.45 | 6.30 | 7.70 | 3.05 | 5.65 | 5.80 | 6.45 | 4.80 | 6.85 | 2.30 |
| Arithmetic Return (%) | 5.65 | 6.80 | 8.55 | 7.30 | 6.20 | 9.95 | 3.55 | 5.15 | 5.70 | 4.60 | 6.75 | 8.45 | 3.15 | 7.05 | 7.05 | 7.35 | 6.00 | 7.60 | 2.30 |
| Risk (%) | 17.00 | 18.00 | 26.00 | 19.05 | 17.00 | 29.65 | 0.75 | 4.75 | 9.90 | 6.00 | 10.00 | 12.75 | 4.00 | 17.50 | 16.55 | 13.95 | 16.00 | 12.60 | 1.75 |
| Yield (%) | 1.25 | 2.95 | 2.40 | 2.80 | 1.75 | 0.00 | 3.55 | 5.75 | 5.80 | 5.05 | 9.90 | 4.90 | 4.30 | 3.95 | 3.95 | 2.90 | 3.55 | 3.75 | 0.00 |
| Growth Factor Exposure | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 14.00 | 0.00 | -0.95 | -2.55 | -3.00 | 4.00 | 5.10 | -1.00 | 6.00 | 6.00 | 3.70 | 0.00 | 2.85 | 0.00 |
| Inflation Factor Exposure | -3.00 | -1.00 | 3.00 | 0.15 | -1.95 | -4.25 | 0.00 | -2.60 | -6.95 | 2.50 | -1.00 | -1.50 | -3.00 | 1.00 | 1.65 | 1.00 | 12.00 | 5.20 | 1.00 |

Correlations

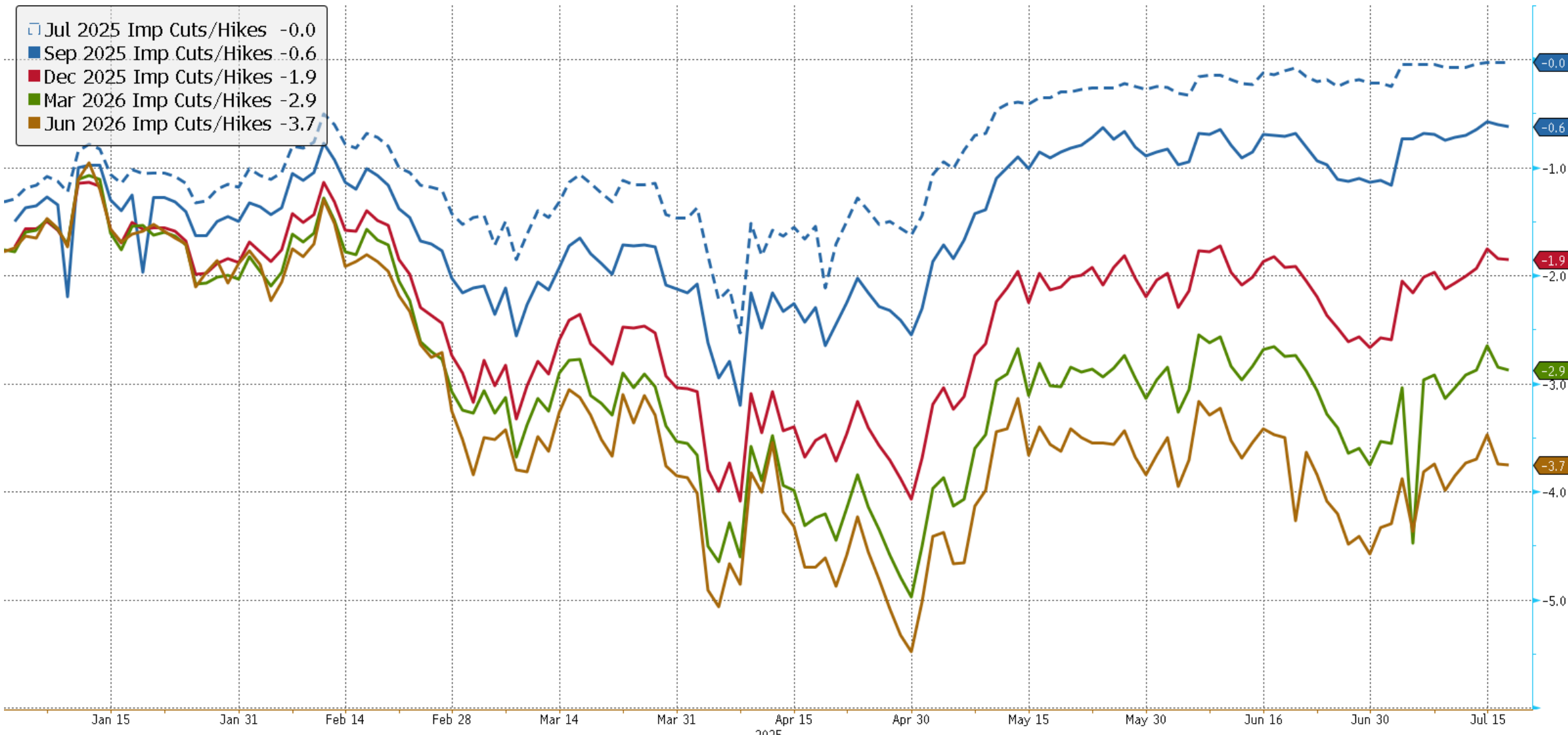
| | | | | | | | | | | | | | | | | | | | |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|-------|------|-------|------|------|------|------|------|------|
| U.S. Stock | 1.00 | | | | | | | | | | | | | | | | | | |
| Dev ex-U.S. Stock (USD) | 0.81 | 1.00 | | | | | | | | | | | | | | | | | |
| Emerging Mkt Stock | 0.74 | 0.74 | 1.00 | | | | | | | | | | | | | | | | |
| Global ex-U.S. Stock | 0.84 | 0.96 | 0.89 | 1.00 | | | | | | | | | | | | | | | |
| Global Stock | 0.98 | 0.90 | 0.83 | 0.93 | 1.00 | | | | | | | | | | | | | | |
| Private Equity | 0.72 | 0.63 | 0.61 | 0.66 | 0.73 | 1.00 | | | | | | | | | | | | | |
| Cash Equivalents | -0.05 | -0.09 | -0.05 | -0.08 | -0.06 | 0.00 | 1.00 | | | | | | | | | | | | |
| Core Bond | 0.27 | 0.13 | 0.00 | 0.08 | 0.21 | 0.30 | 0.18 | 1.00 | | | | | | | | | | | |
| LT Core Bond | 0.30 | 0.15 | 0.00 | 0.10 | 0.24 | 0.31 | 0.11 | 0.95 | 1.00 | | | | | | | | | | |
| TIPS | -0.05 | 0.00 | 0.15 | 0.06 | -0.01 | -0.03 | 0.20 | 0.60 | 0.47 | 1.00 | | | | | | | | | |
| High Yield Bond | 0.54 | 0.39 | 0.49 | 0.46 | 0.53 | 0.31 | -0.10 | 0.24 | 0.32 | 0.05 | 1.00 | | | | | | | | |
| Private Credit | 0.68 | 0.55 | 0.58 | 0.60 | 0.68 | 0.44 | 0.00 | 0.23 | 0.30 | 0.00 | 0.76 | 1.00 | | | | | | | |
| Dev ex-U.S. Bond (Hdg) | 0.16 | 0.25 | -0.01 | 0.16 | 0.17 | 0.26 | 0.10 | 0.68 | 0.66 | 0.39 | 0.26 | 0.22 | 1.00 | | | | | | |
| U.S. RE Securities | 0.57 | 0.47 | 0.44 | 0.49 | 0.56 | 0.49 | -0.05 | 0.17 | 0.22 | 0.10 | 0.56 | 0.62 | 0.05 | 1.00 | | | | | |
| Global RE Securities | 0.62 | 0.55 | 0.52 | 0.58 | 0.63 | 0.54 | -0.05 | 0.17 | 0.21 | 0.11 | 0.61 | 0.67 | 0.04 | 0.99 | 1.00 | | | | |
| Private Real Estate | 0.55 | 0.45 | 0.45 | 0.48 | 0.55 | 0.50 | -0.05 | 0.18 | 0.24 | 0.09 | 0.58 | 0.63 | 0.05 | 0.79 | 0.79 | 1.00 | | | |
| Commodities | 0.25 | 0.34 | 0.39 | 0.38 | 0.31 | 0.28 | 0.00 | -0.03 | -0.04 | 0.25 | 0.29 | 0.29 | -0.10 | 0.25 | 0.28 | 0.25 | 1.00 | | |
| Real Assets | 0.62 | 0.63 | 0.65 | 0.68 | 0.67 | 0.57 | -0.03 | 0.24 | 0.25 | 0.32 | 0.64 | 0.69 | 0.06 | 0.79 | 0.83 | 0.77 | 0.63 | 1.00 | |
| Inflation (CPI) | -0.10 | -0.15 | -0.13 | -0.15 | -0.12 | -0.10 | 0.10 | -0.12 | -0.12 | 0.15 | -0.08 | 0.00 | -0.08 | 0.05 | 0.04 | 0.05 | 0.44 | 0.21 | 1.00 |

Q2 Rate Splits: Volatile but Flat with Real Rates Up & BEI Down



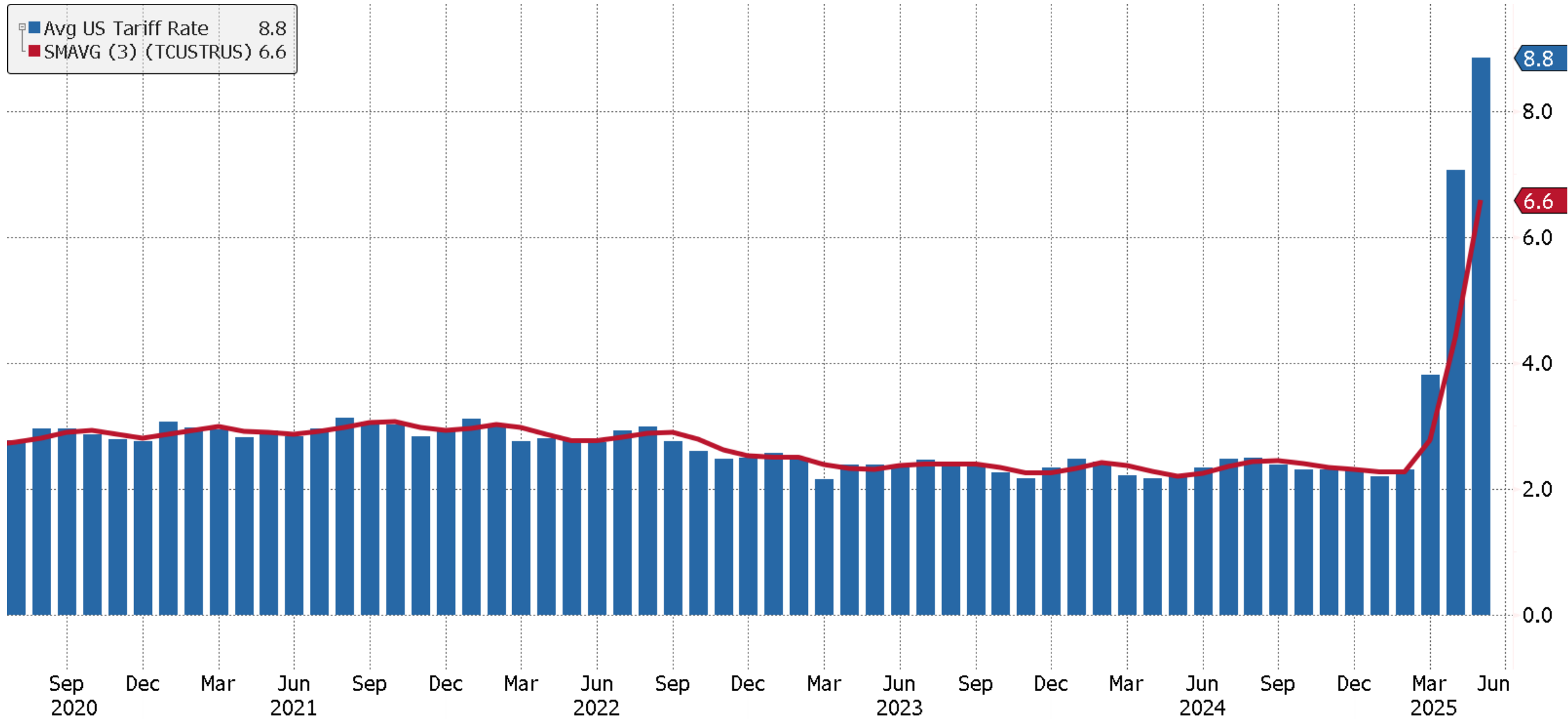
USGG10YR Index (US Generic Govt 10 Yr) 10yr Splits Daily 16JUL2024-16JUL2025 Copyright© 2025 Bloomberg Finance L.P. 16-Jul-2025 15:19:36
Data Source: Bloomberg

Fed Funds Rate: Current & Implied (2 cuts expected by YE, red line)



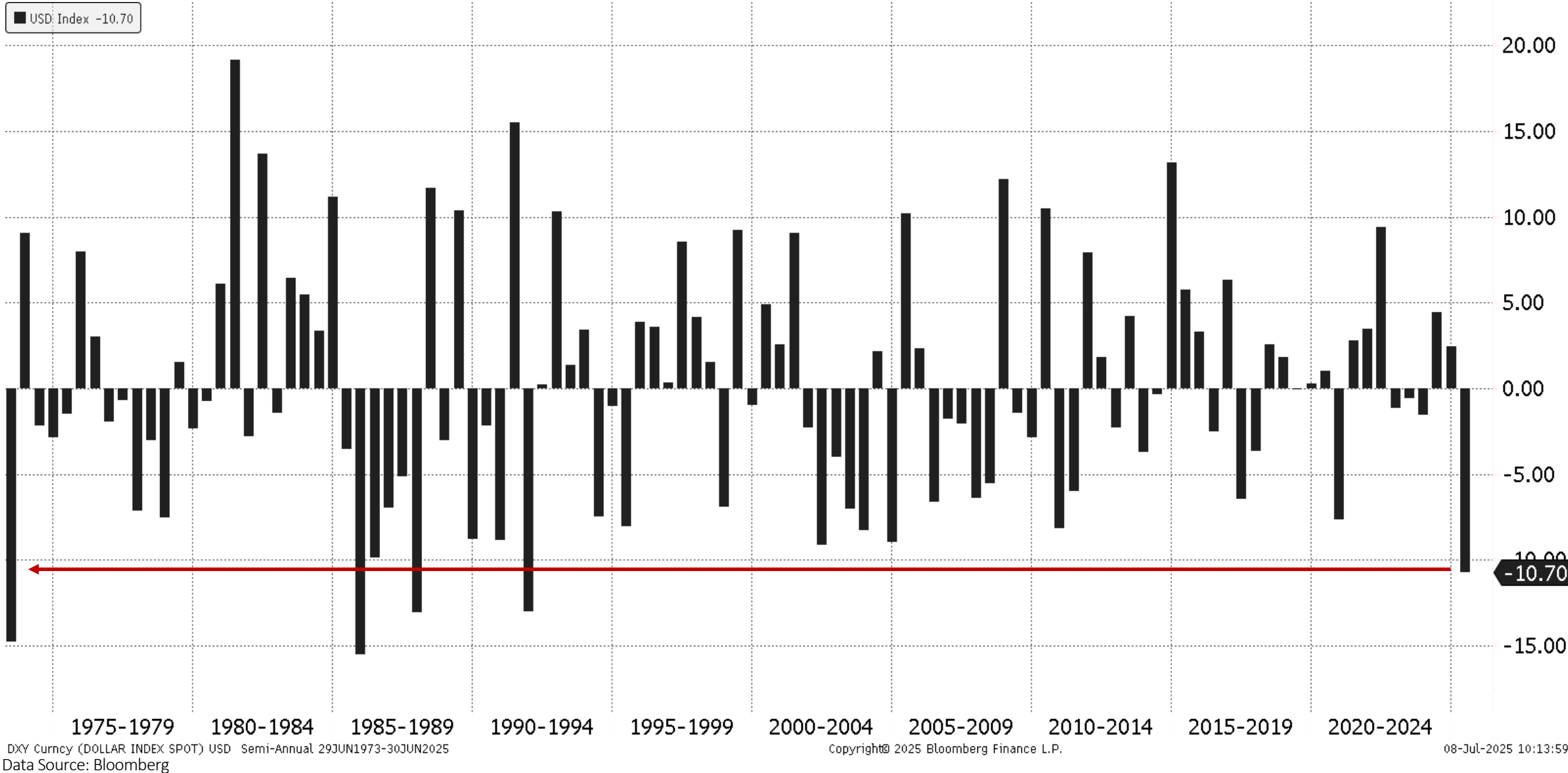
US0AFR JUL2025 Index (WIRP Implied Overnight Rate for the US - Futures Model) FFR Implied Daily 01JAN2025-16JUL2025
Data Source: Bloomberg
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16-Jul-2025 15:30:17

Tariff Uncertainty Remains

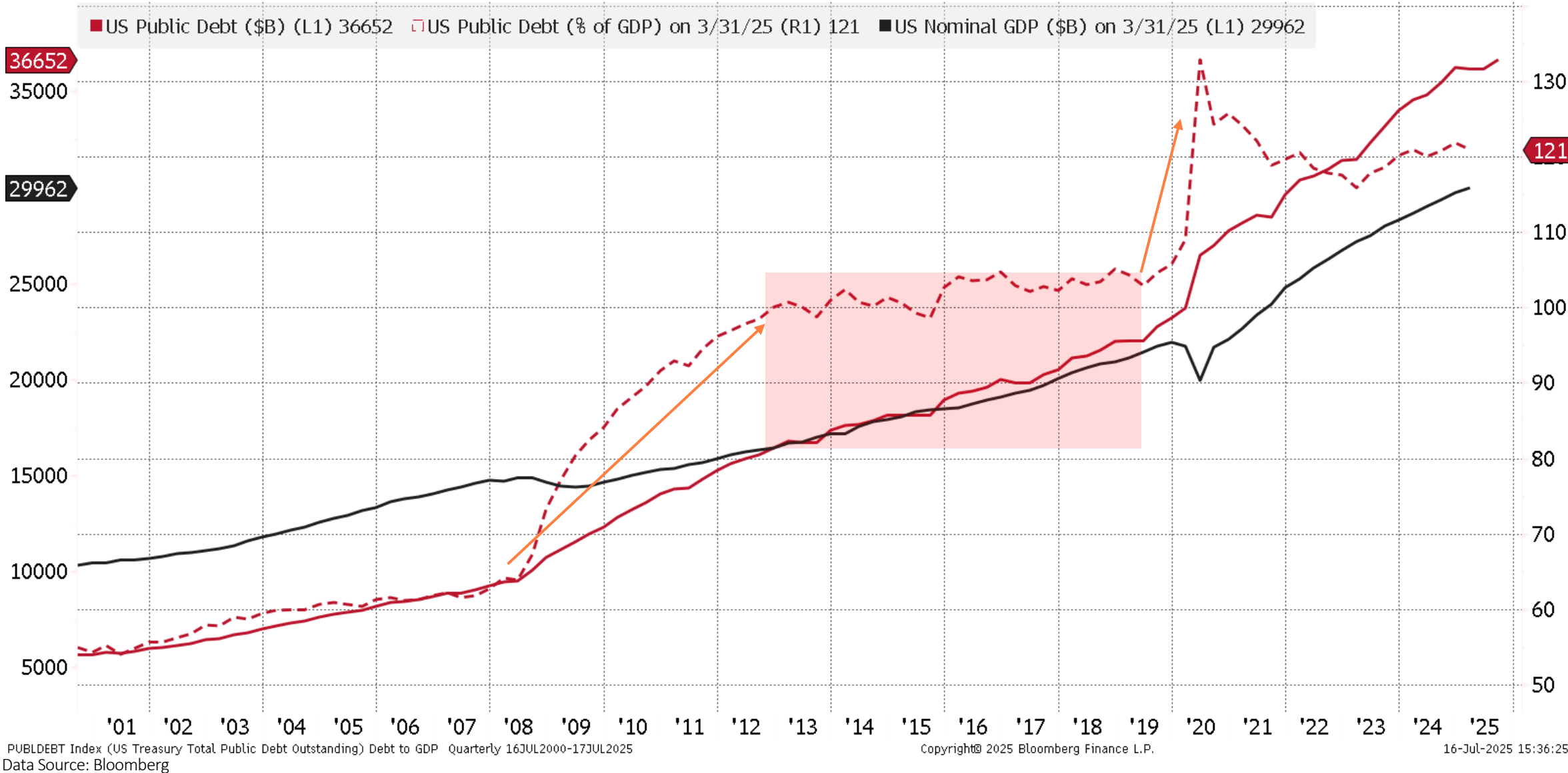


TCUSTRUS Index (USITC Approximate Effective Tariff Rate United States) Tariff Rate Monthly 12JUL2020-11JUL2025
Data Source: Bloomberg
Copyright© 2025 Bloomberg Finance L.P.
11-Jul-2025 13:57:02

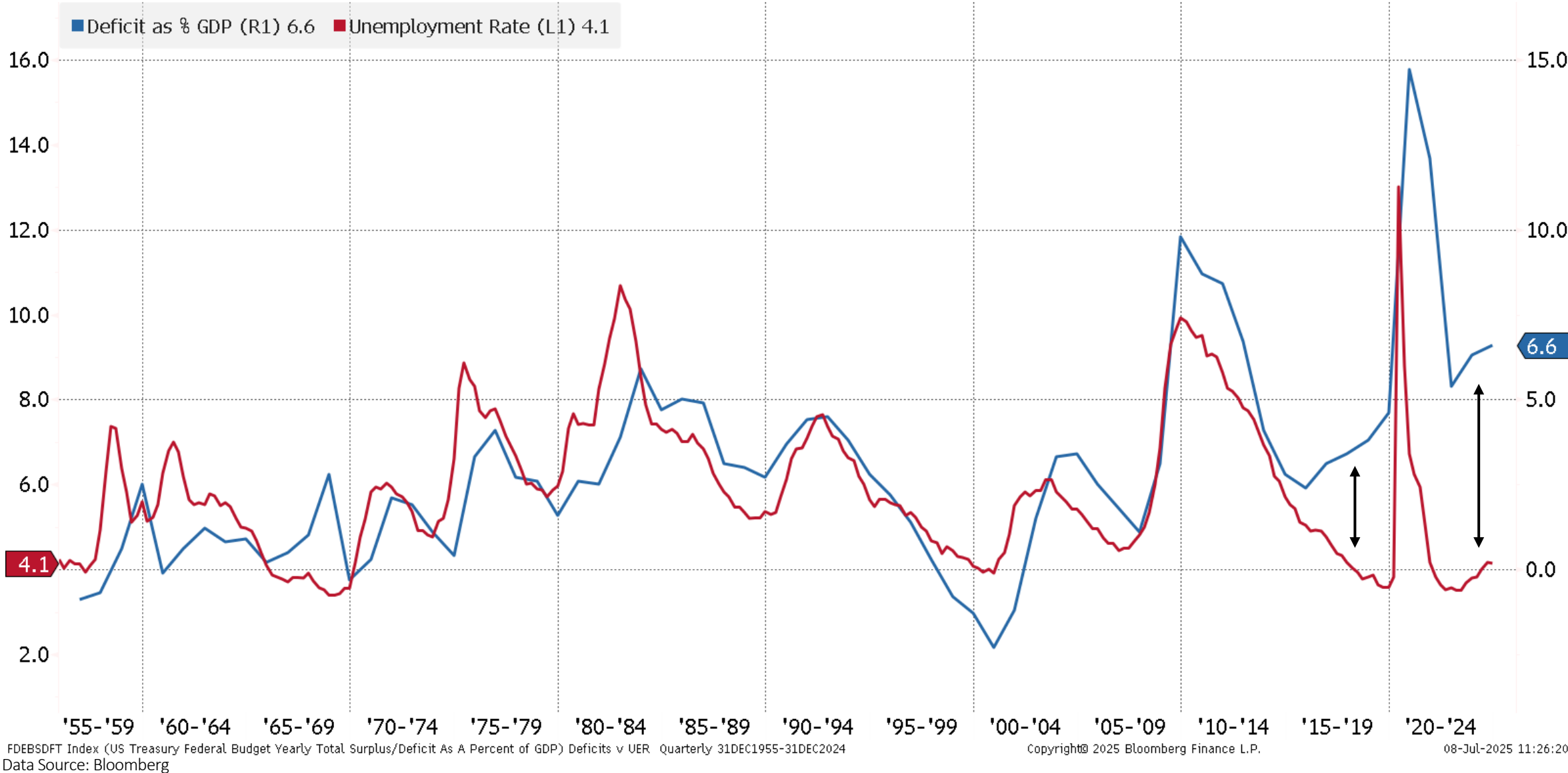
USD: Worst 1H since 1973 (when major currencies floated vs. the USD)



Between This (current debt levels, ~\$36T, ~120% of GDP)...



And This (running large deficits during “good times”)




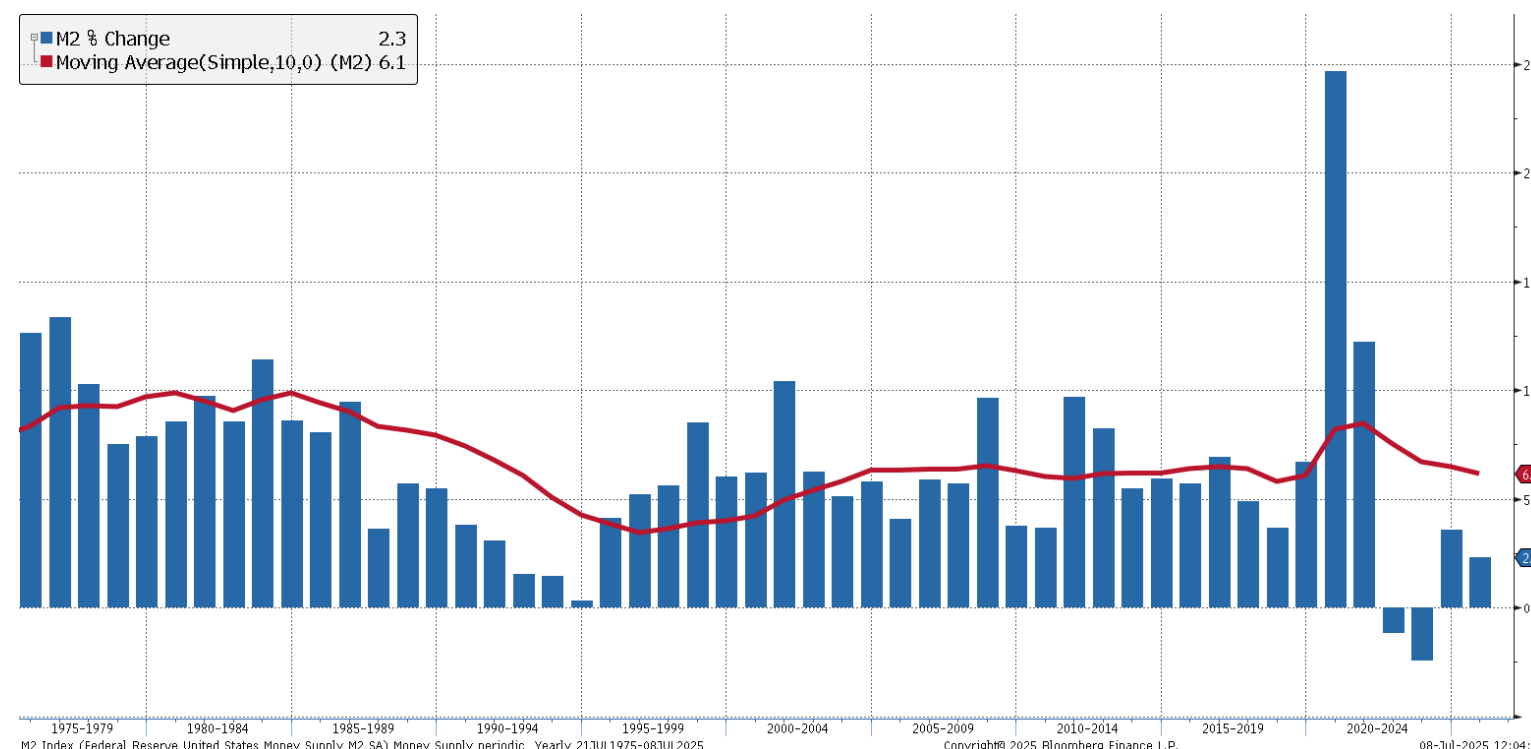
Few Options Left but to Print

Options for dealing with debt:

- You/Me/Corporations
 - Pay it back (can be painful)
 - Default/Restructure (painful)
- Government
 - Pay it back (can be painful)
 - Default/Restructure (painful)
 - Print money (easy, at least in the short-term)

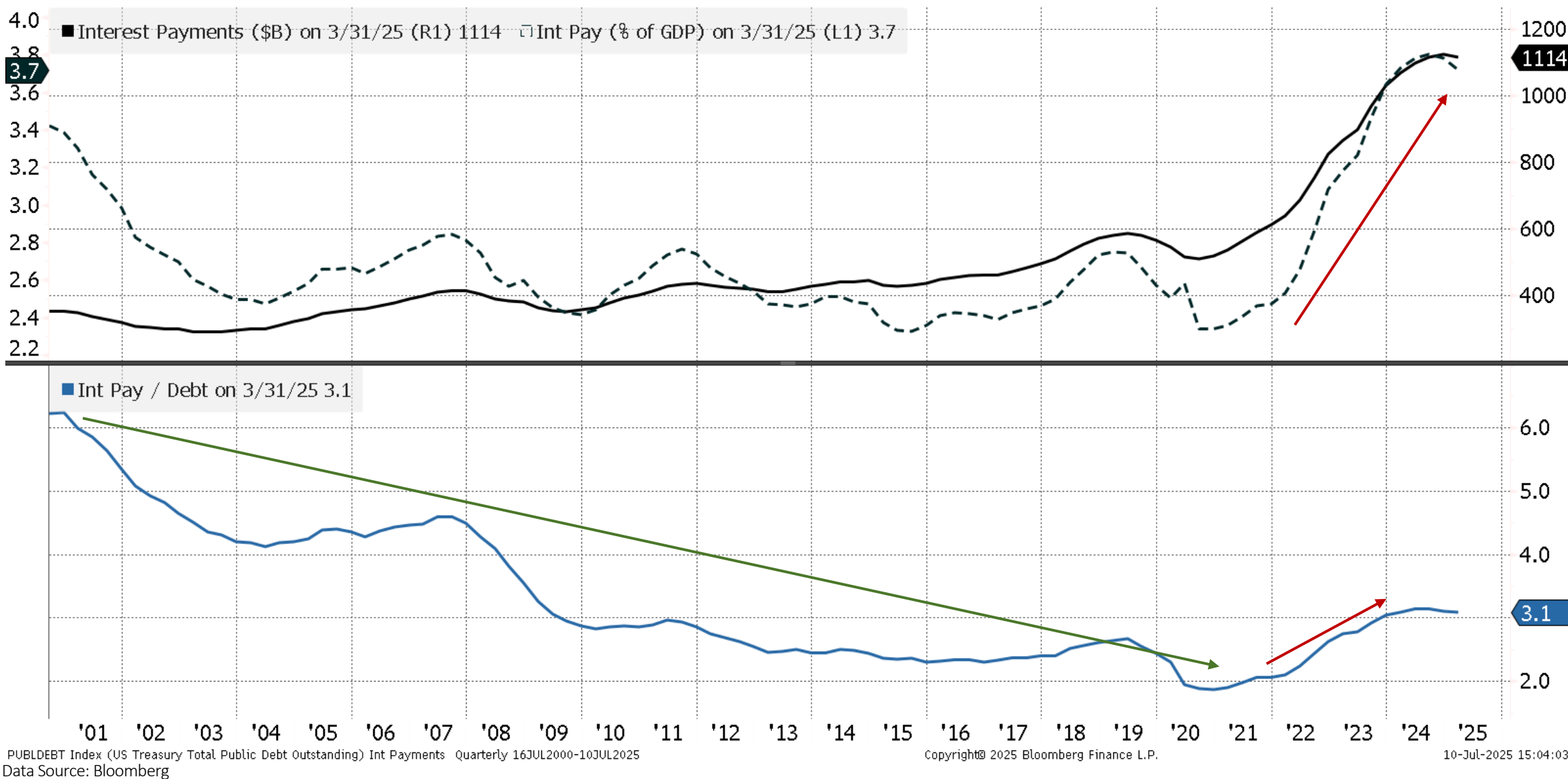
History tells us that the “easy” way out will be the likely path

- Plan : Such a path benefits assets of limited supply (i.e., Gold / Bitcoin / Earth Minerals)
- This is likely to be a decade-plus AA trend

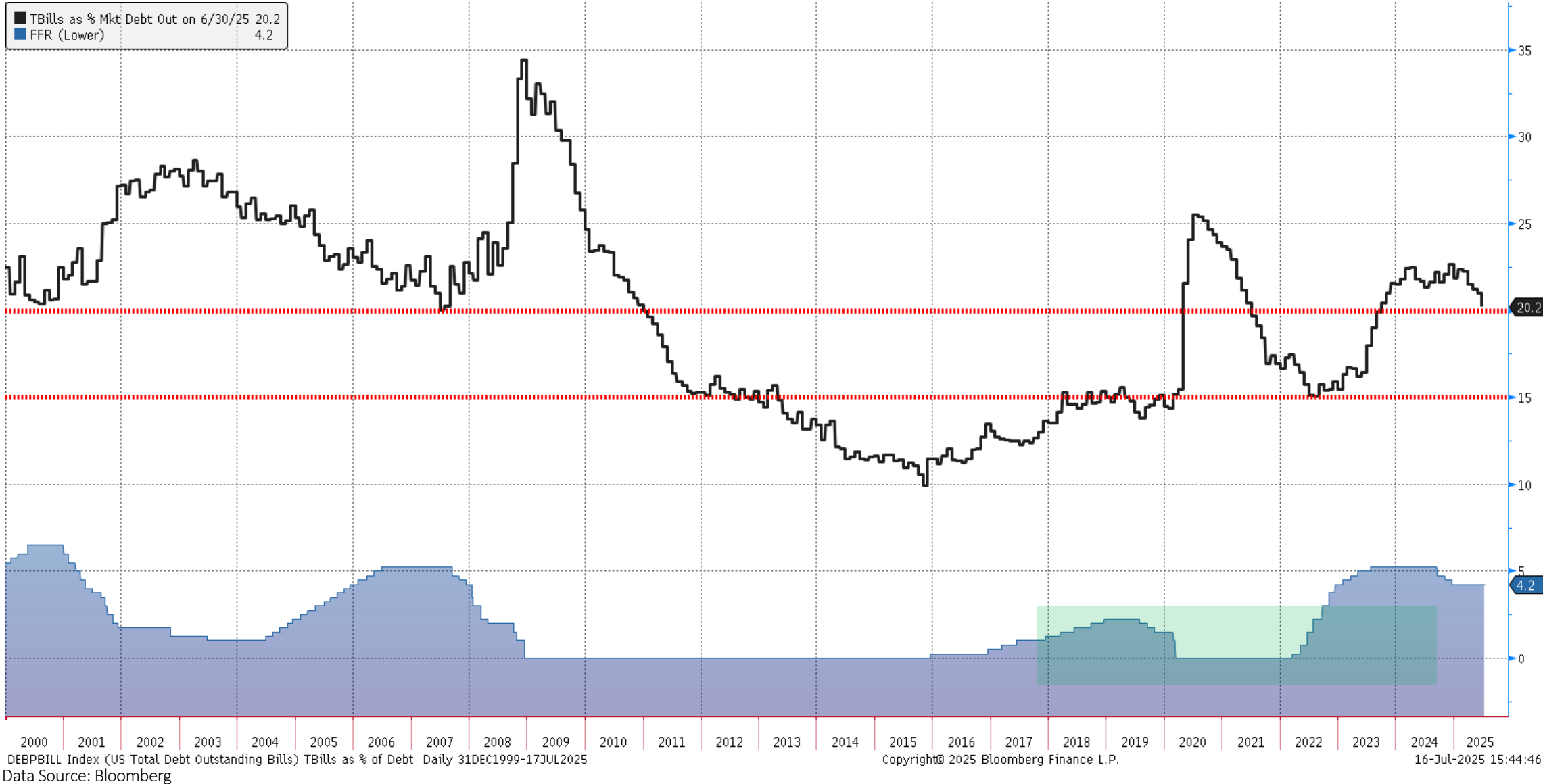


Data Source: Bloomberg

Interest Payment Dynamics: Vulnerability to Rising Rates

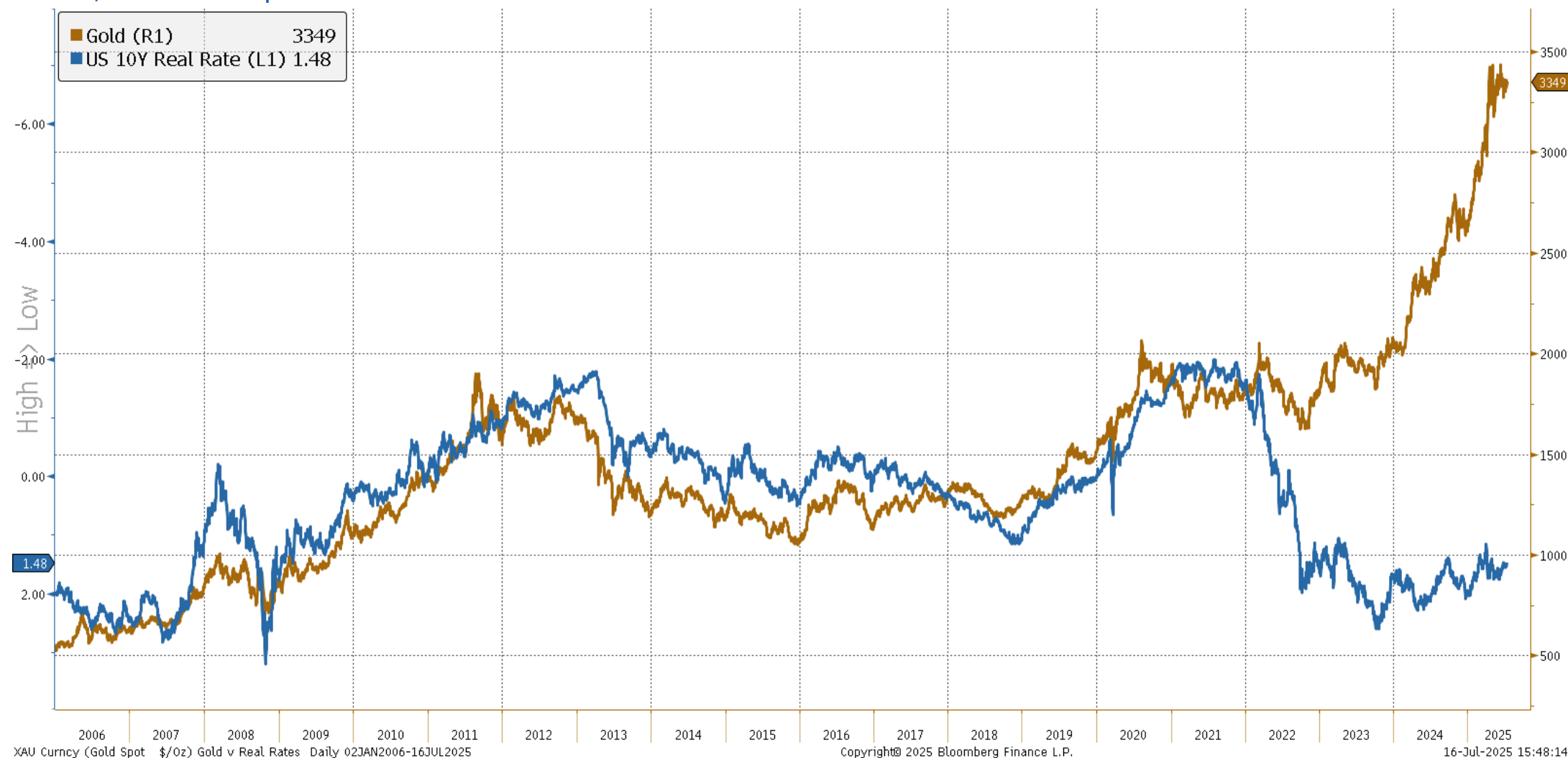


Interest Payment Dynamics: Relatively Large % in ST Debt



Fiscal Dominance Regime Risk: Asset Behavior/Relationships Change

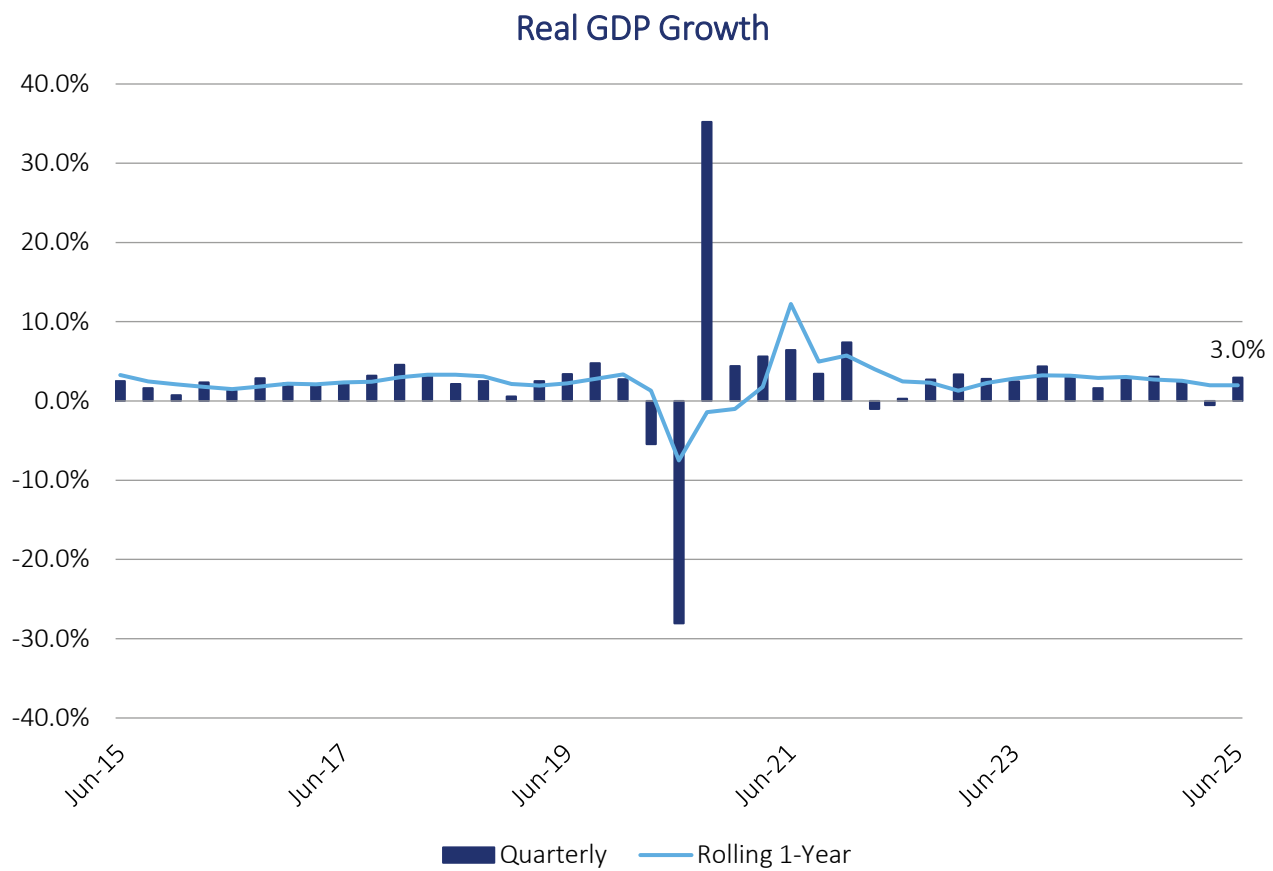
Gold, for example....



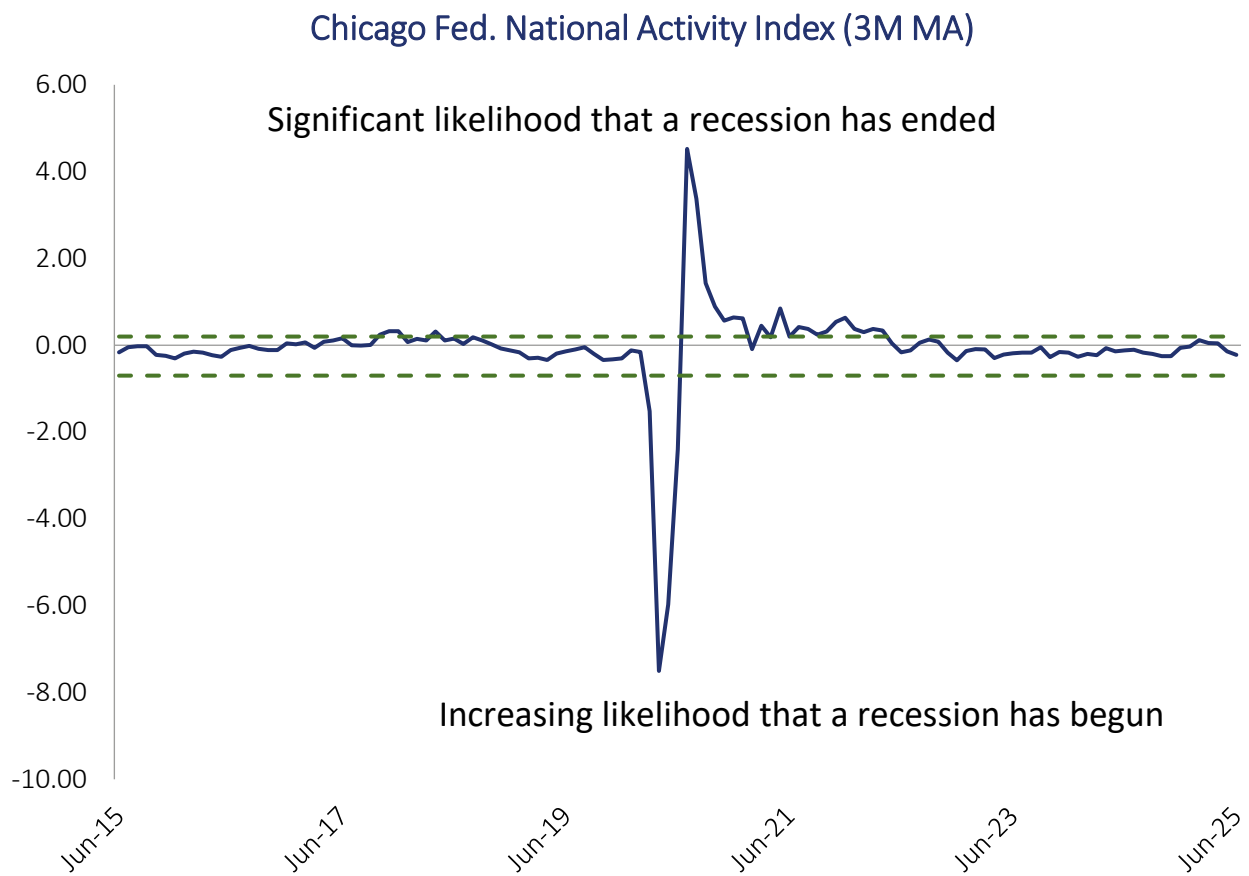
Data Source: Bloomberg

Economic/Market Activity

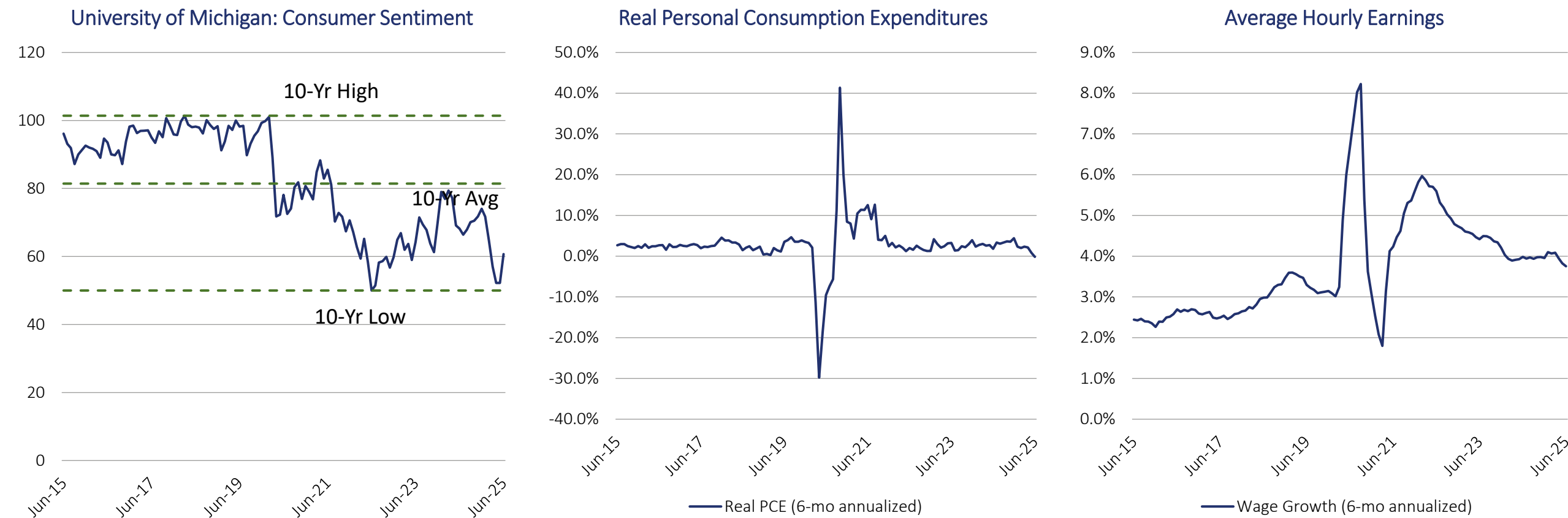
Economic Growth



Data Source: Bloomberg

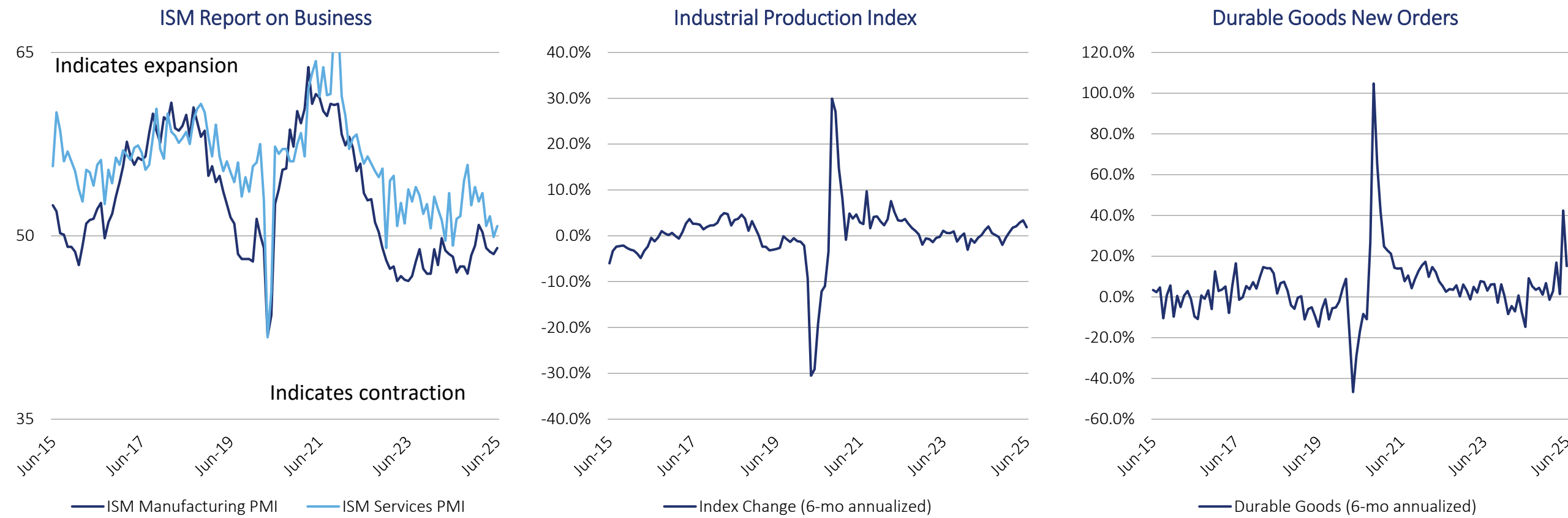


Consumer Activity



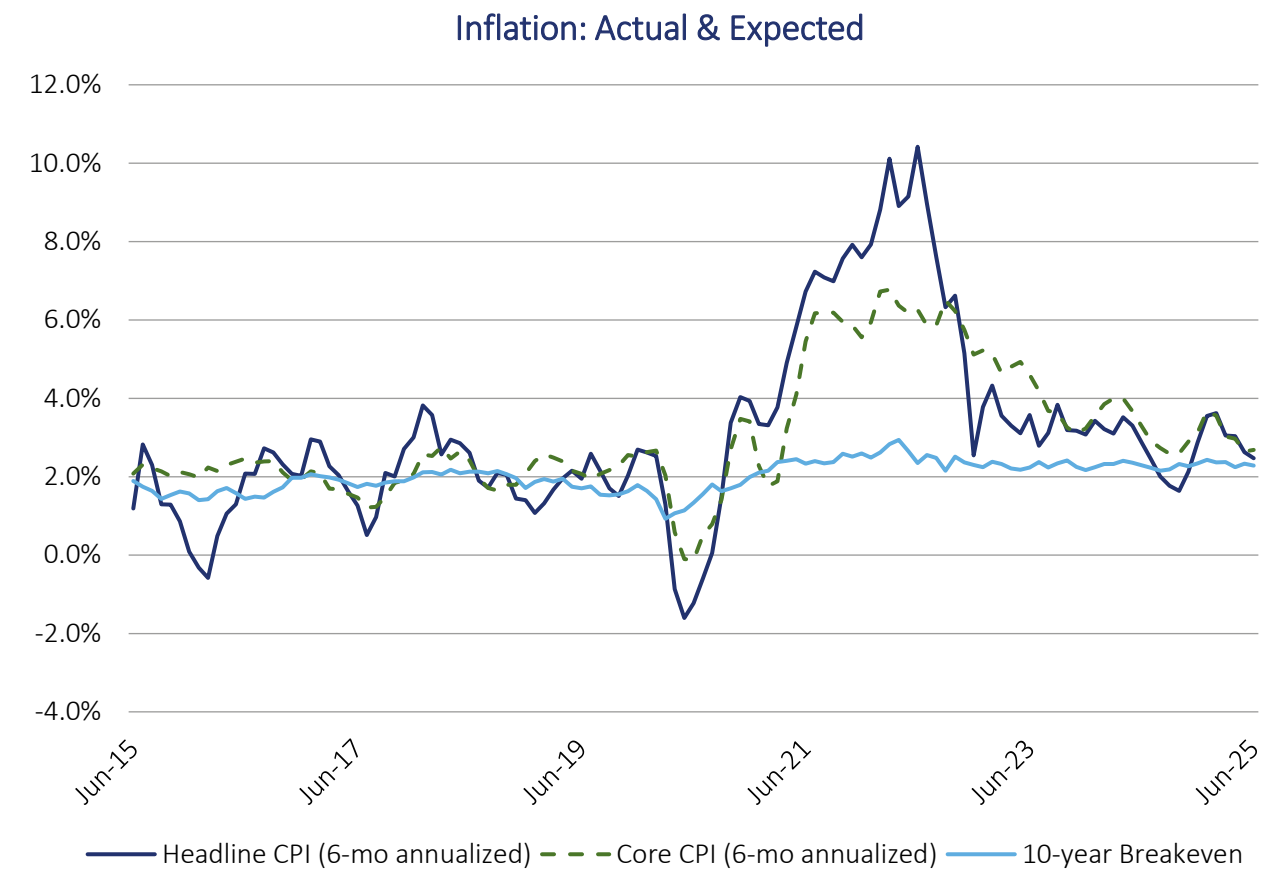
Data Source: Bloomberg

Business Activity

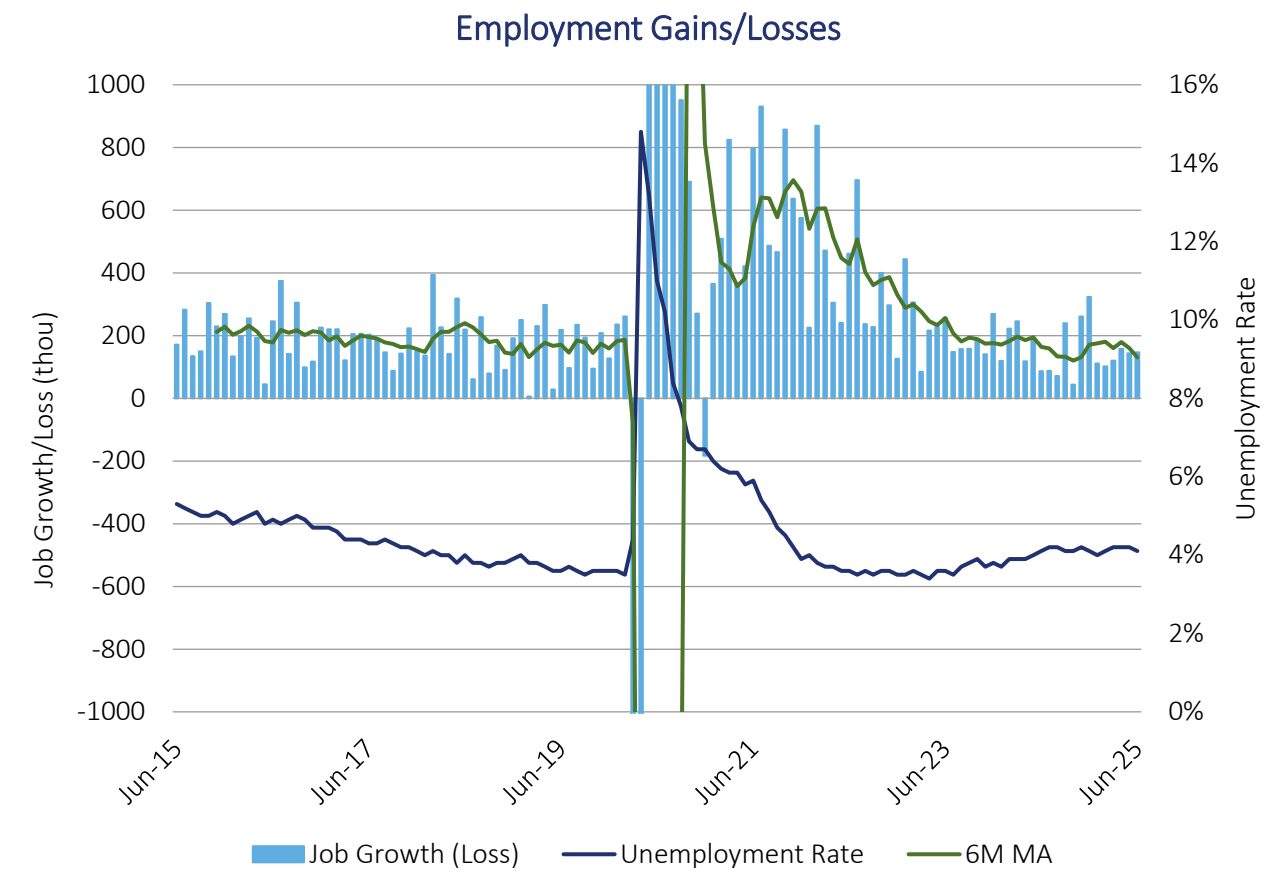


Data Source: Bloomberg

Inflation and Employment

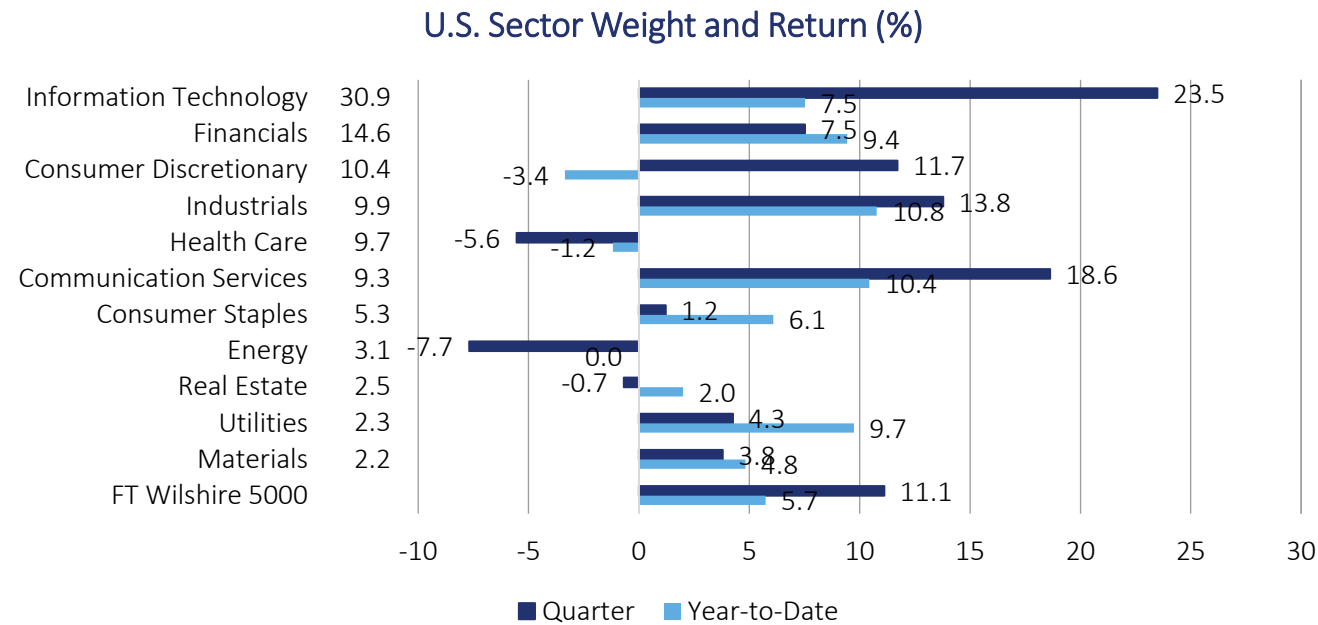


Data Source: Bloomberg

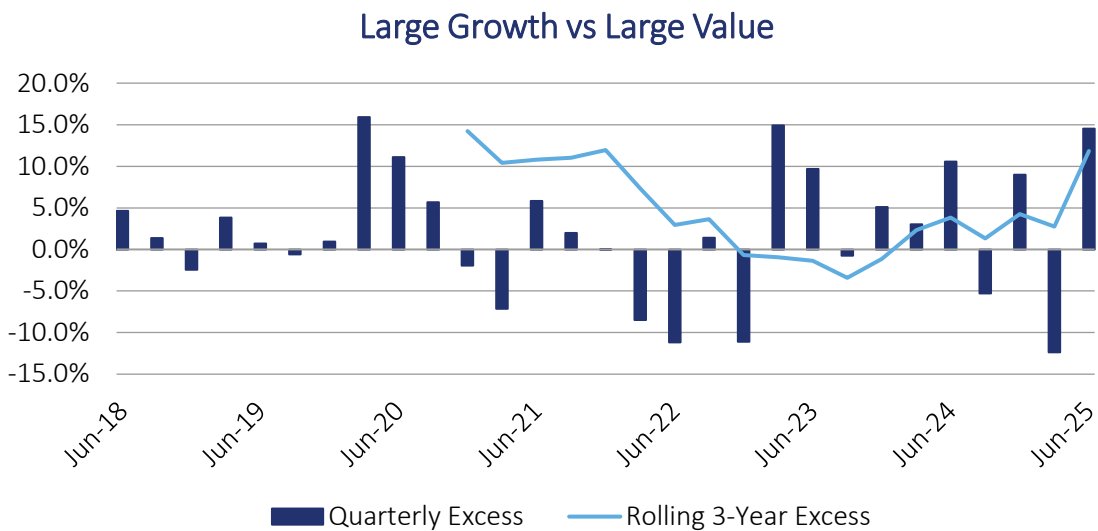
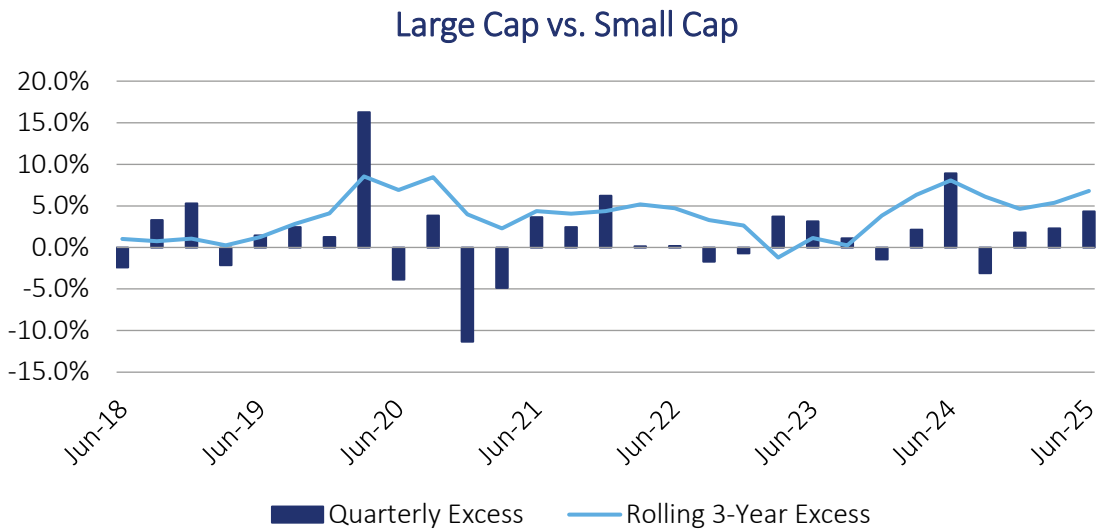


U.S. Equity Market

| As of 6/30/2025 | Quarter | YTD | 1 Year | 3 Year | 5 Year | 10 Year |
|-------------------------------|---------|------|--------|--------|--------|---------|
| FT Wilshire 5000 | 11.1 | 5.7 | 15.2 | 19.1 | 16.2 | 13.2 |
| FT Wilshire U.S. Large Cap | 11.7 | 6.6 | 16.0 | 20.2 | 16.7 | 13.8 |
| FT Wilshire U.S. Small Cap | 7.0 | -0.1 | 10.1 | 12.5 | 12.4 | 8.9 |
| FT Wilshire U.S. Large Growth | 19.5 | 7.0 | 18.1 | 27.0 | 18.5 | n/a |
| FT Wilshire U.S. Large Value | 4.3 | 6.6 | 14.0 | 13.5 | 14.6 | n/a |
| FT Wilshire U.S. Small Growth | 9.3 | -0.3 | 10.8 | 13.1 | 9.2 | n/a |
| FT Wilshire U.S. Small Value | 4.7 | 0.1 | 9.3 | 11.9 | 15.5 | n/a |
| Wilshire REIT Index | -1.2 | -0.2 | 9.1 | 5.7 | 8.7 | 6.3 |
| MSCI USA Min. Vol. Index | 0.6 | 6.5 | 13.8 | 12.1 | 11.0 | 11.0 |
| FTSE RAFI U.S. 1000 Index | 4.5 | 5.3 | 13.1 | 14.9 | 16.7 | 11.4 |



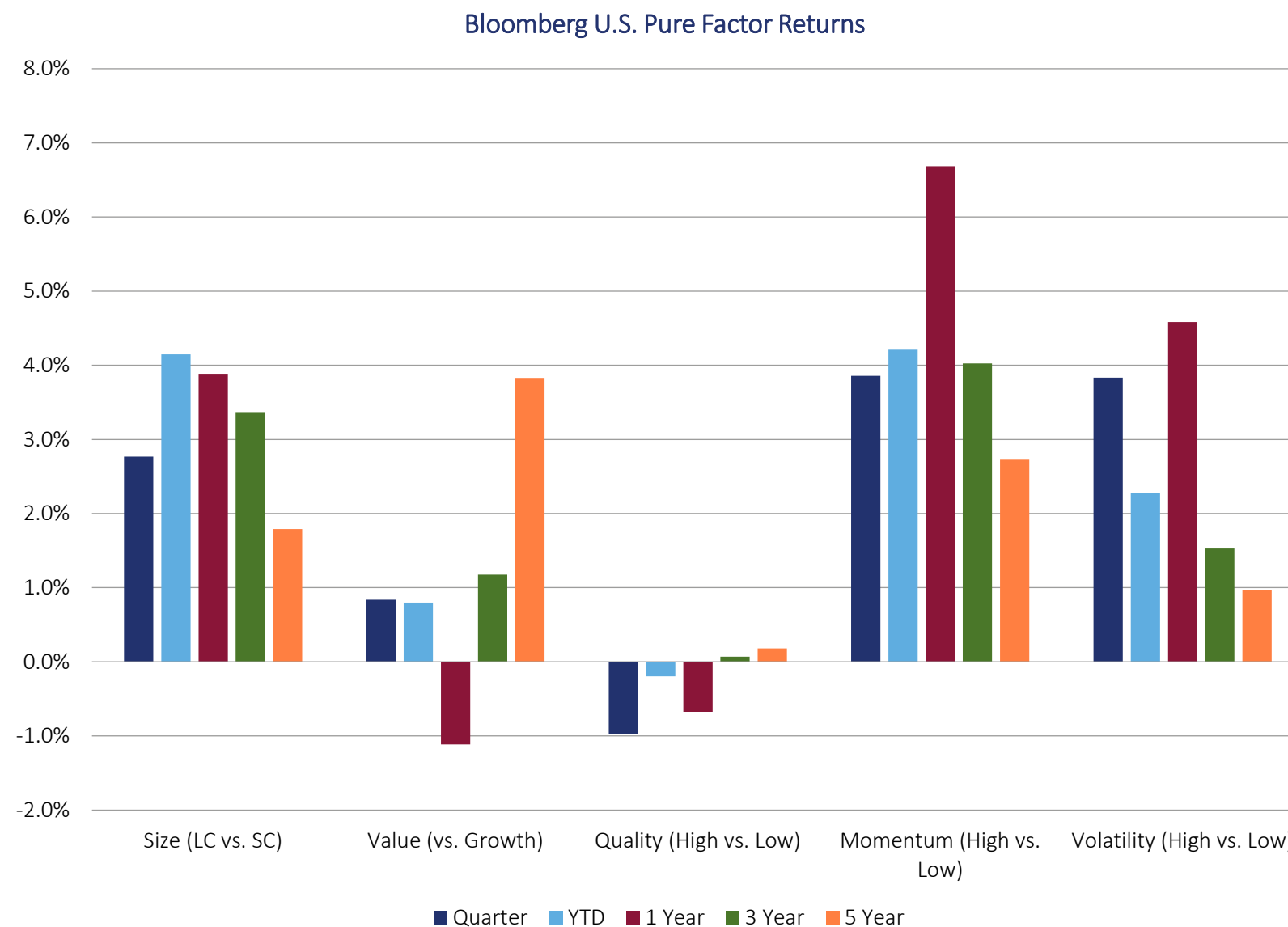
Data Sources: Bloomberg, Wilshire Atlas



U.S. Factor Returns

Factor returns represent the contribution from large cap, value, etc. stocks within Bloomberg's Portfolio & Risk Analytics module

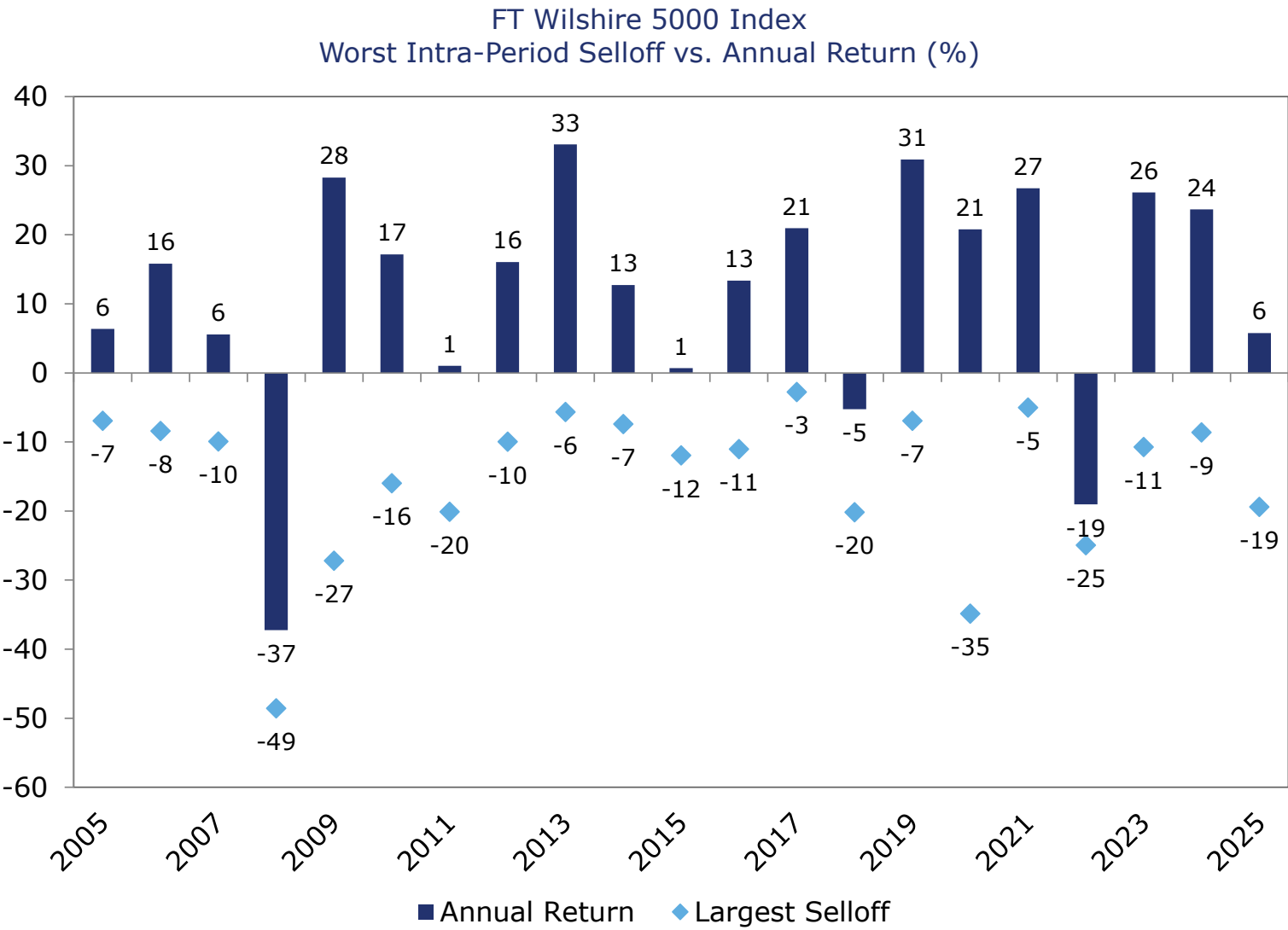
Size contributed to returns during the quarter while quality was a detractor



Data Source: Bloomberg

Annual Equity Market Selloffs

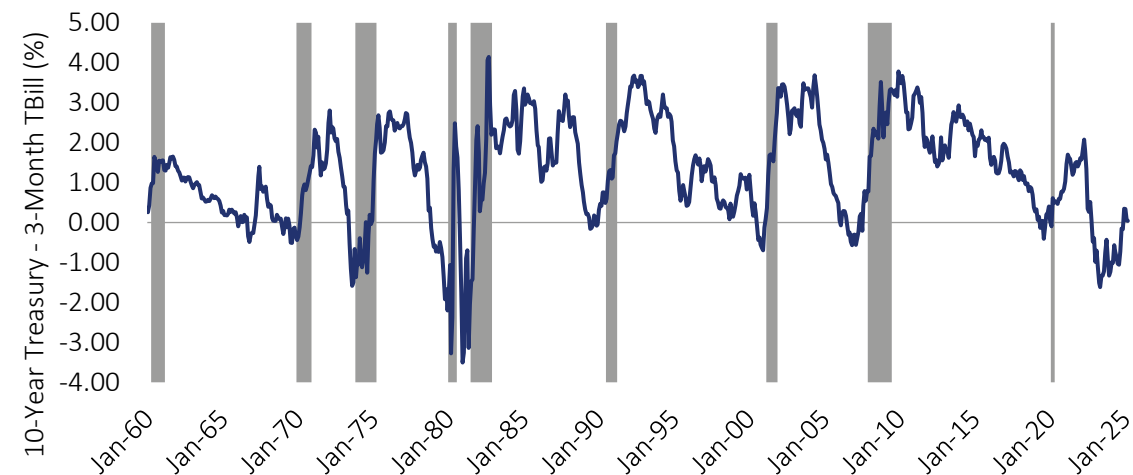
U.S. equity initially reached correction territory in mid-March and then worsened into April; strong recovery in May and June



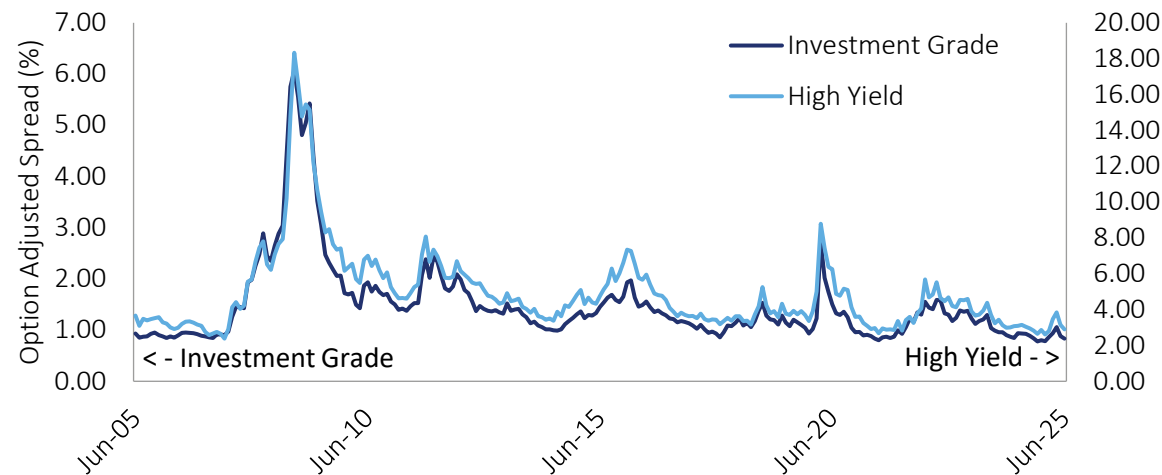
Data Sources: Wilshire Web, Bloomberg

Risk Monitor

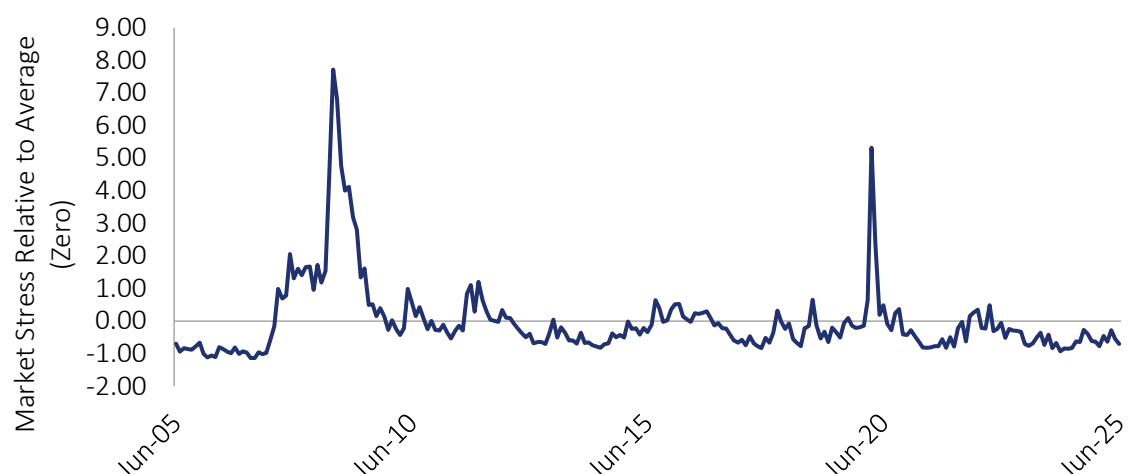
Yield Curve Slope vs Recessions (IN GRAY)



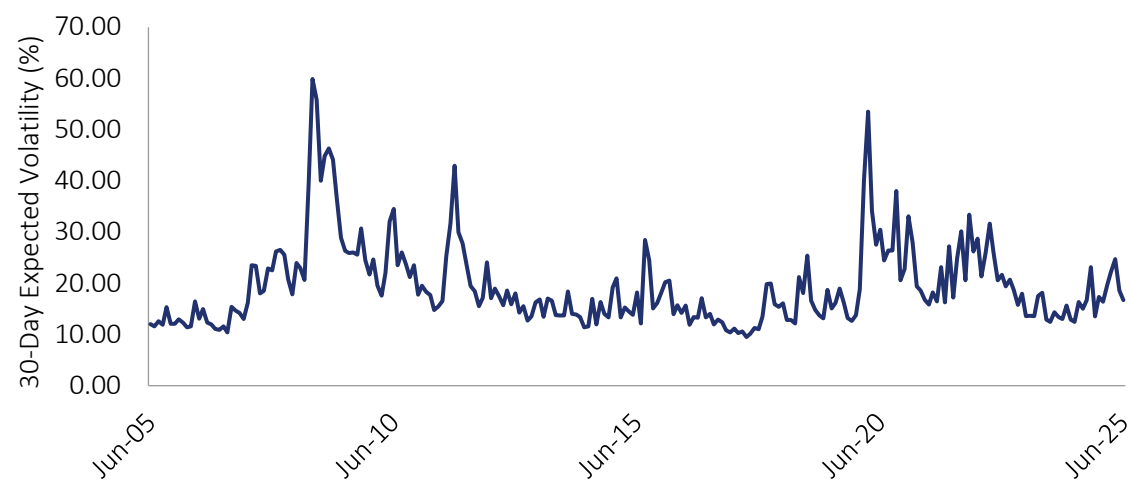
Bloomberg Credit Indexes



St. Louis Fed. Financial Stress Index

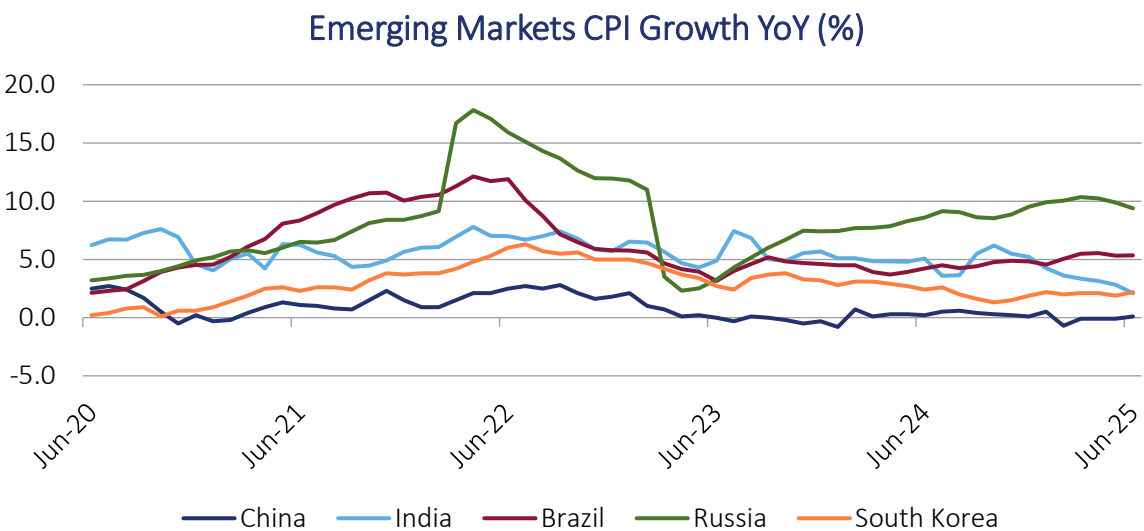
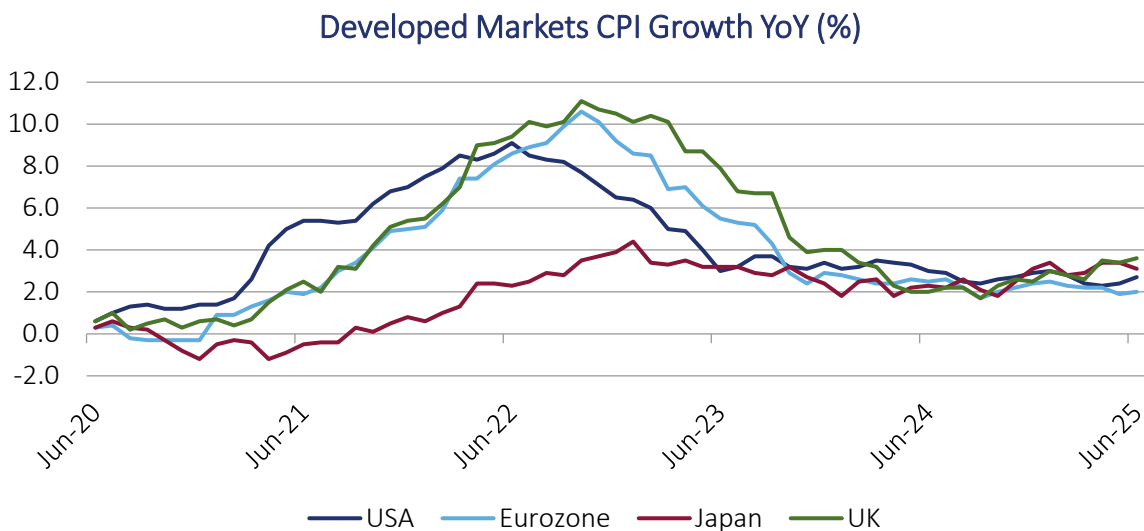
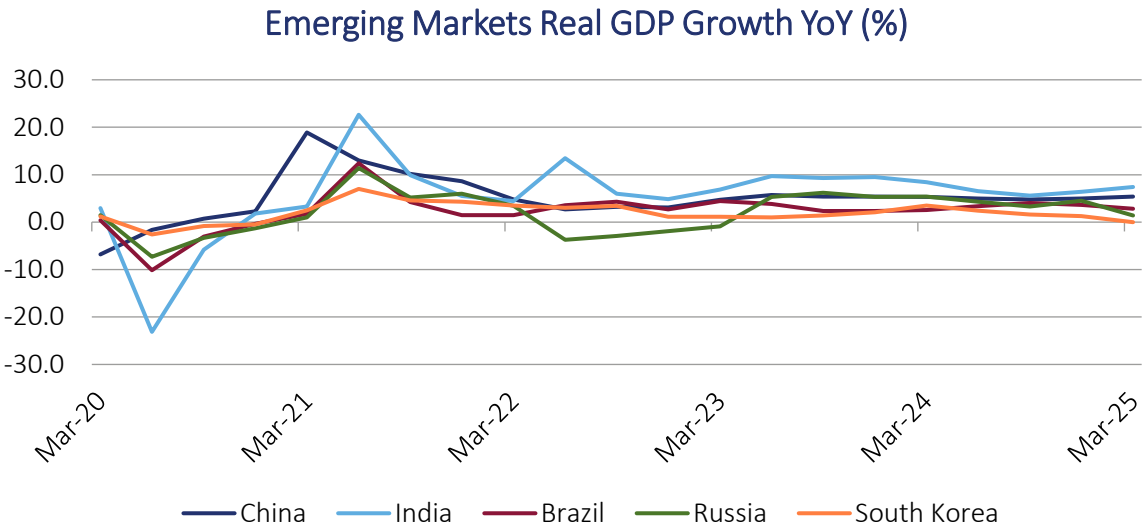
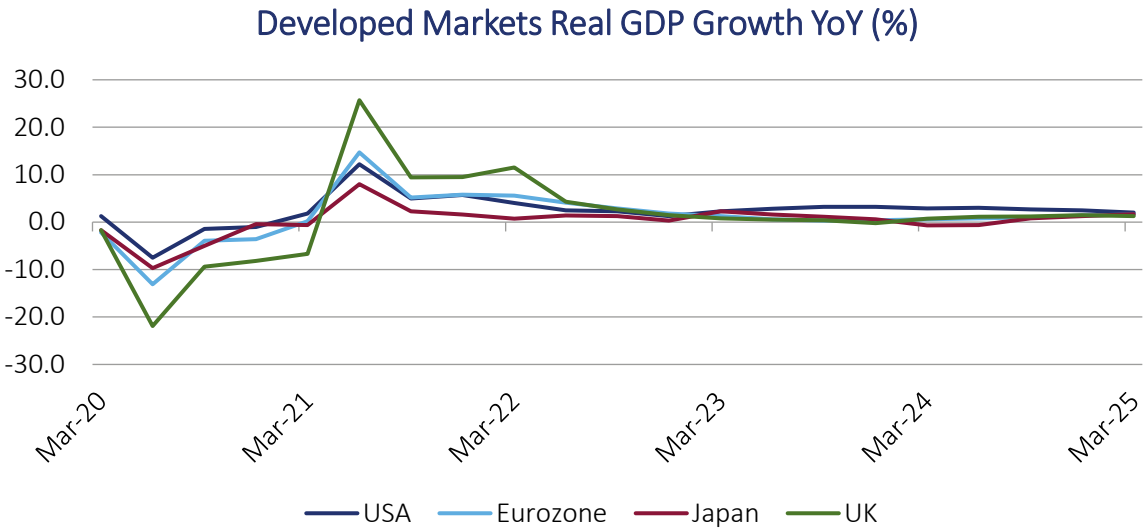


CBOE Volatility Index



Data Source: Bloomberg

Non-U.S. Growth and Inflation



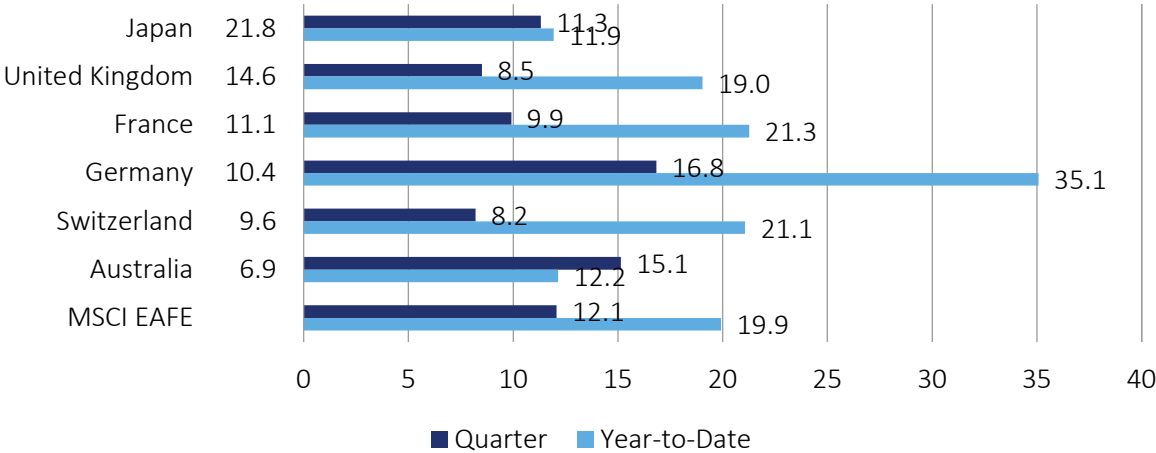
Data Source: Bloomberg

Non-U.S. Equity Market

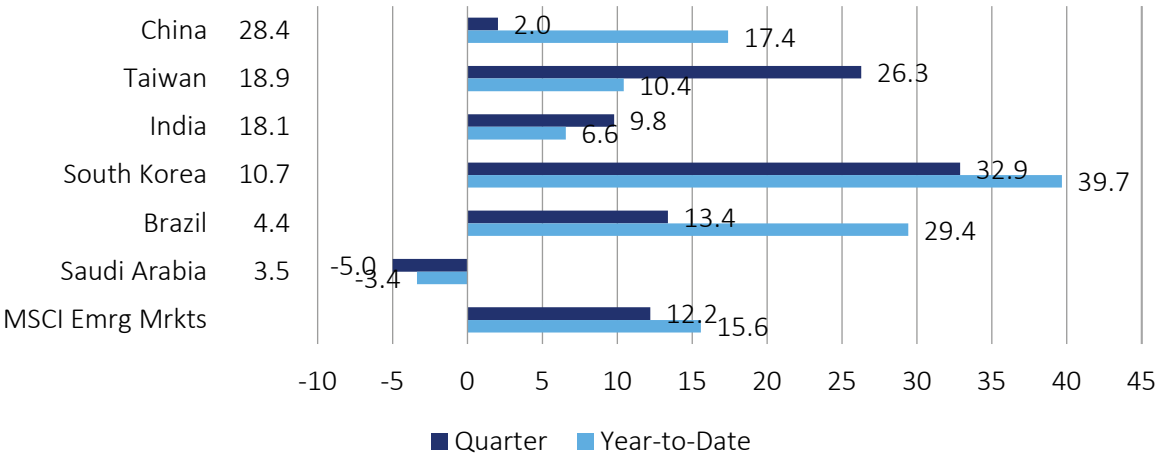
| As of 6/30/2025 | Quarter | YTD | 1 Year | 3 Year | 5 Year | 10 Year |
|------------------------------|---------|------|--------|--------|--------|---------|
| MSCI ACWI ex-US (\$G) | 12.3 | 18.3 | 18.4 | 14.6 | 10.7 | 6.6 |
| MSCI EAFE (\$G) | 12.1 | 19.9 | 18.3 | 16.6 | 11.7 | 7.0 |
| MSCI Emerging Markets (\$G) | 12.2 | 15.6 | 16.0 | 10.2 | 7.3 | 5.2 |
| MSCI Frontier Markets (\$G) | 11.0 | 18.7 | 22.3 | 12.5 | 8.5 | 2.9 |
| MSCI ACWI ex-US Growth (\$G) | 13.8 | 16.2 | 14.5 | 12.8 | 7.4 | 6.7 |
| MSCI ACWI ex-US Value (\$G) | 11.4 | 20.2 | 22.0 | 16.3 | 13.9 | 6.5 |
| MSCI ACWI ex-US Small (\$G) | 17.2 | 18.0 | 18.9 | 14.0 | 11.3 | 7.0 |
| MSCI All Country World Index | 11.7 | 10.3 | 16.7 | 17.9 | 14.2 | 10.5 |
| MSCI ACWI Minimum Volatility | 3.1 | 9.6 | 16.5 | 10.8 | 9.0 | 8.3 |
| MSCI EAFE Minimum Volatility | 10.3 | 21.0 | 25.5 | 13.7 | 8.2 | 6.1 |
| FTSE RAFI Developed ex-US | 11.8 | 21.9 | 21.8 | 17.3 | 14.8 | 7.2 |
| MSCI EAFE LC (G) | 5.1 | 8.3 | 8.6 | 14.1 | 12.2 | 7.6 |
| MSCI Emerging Markets LC (G) | 8.1 | 11.1 | 13.6 | 11.0 | 8.4 | 6.9 |

Data Source: Bloomberg

Developed Markets Weight and Return (%)



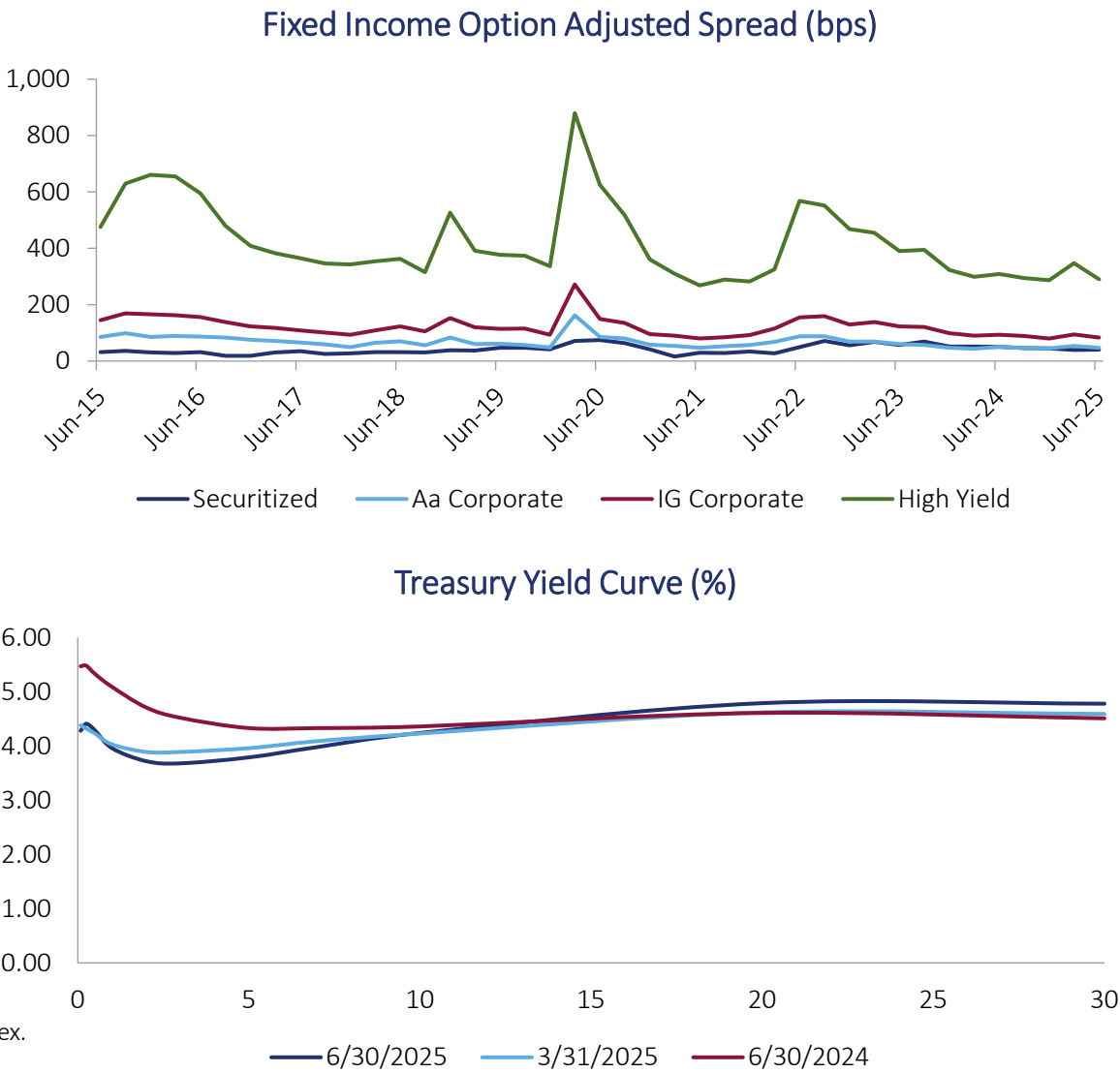
Emerging Markets Weight and Return (%)



U.S. Fixed Income

| As of 6/30/2025 | YTW | Dur. | QTR | YTD | 1 YR | 3 YR | 5 YR | 10 YR |
|---------------------------|-----|------|------|-----|------|------|------|-------|
| Bloomberg Aggregate | 4.5 | 6.1 | 1.2 | 4.0 | 6.1 | 2.5 | -0.7 | 1.8 |
| Bloomberg Treasury | 4.0 | 5.9 | 0.8 | 3.8 | 5.3 | 1.5 | -1.6 | 1.2 |
| Bloomberg Gov't-Rel. | 4.5 | 5.3 | 1.7 | 4.4 | 6.2 | 3.2 | 0.1 | 2.0 |
| Bloomberg Securitized | 4.9 | 5.8 | 1.2 | 4.2 | 6.6 | 2.4 | -0.5 | 1.4 |
| Bloomberg Corporate | 5.0 | 6.8 | 1.8 | 4.2 | 6.9 | 4.3 | 0.1 | 2.9 |
| Bloomberg LT Gov't/Credit | 5.2 | 13.7 | -0.2 | 3.4 | 3.3 | -0.3 | -4.9 | 1.8 |
| Bloomberg LT Treasury | 4.8 | 14.7 | -1.5 | 3.1 | 1.6 | -3.7 | -8.2 | 0.1 |
| Bloomberg LT Gov't-Rel. | 5.8 | 11.5 | 1.4 | 4.7 | 4.6 | 2.2 | -2.3 | 2.3 |
| Bloomberg LT Corporate | 5.7 | 12.7 | 1.2 | 3.6 | 5.2 | 2.8 | -2.3 | 3.1 |
| Bloomberg U.S. TIPS* | 4.0 | 6.1 | 0.5 | 4.7 | 5.8 | 2.3 | 1.6 | 2.7 |
| Bloomberg High Yield | 7.1 | 2.8 | 3.5 | 4.6 | 10.3 | 9.9 | 6.0 | 5.4 |
| S&P/LSTA Leveraged Loan | 7.8 | 0.3 | 2.3 | 2.8 | 7.3 | 9.7 | 7.5 | 5.1 |
| Treasury Bills | 4.3 | 0.3 | 1.1 | 2.1 | 4.8 | 4.6 | 2.8 | 2.0 |

*Yield and Duration statistics are for a proxy index based on similar maturity, the Bloomberg Barclays U.S. Treasury 5-10 Year Index.
Data Source: Bloomberg



Federal Reserve

The Federal Open Market Committee left their overnight rate unchanged during Q2

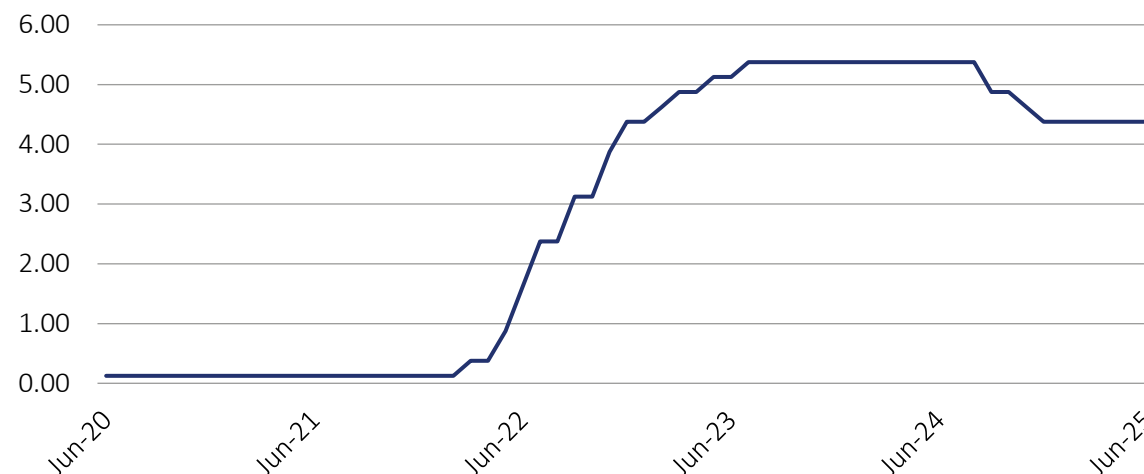
QE4 was larger than the 3 phases of quantitative easing – combined – following the global financial crisis

The Fed's current balance sheet is roughly equal to its level following the COVID spike

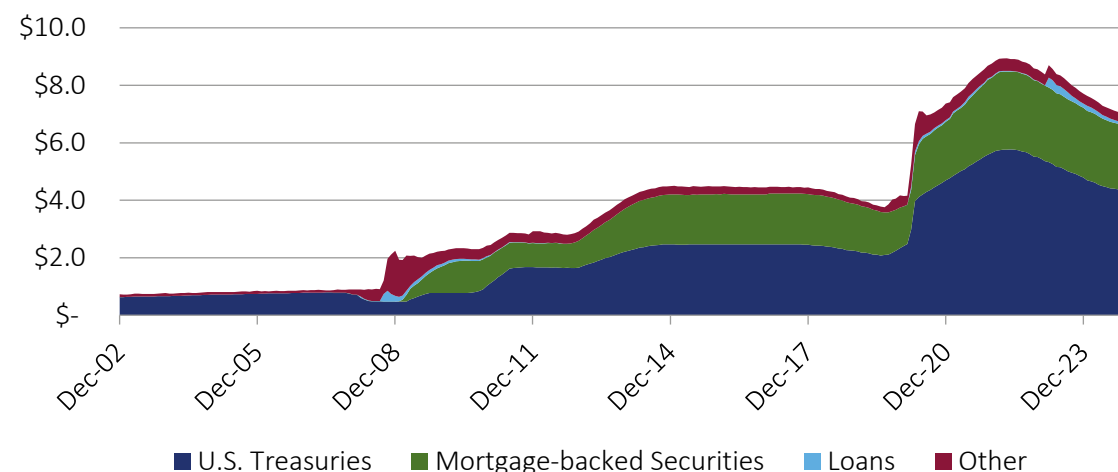
| | Announced | Closed | Amount (bil) |
|-----|------------|------------|--------------|
| QE1 | 11/25/2008 | 3/31/2010 | \$1,403 |
| QE2 | 11/3/2010 | 6/29/2012 | \$568 |
| QE3 | 9/13/2012 | 10/29/2014 | \$1,674 |
| QE4 | 3/23/2020 | 3/15/2022 | \$4,779 |

Data Source: Bloomberg

Federal Funds Rate (Mid %)



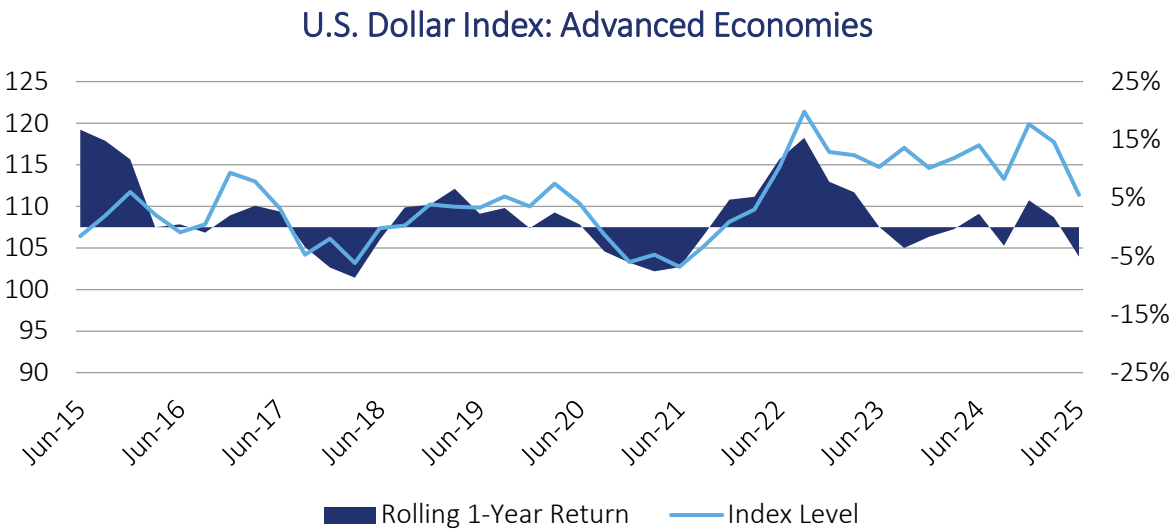
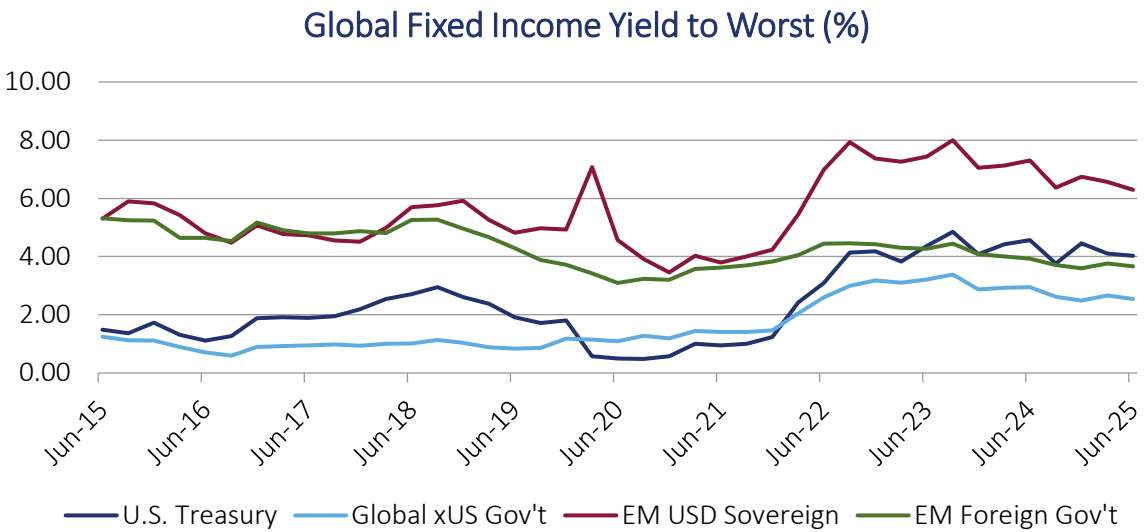
Federal Reserve Balance Sheet (\$T)



Non-U.S. Fixed Income

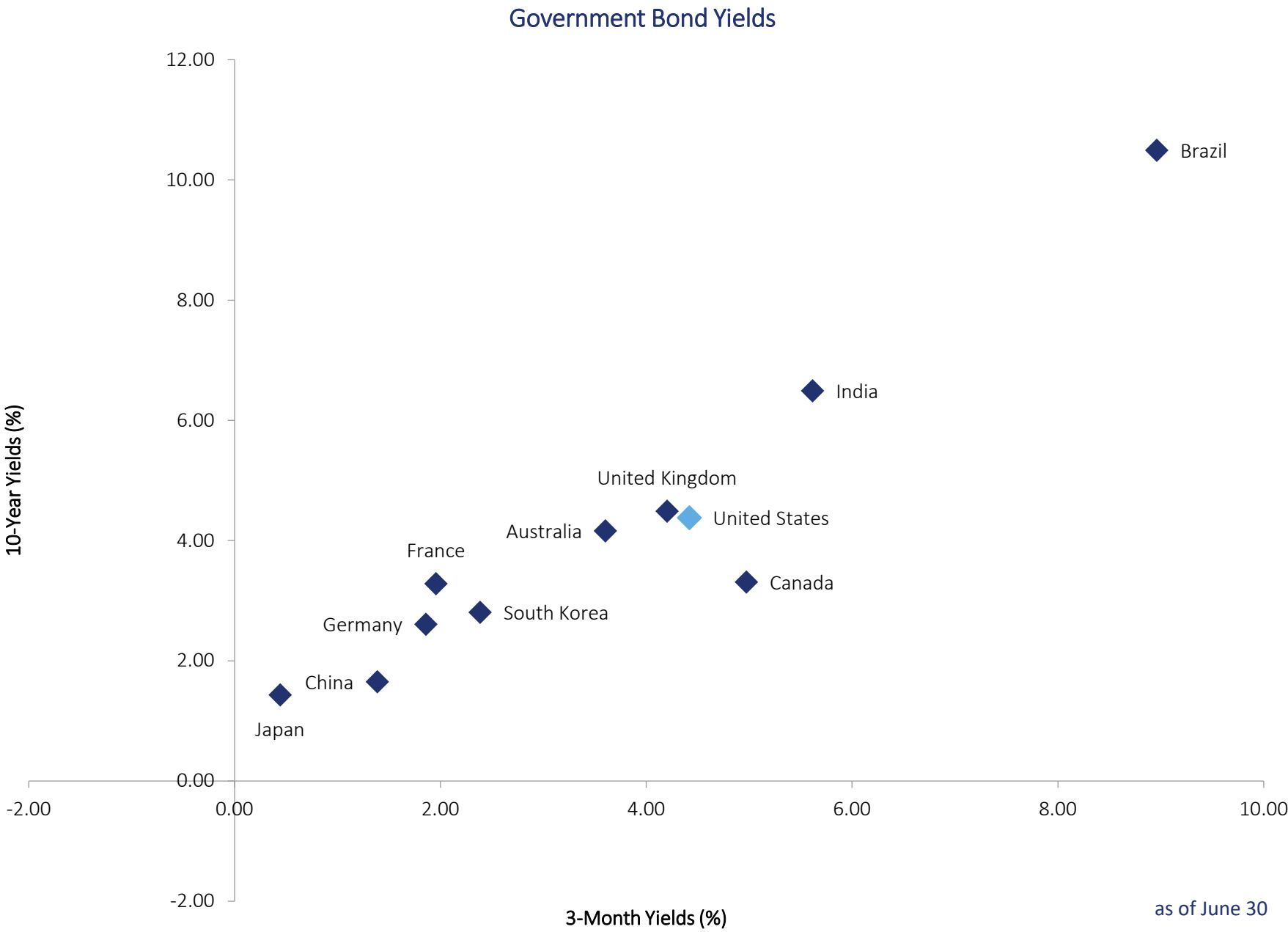
| As of 6/30/2025 | Quarter | YTD | 1 Year | 3 Year | 5 Year | 10 Year |
|--|---------|------|--------|--------|--------|---------|
| Developed Markets | | | | | | |
| Bloomberg Global Aggregate xUS | 7.3 | 10.0 | 11.2 | 2.7 | -1.6 | 0.6 |
| Bloomberg Global Aggregate xUS* | 1.9 | 1.8 | 6.1 | 4.3 | 0.9 | 2.7 |
| Bloomberg Global Inflation Linked xUS | 8.5 | 11.6 | 8.1 | 0.2 | -2.8 | -0.1 |
| Bloomberg Global Inflation Linked xUS* | 1.7 | 1.0 | 0.8 | -1.4 | -2.7 | 1.8 |
| Emerging Markets (Hard Currency) | | | | | | |
| Bloomberg EM USD Aggregate | 2.5 | 4.9 | 9.4 | 7.7 | 1.7 | 3.4 |
| Emerging Markets (Foreign Currency) | | | | | | |
| Bloomberg EM Local Currency Gov't | 5.4 | 7.1 | 10.3 | 5.4 | 2.7 | 2.7 |
| Bloomberg EM Local Currency Gov't* | 2.3 | 3.2 | 8.7 | 7.9 | 3.3 | 3.8 |
| Euro vs. Dollar | 9.0 | 13.8 | 10.0 | 4.0 | 1.0 | 0.6 |
| Yen vs. Dollar | 4.1 | 9.1 | 11.7 | -2.0 | -5.6 | -1.6 |
| Pound vs. Dollar | 6.3 | 9.7 | 8.6 | 4.1 | 2.1 | -1.3 |

*Returns are reported in terms of local market investors, which removes currency effects.
Data Source: Bloomberg



Global Interest Rates

Short-term rates remain positive across the globe; longer-term rates above 4.0% in the U.S., U.K. and Australia



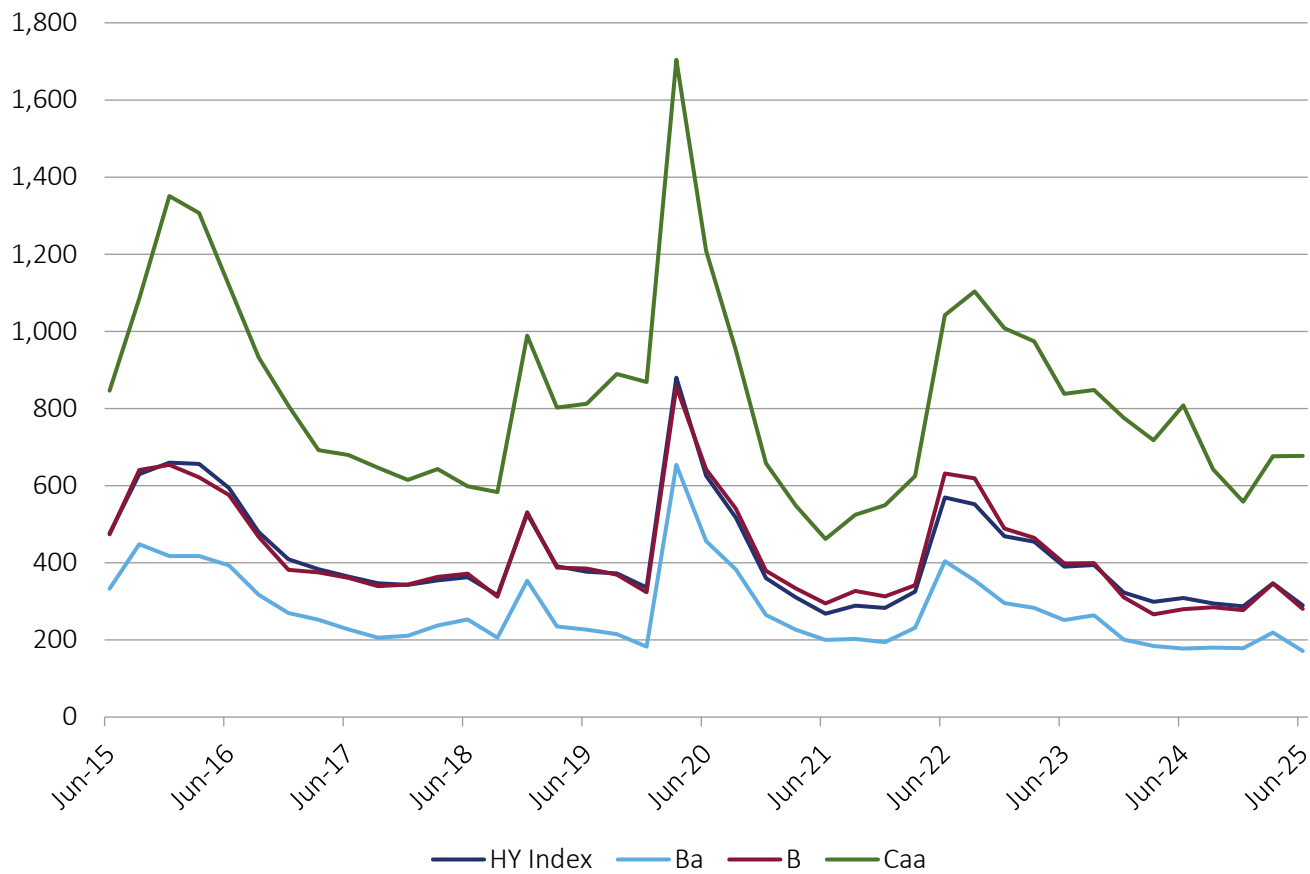
Data Source: Bloomberg

High Yield Bond Market

| As of 6/30/2025 | Weight | YTW | QTR | YTD | 1 YR | 3 YR | 5 YR | 10 YR |
|---------------------------------|--------|------|-----|-----|------|------|------|-------|
| Bloomberg High Yield | | 7.1 | 3.5 | 4.6 | 10.3 | 9.9 | 6.0 | 5.4 |
| S&P LSTA Leveraged Loan | | 7.8 | 2.8 | 3.2 | 7.8 | 10.1 | 6.9 | 4.9 |
| High Yield Quality Distribution | | | | | | | | |
| Ba U.S. High Yield | 51.3% | 5.9 | 3.4 | 5.0 | 8.9 | 8.9 | 5.0 | 5.4 |
| B U.S. High Yield | 35.7% | 7.0 | 3.6 | 4.4 | 9.5 | 10.0 | 5.8 | 5.0 |
| Caa U.S. High Yield | 11.6% | 10.8 | 4.0 | 3.5 | 16.7 | 12.6 | 8.9 | 5.7 |
| Ca to D U.S. High Yield | 1.4% | 20.8 | 0.6 | 2.2 | 27.9 | 24.9 | 20.5 | 7.6 |

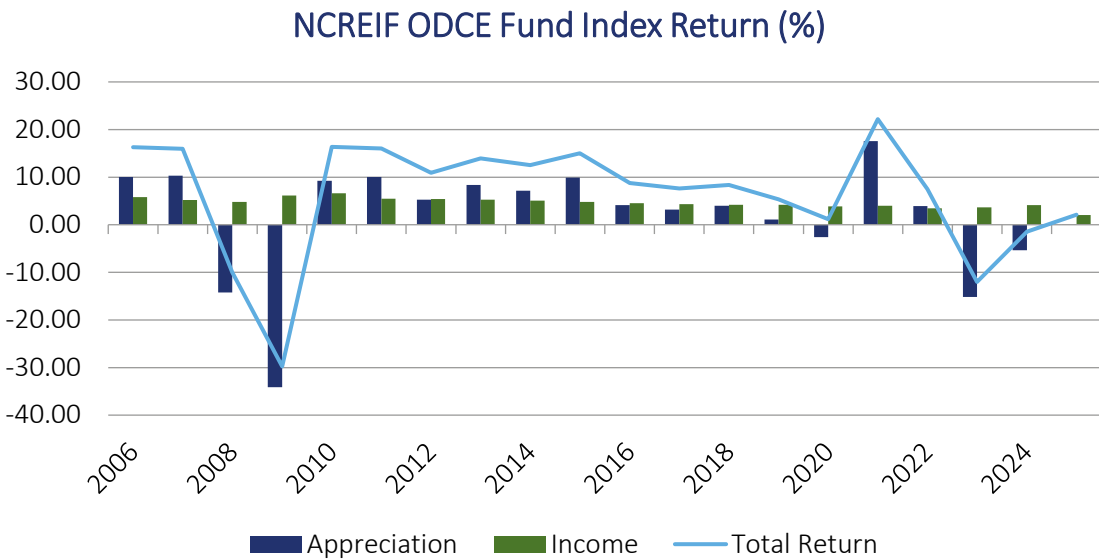
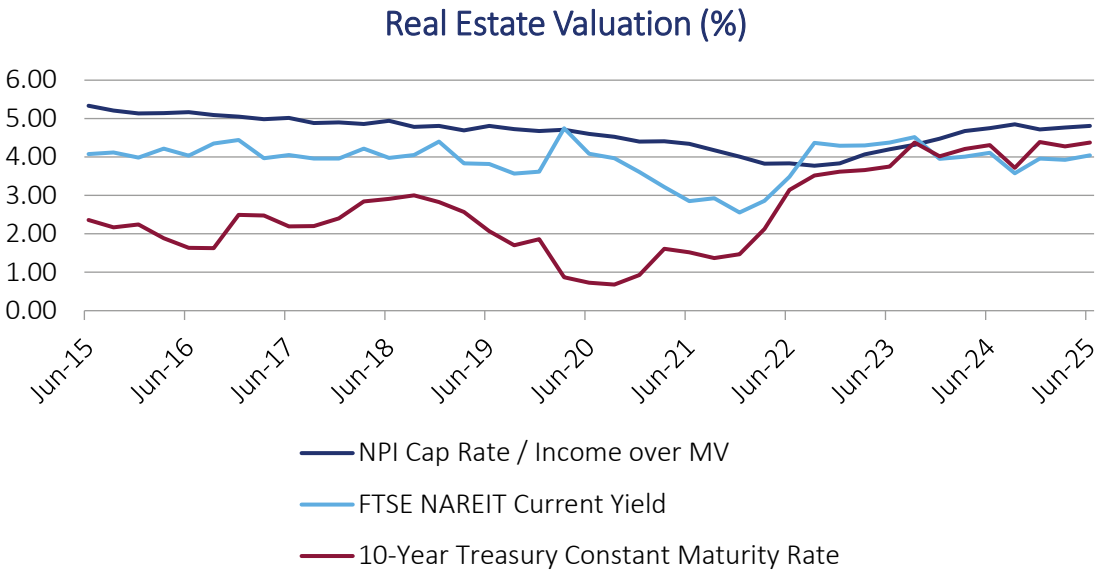
Data Source: Bloomberg

Fixed Income Option Adjusted Spread (bps)



Real Assets

| As of 6/30/2025 | Quarter | YTD | 1 Year | 3 Year | 5 Year | 10 Year |
|---------------------------------|---------|------|--------|--------|--------|---------|
| Bloomberg U.S. TIPS | 0.5 | 4.7 | 5.8 | 2.3 | 1.6 | 2.7 |
| Bloomberg Commodity Index | -3.1 | 5.5 | 5.8 | 0.1 | 12.7 | 2.0 |
| Bloomberg Gold Index | 5.2 | 24.4 | 39.8 | 21.4 | 11.8 | 9.9 |
| Wilshire Global RESI Index | 1.8 | 4.4 | 11.5 | 6.1 | 7.9 | 5.2 |
| NCREIF ODCE Fund Index | 1.0 | 2.1 | 3.5 | -5.4 | 3.4 | 5.3 |
| NCREIF Timberland Index | 1.4 | 2.3 | 5.3 | 8.7 | 8.2 | 5.4 |
| FTSE Global Core Infrastructure | 4.6 | 9.8 | 18.0 | 7.6 | 9.0 | 7.7 |
| Alerian Midstream Energy | -1.2 | 5.1 | 30.8 | 22.9 | 26.0 | 7.7 |
| Bitcoin | 30.6 | 14.8 | 73.8 | 79.1 | 63.7 | 82.6 |



Data Sources: Bloomberg, National Council of Real Estate Investment Fiduciaries

Asset Class Performance

Asset Class Returns - Best to Worst

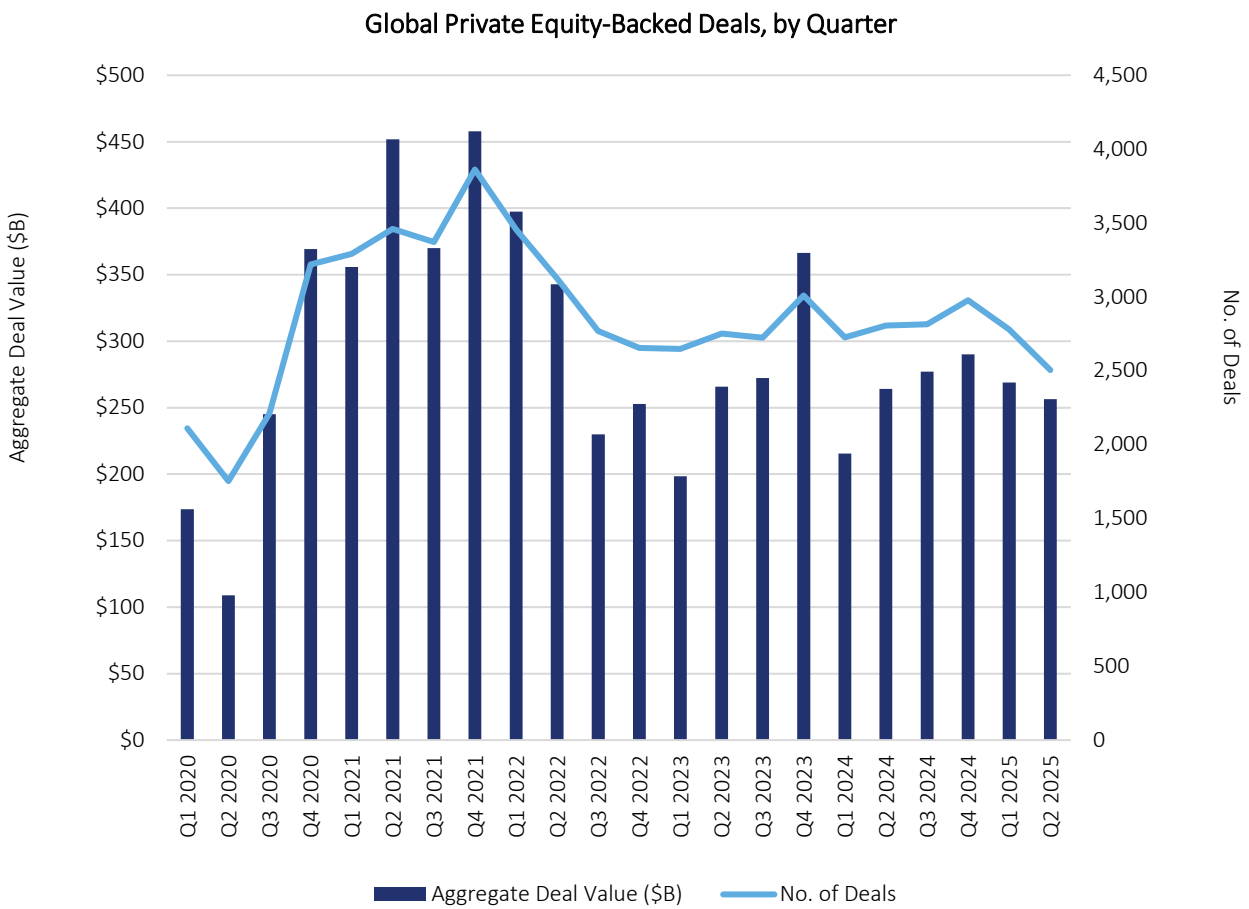
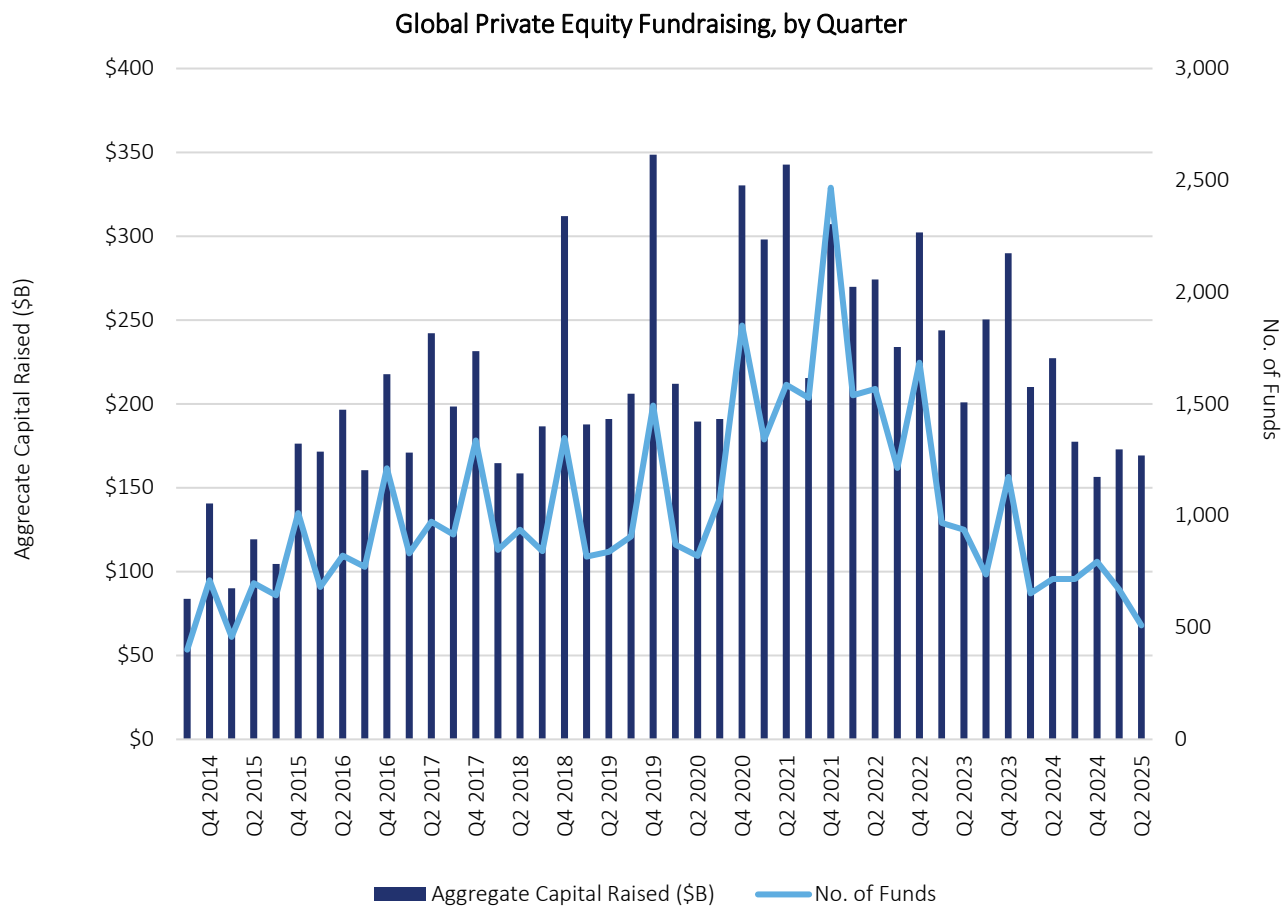
| 2020 | 2021 | 2022 | 2023 | 2024 | 2025 YTD | Annualized 5-Year as of 6/25 |
|----------------------|----------------------|-----------------------|----------------------|----------------------|---------------------|------------------------------------|
| U.S. Equity 20.8% | REITs 46.2% | Commodities 16.1% | U.S. Equity 26.1% | U.S. Equity 23.8% | Developed 19.9% | U.S. Equity 16.2% |
| Emrg Mkts 18.7% | Commodities 27.1% | T-Bills 1.3% | Developed 18.9% | REITs 9.1% | Emrg Mkts 15.6% | Commodities 12.7% |
| U.S. TIPS 11.0% | U.S. Equity 26.7% | High Yield -11.2% | REITs 16.1% | High Yield 8.2% | U.S. Equity 5.7% | Developed 11.7% |
| Developed 8.3% | Developed 11.8% | U.S. TIPS -11.8% | High Yield 13.4% | Emrg Mkts 8.1% | Commodities 5.5% | REITs 8.7% |
| Core Bond 7.5% | U.S. TIPS 6.0% | Core Bond -13.0% | Emrg Mkts 10.3% | Commodities 5.4% | U.S. TIPS 4.7% | Emrg Mkts 7.3% |
| High Yield 7.1% | High Yield 5.3% | Developed -14.0% | Core Bond 5.5% | T-Bills 5.3% | High Yield 4.6% | High Yield 6.0% |
| T-Bills 0.7% | T-Bills 0.0% | U.S. Equity -19.0% | T-Bills 5.1% | Developed 4.3% | Core Bond 4.0% | T-Bills 2.8% |
| Commodities -3.1% | Core Bond -1.5% | Emrg Mkts -19.7% | U.S. TIPS 3.9% | U.S. TIPS 1.8% | T-Bills 2.1% | U.S. TIPS 1.6% |
| REITs -7.9% | Emrg Mkts -2.2% | REITs -26.8% | Commodities -1.3% | Core Bond 1.3% | REITs -0.2% | Core Bond -0.7% |

Data Sources: Bloomberg

Note: Developed asset class is developed equity markets ex-U.S., ex-Canada

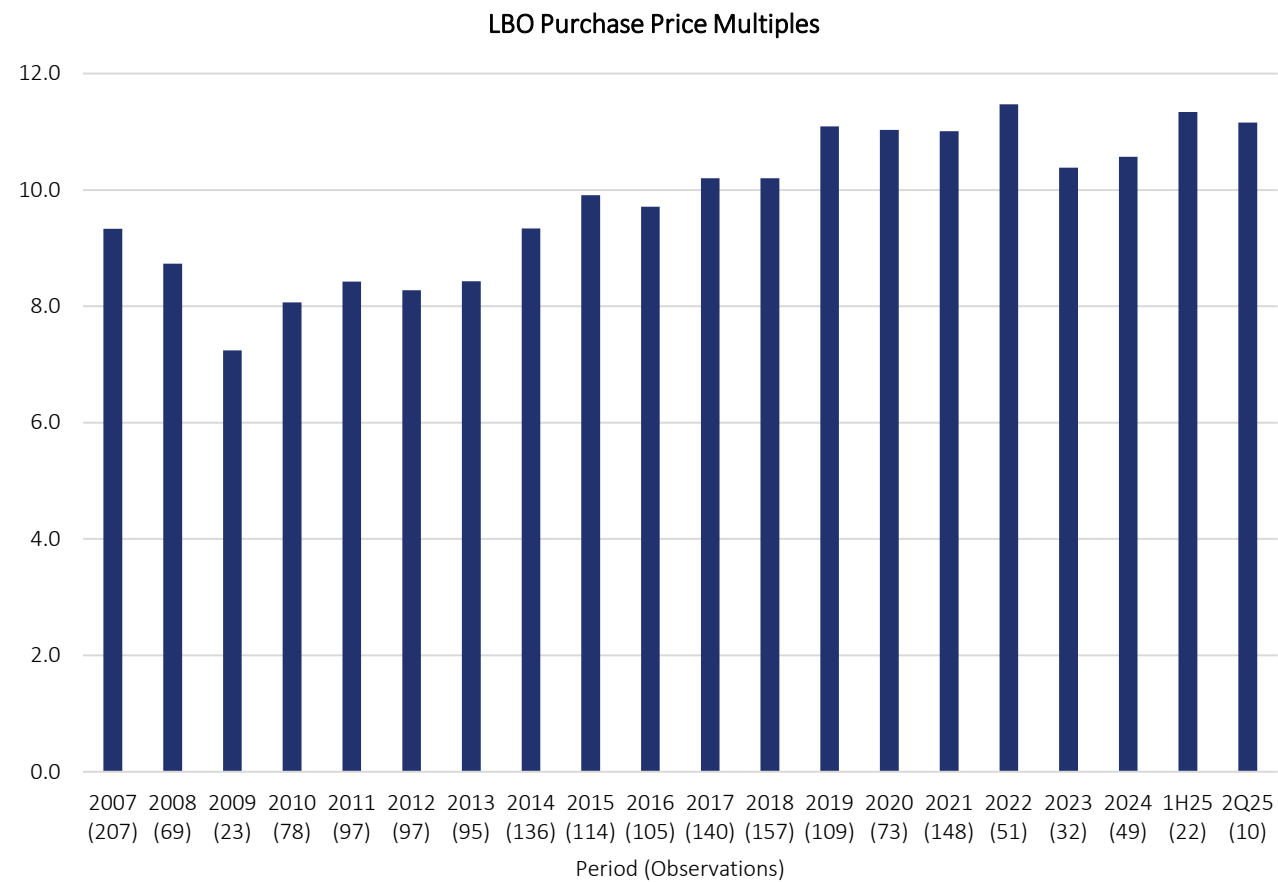
Appendix: Private Market Trends

Private Equity – Fundraising & Investment Activity

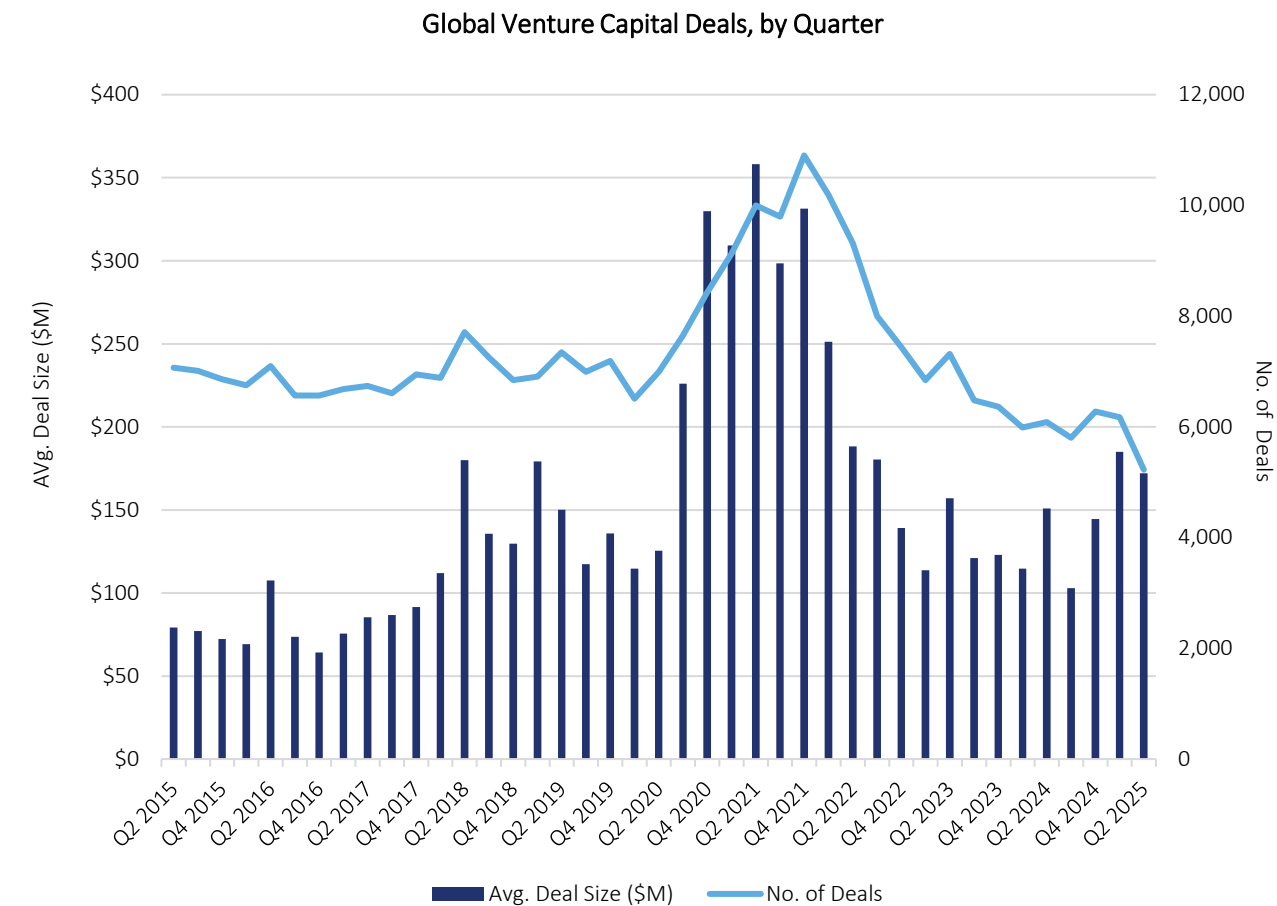


Source: Preqin as of August 13, 2025.

Private Equity – Pricing & Valuations



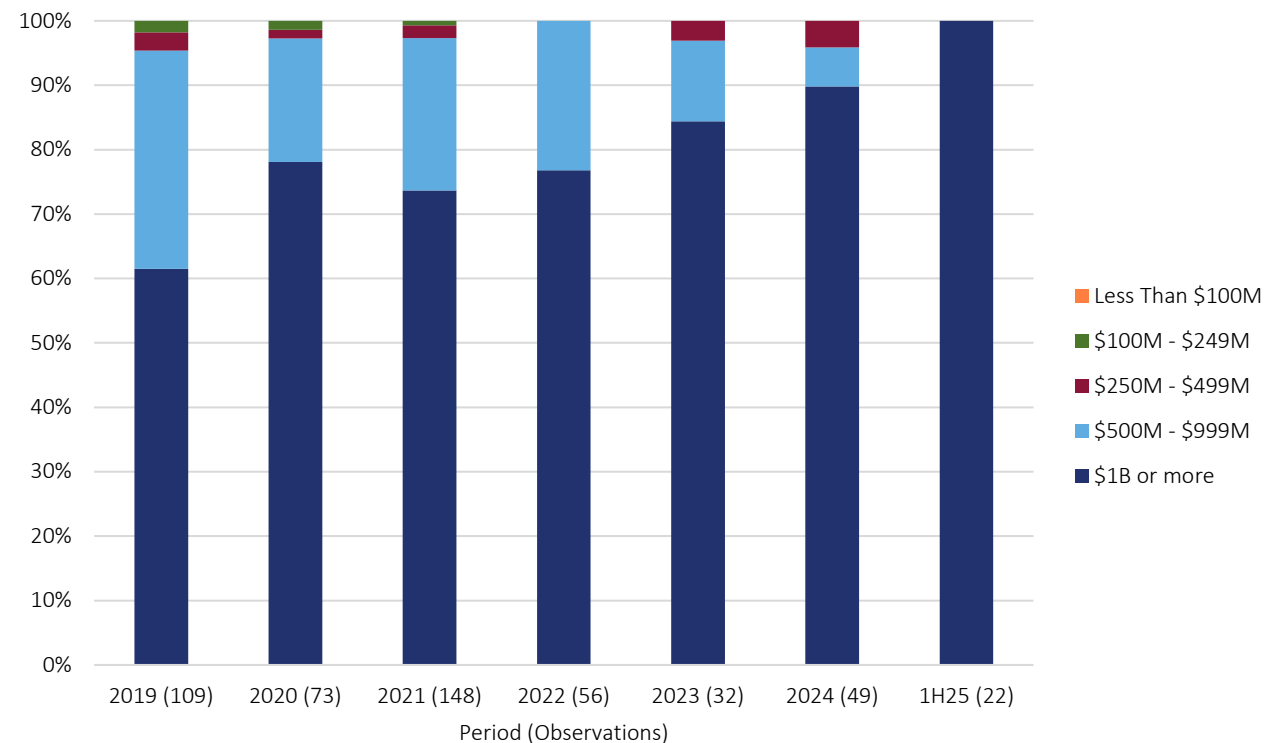
Source: S&P LCD Q2 2025 Report; Preqin as of August 13, 2025.



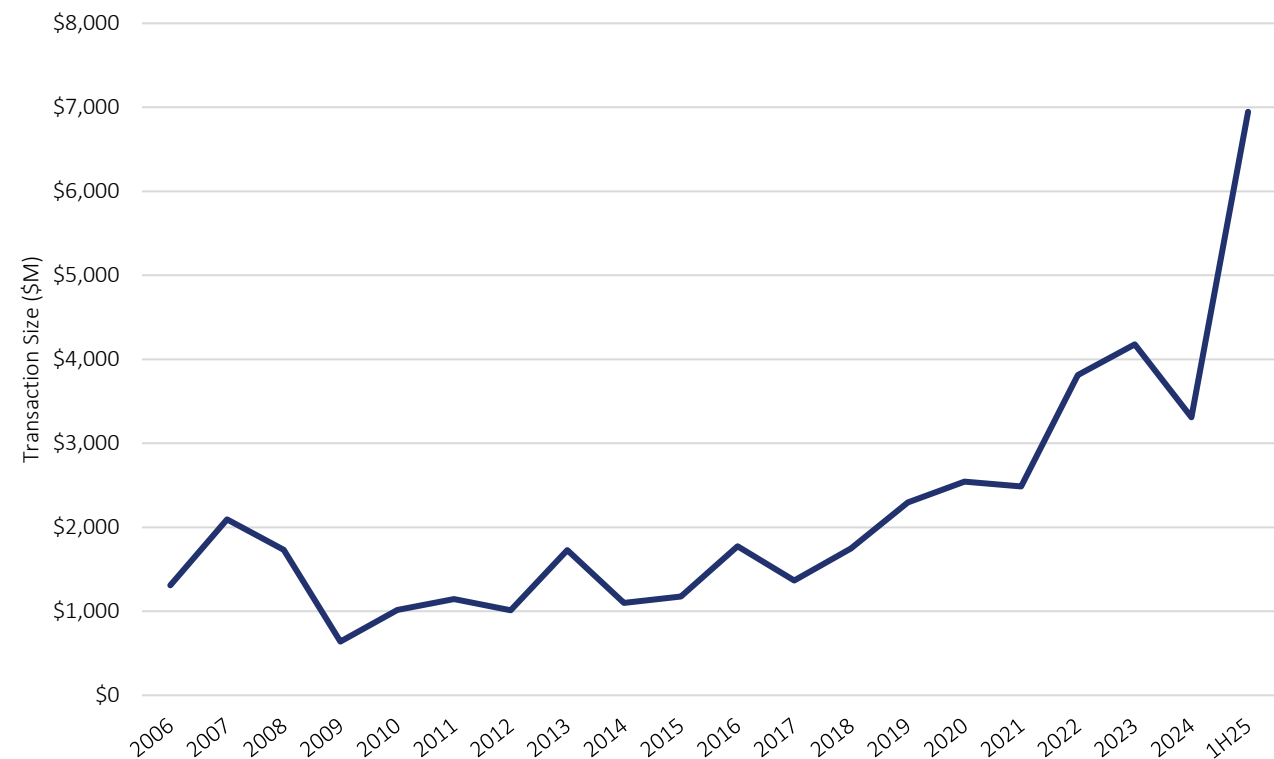
U.S. Investment Activity by Deal Size

- Deal volume in Q1 was generally consistent with 2024 but has not returned to pre-COVID levels, though a majority of deals stay in the upper, large cap market.
- Average LBO transaction size increased in H1 2025 with an increase in the number of LBO transactions in the large cap market.

Distribution of U.S. LBO Transactions, by Deal Size



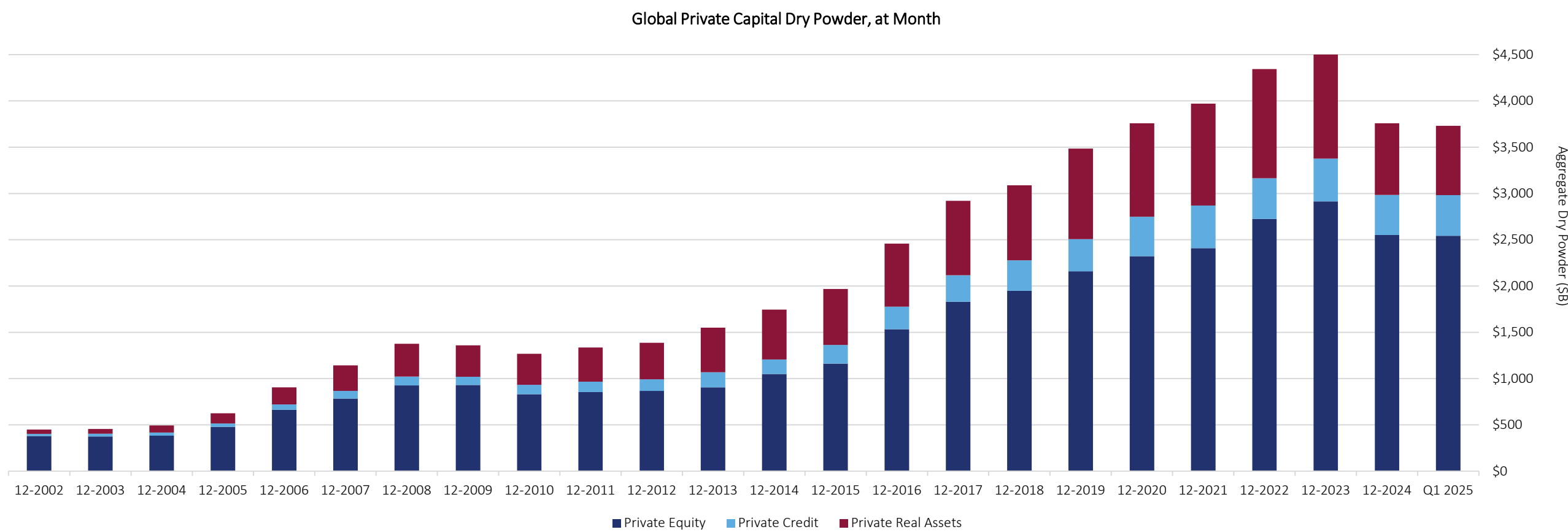
Average Transaction Size of U.S. LBOs



Source: S&P LCD Q2 2025 Report.

Private Capital Dry Powder

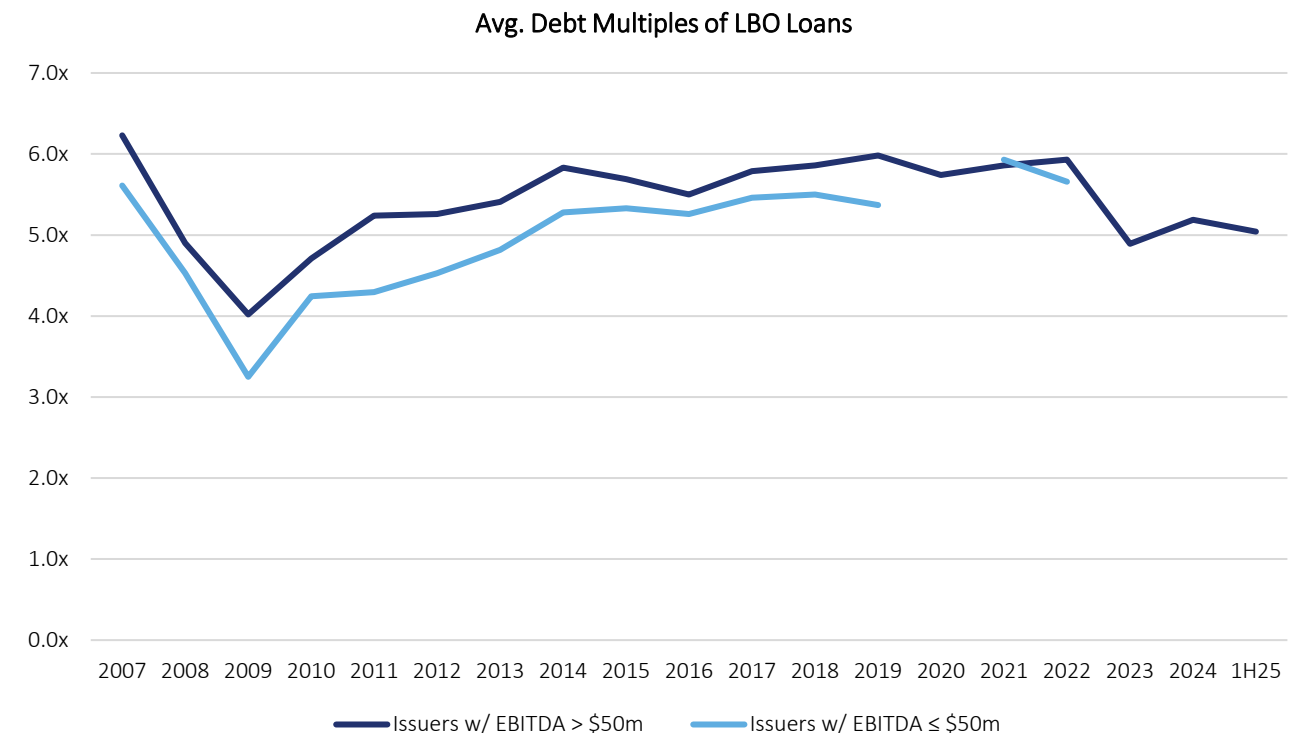
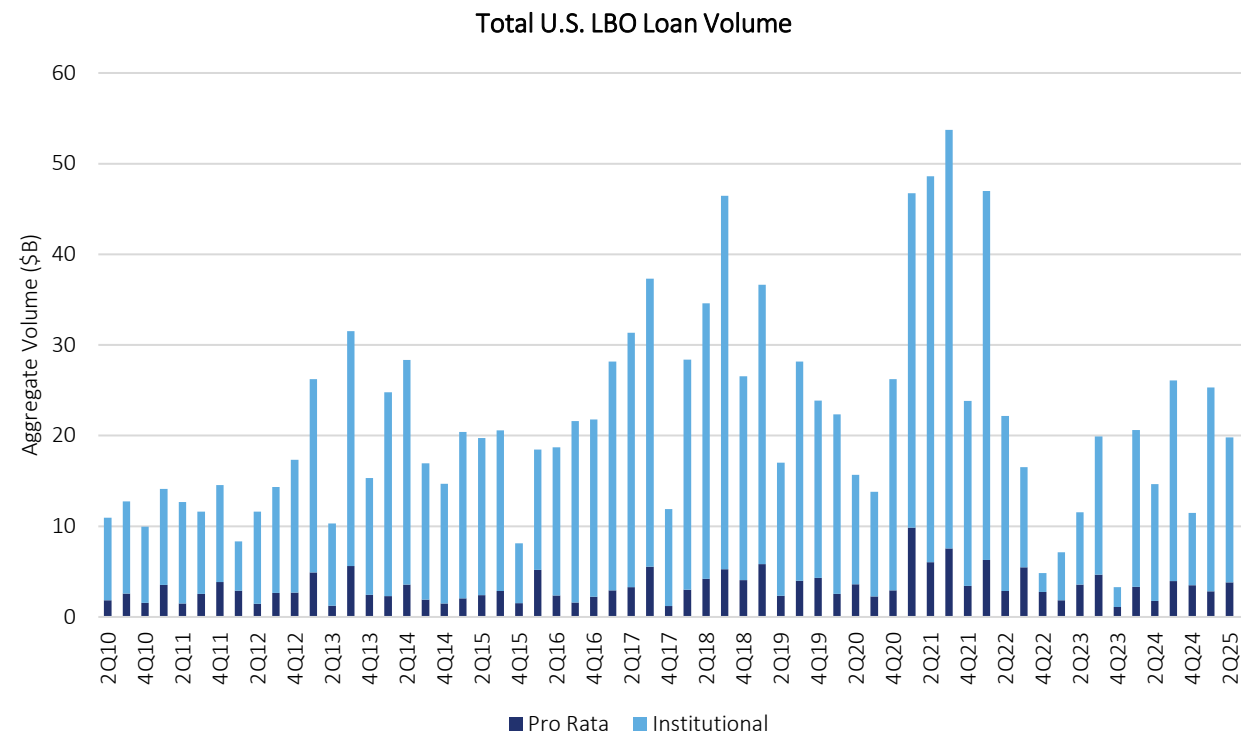
- Global private equity and real assets dry powder has decreased from peak at the end of 2023 but global private capital dry powder remains elevated.
- Private equity comprises approximately 68% of total dry powder as of February 13, 2025, and continues to drive heightened levels of dry powder.



Source: Preqin as of February 13, 2025.

Private Equity – U.S. Debt Markets

- Q2 2025 saw ~19.8 billion in supporting loan issuance, continuing the rebound since record low levels in 2023.
- Debt multiples of sponsor-backed, large corporate loans stay approximately the same as 2023 for 2024 in total at ~5.0x, lower than recent years with debt multiples just under 6.0x.

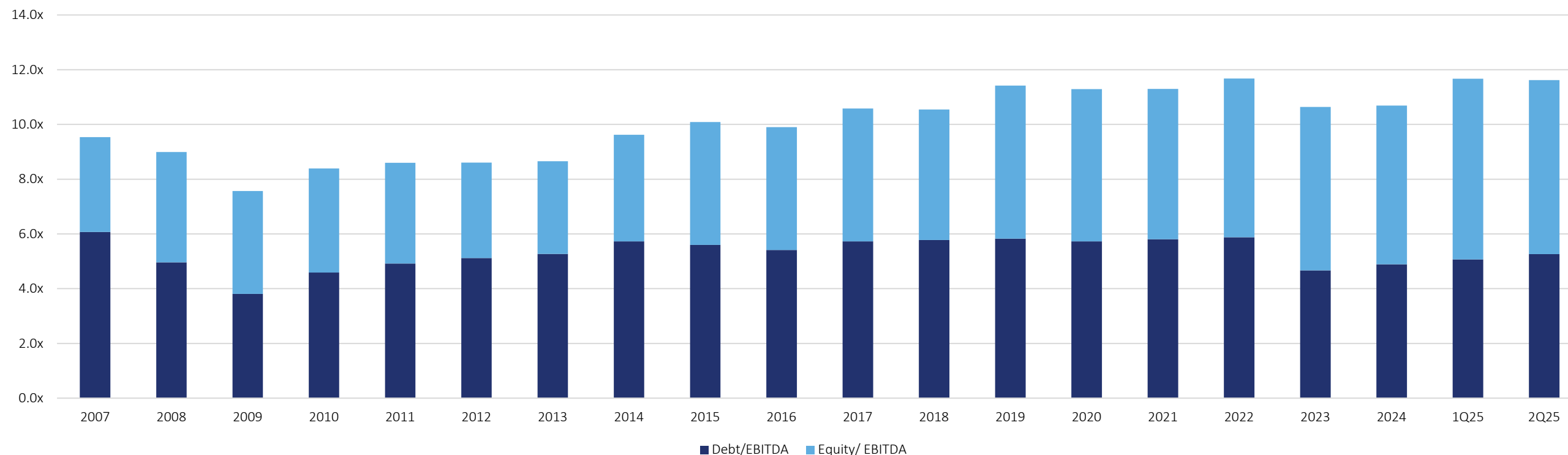


Source: S&P LCD Q2 2025 Report.

Private Equity – U.S. LBO Purchase Price Multiples

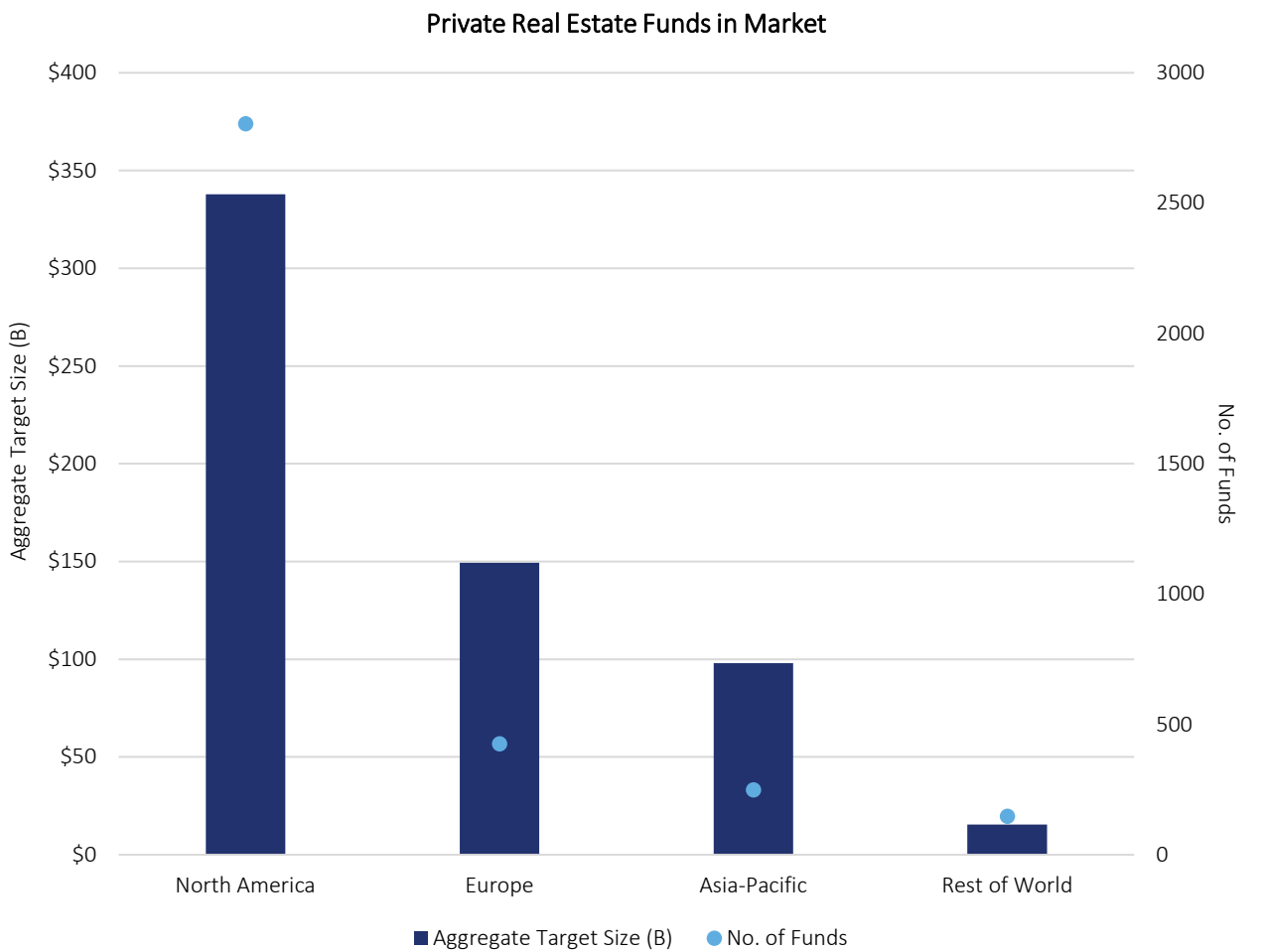
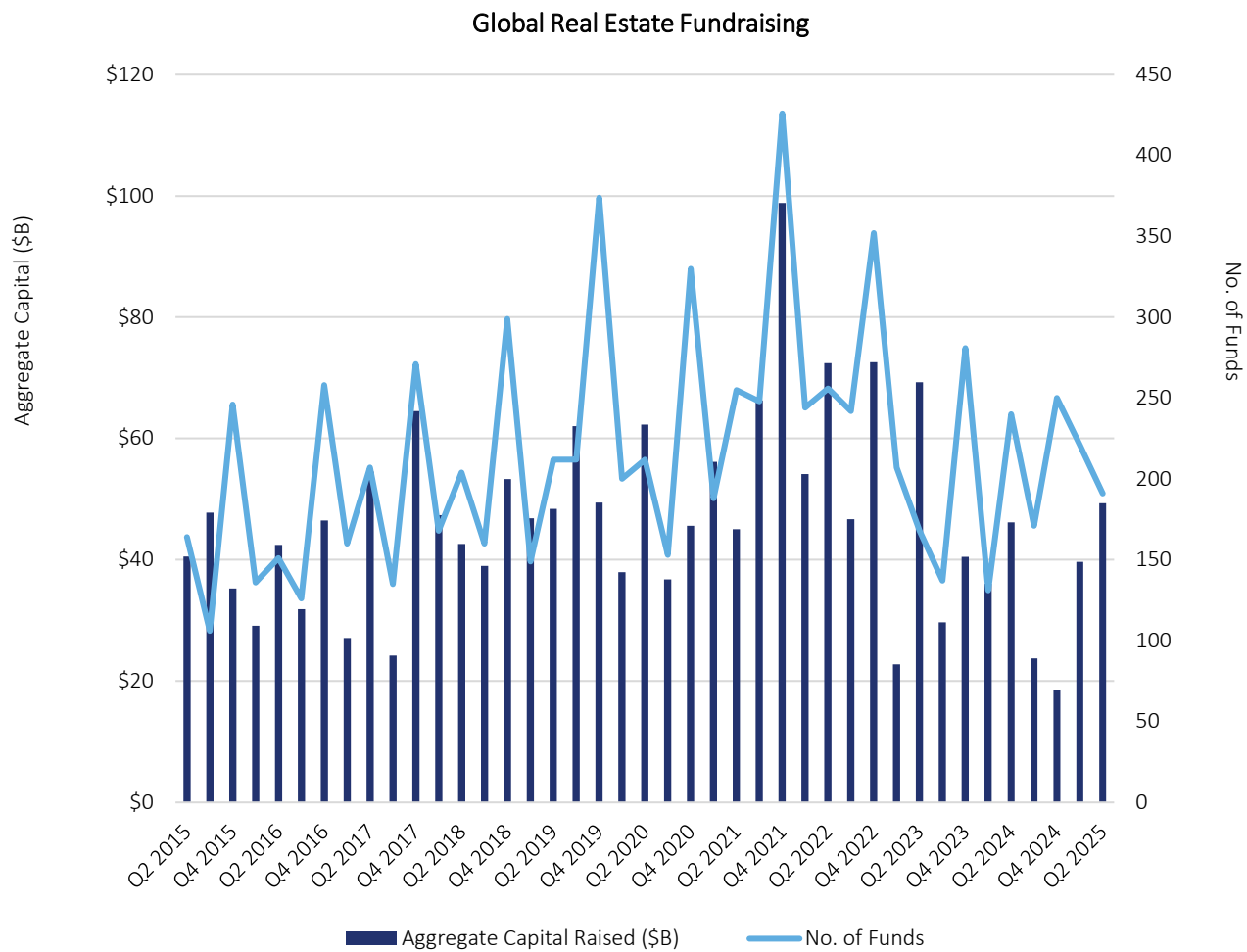
- All in purchase price multiples for Q1 2025 are slightly higher than 2024 purchase price multiples, with equity continuing to contribute a majority of capital.
- Debt contributions in Q4 2024 are 42% of purchase price multiples.

LBO Purchase Price Multiples



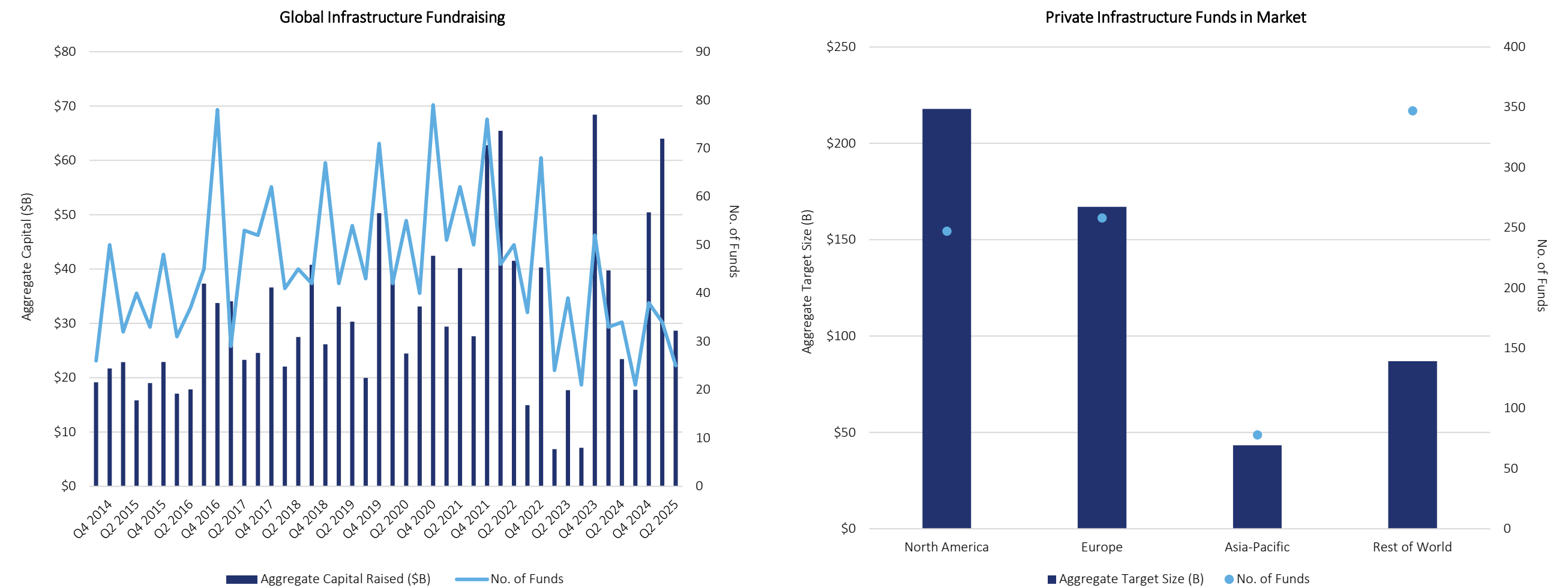
Source: S&P LCD Q2 2025 Report.

Private Real Assets – Real Estate Fundraising Activity



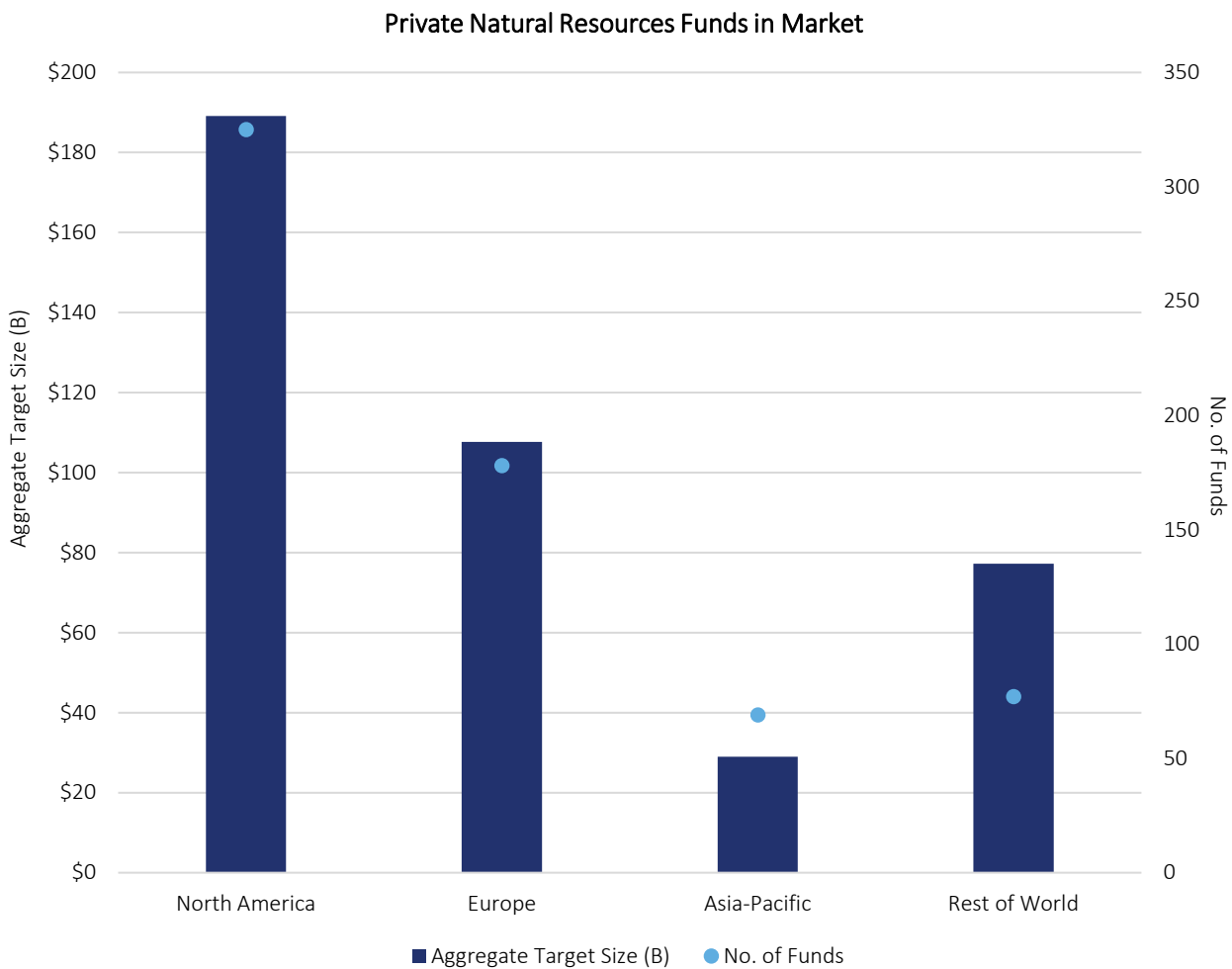
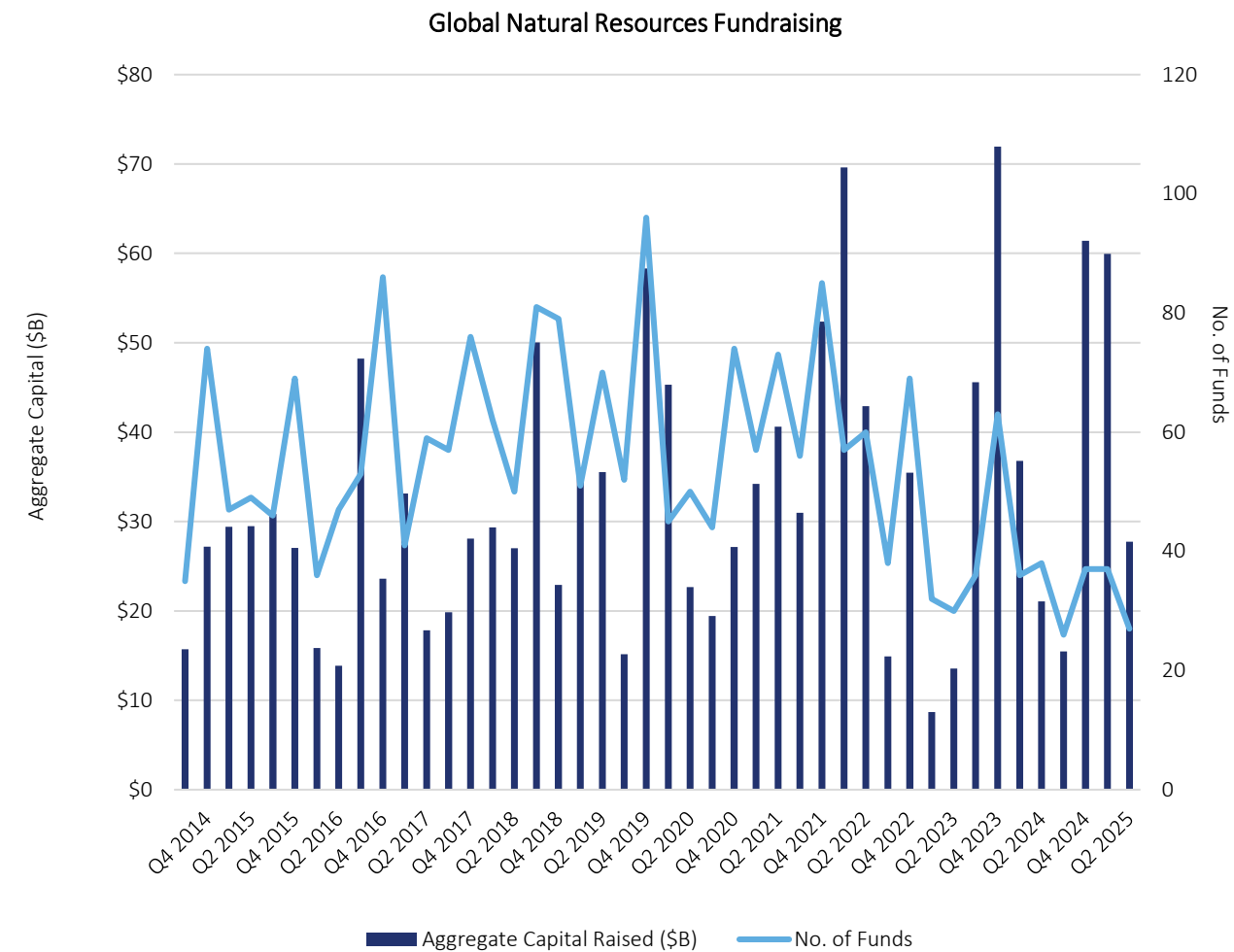
Source: Preqin as of August 13, 2025.

Private Real Assets – Infrastructure Fundraising



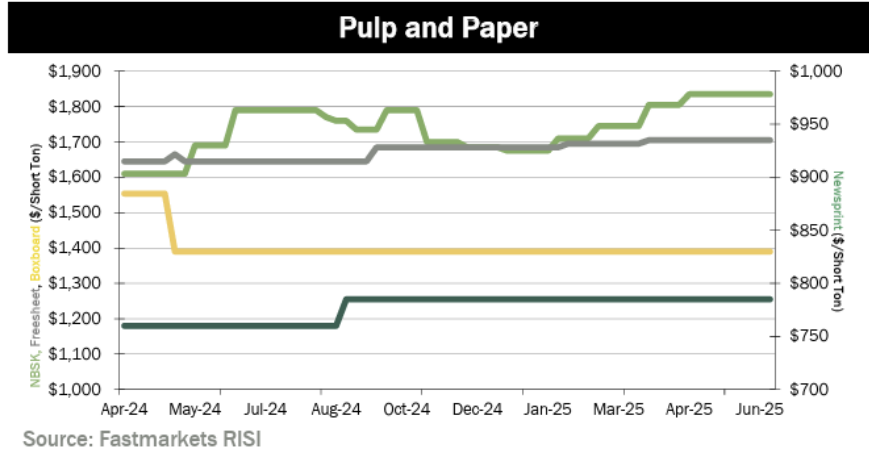
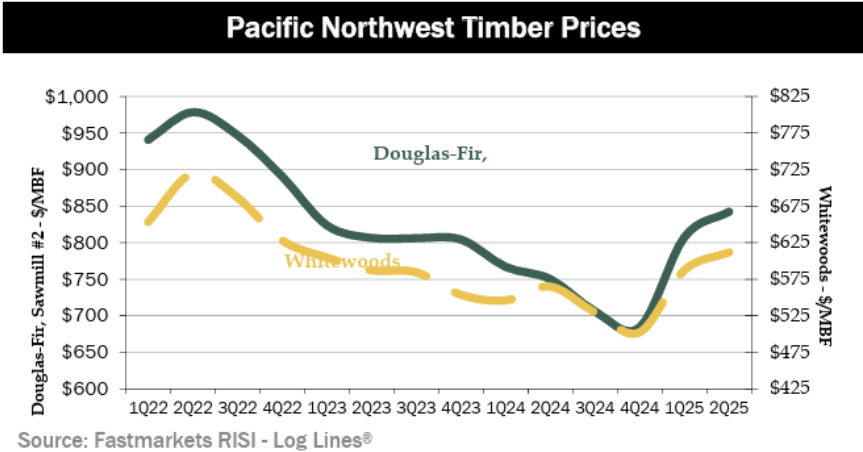
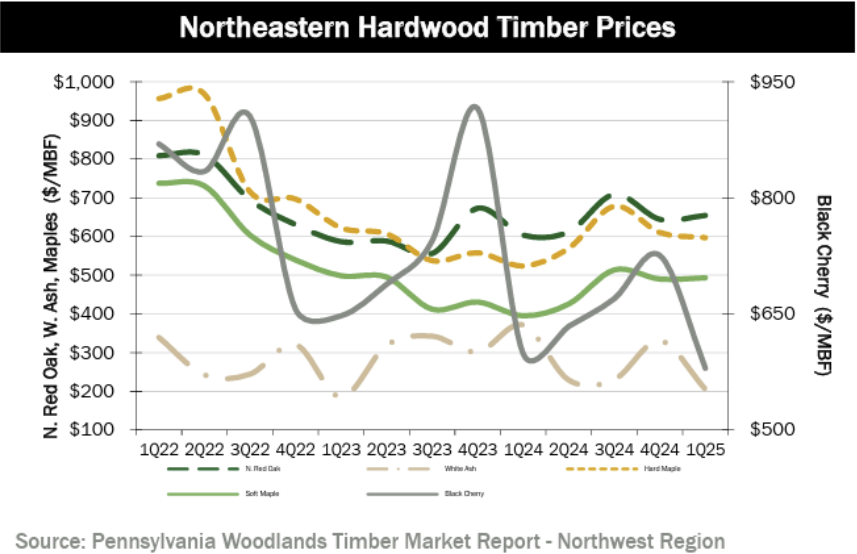
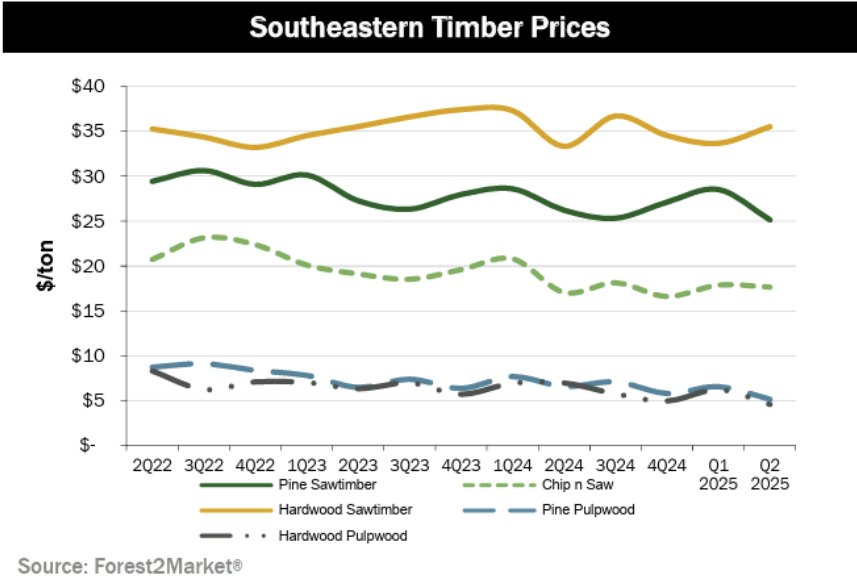
Source: Preqin as of August 13, 2025.

Private Real Assets – Natural Resources Fundraising



Source: Preqin as of August 13, 2025.

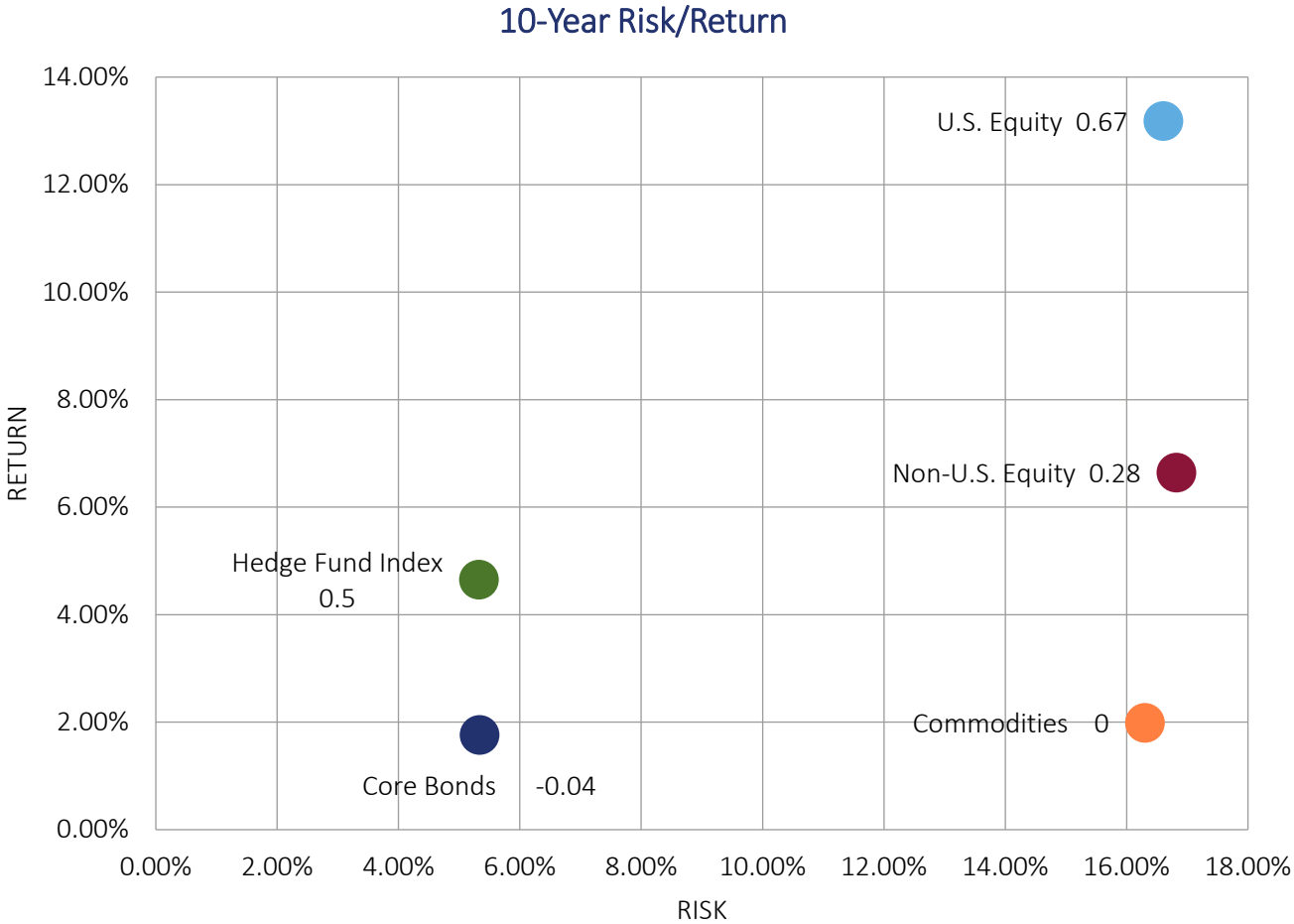
Timber Investments



Data Sources: Forest Investment Associates

Hedge Fund Performance

| As of 6/30/2025 | Quarter | YTD | 1 Year | 3 Year | 5 Year | 10 Year |
|--------------------------------|---------|------|--------|--------|--------|---------|
| Credit Suisse Hedge Fund Index | 2.2 | 4.3 | 7.2 | 7.1 | 7.8 | 4.7 |
| Event Driven | 3.0 | 3.7 | 10.8 | 9.0 | 9.3 | 4.2 |
| Global Macro | -0.4 | 3.1 | 4.7 | 0.5 | 7.7 | 4.7 |
| Long/Short Equity | 6.2 | 6.9 | 11.1 | 11.8 | 9.0 | 5.8 |
| Multi-Strategy | 0.6 | 4.1 | 5.9 | 7.9 | 7.5 | 5.2 |
| FT Wilshire 5000 | 11.1 | 5.7 | 15.2 | 19.1 | 16.2 | 13.2 |
| MSCI ACWI ex-US (\$G) | 12.3 | 18.3 | 18.4 | 14.6 | 10.7 | 6.6 |
| Bloomberg Aggregate | 1.2 | 4.0 | 6.1 | 2.5 | -0.7 | 1.8 |
| Bloomberg Commodity Index | -3.1 | 5.5 | 5.8 | 0.1 | 12.7 | 2.0 |



Note: Sharpe Ratio is included for each market segment

Data Sources: Bloomberg

ERF of the City of Dallas

Executive Summary - 2Q 2025

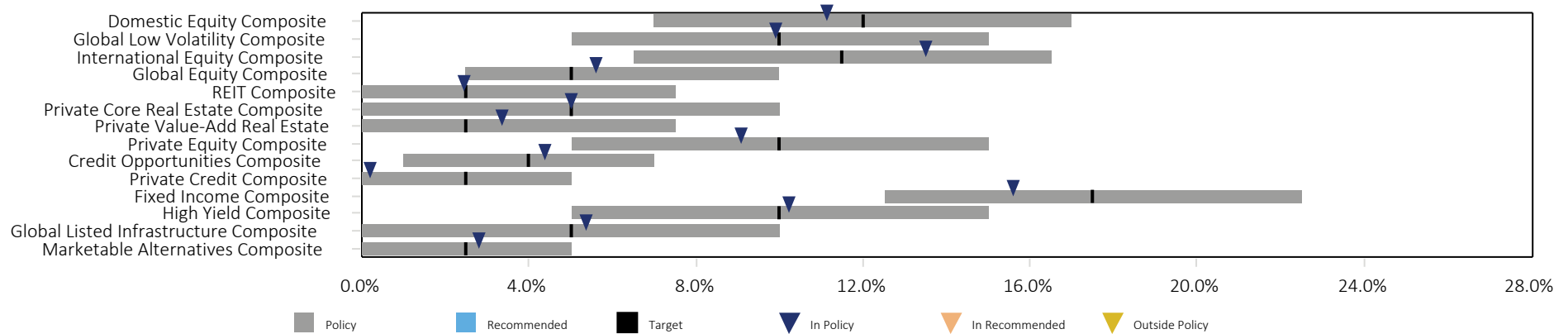
June 2025

Asset Allocation Compliance

Dallas Total Fund

Periods Ended As of June 30, 2025

Executive Summary



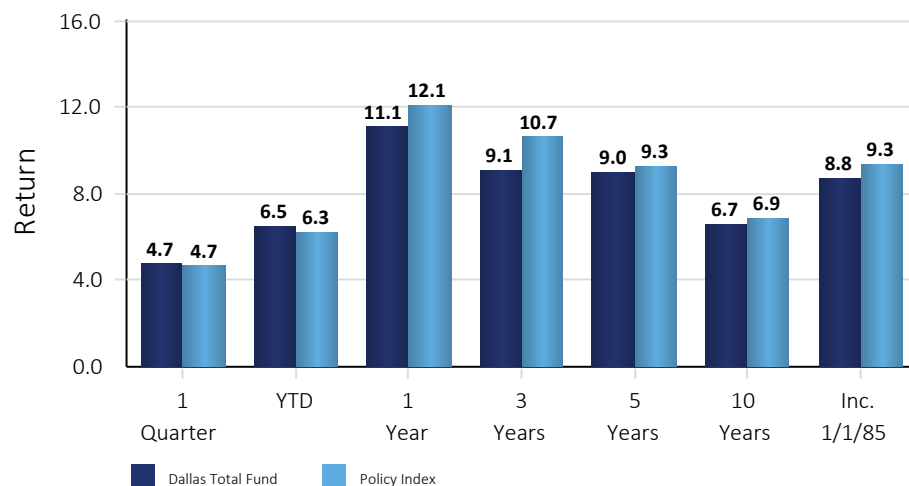
| | Asset Allocation \$ | Asset Allocation (%) | Target Allocation (%) | Minimum Allocation (%) | Maximum Allocation (%) | Target Rebalance \$ |
|--|------------------------|-------------------------|--------------------------|---------------------------|---------------------------|------------------------|
| Dallas Total Fund | 3,896,825,772 | 100.0 | 100.0 | | | |
| Domestic Equity Composite | 434,645,922 | 11.2 | 12.0 | 7.0 | 17.0 | 32,973,170 |
| Global Low Volatility Composite | 385,973,138 | 9.9 | 10.0 | 5.0 | 15.0 | 3,709,439 |
| International Equity Composite | 526,284,564 | 13.5 | 11.5 | 6.5 | 16.5 | -78,149,600 |
| Global Equity Composite | 218,225,665 | 5.6 | 5.0 | 2.5 | 10.0 | -23,384,376 |
| REIT Composite | 95,595,520 | 2.5 | 2.5 | 0.0 | 7.5 | 1,825,125 |
| Private Core Real Estate Composite | 196,175,508 | 5.0 | 5.0 | 0.0 | 10.0 | -1,334,219 |
| Private Value-Add Real Estate | 130,547,059 | 3.4 | 2.5 | 0.0 | 7.5 | -33,126,415 |
| Private Equity Composite | 354,417,795 | 9.1 | 10.0 | 5.0 | 15.0 | 35,264,782 |
| Credit Opportunities Composite | 170,447,948 | 4.4 | 4.0 | 1.0 | 7.0 | -14,574,917 |
| Private Credit Composite | 8,055,096 | 0.2 | 2.5 | 0.0 | 5.0 | 89,365,548 |
| Fixed Income Composite | 608,133,750 | 15.6 | 17.5 | 12.5 | 22.5 | 73,810,761 |
| High Yield Composite | 398,193,833 | 10.2 | 10.0 | 5.0 | 15.0 | -8,511,256 |
| Global Listed Infrastructure Composite | 209,781,814 | 5.4 | 5.0 | 0.0 | 10.0 | -14,940,525 |
| Marketable Alternatives Composite | 109,526,954 | 2.8 | 2.5 | 0.0 | 5.0 | -12,106,310 |

Composite Performance Summary

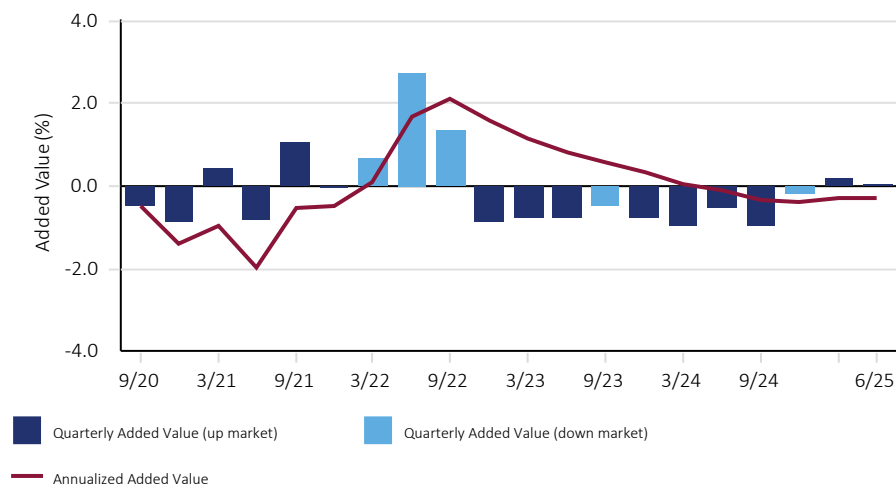
Dallas Total Fund

Periods Ended June 30, 2025

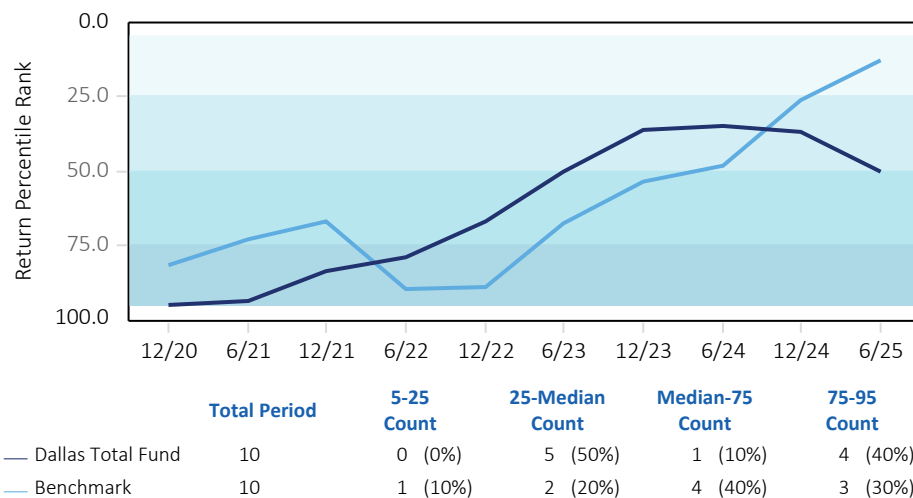
Comparative Performance



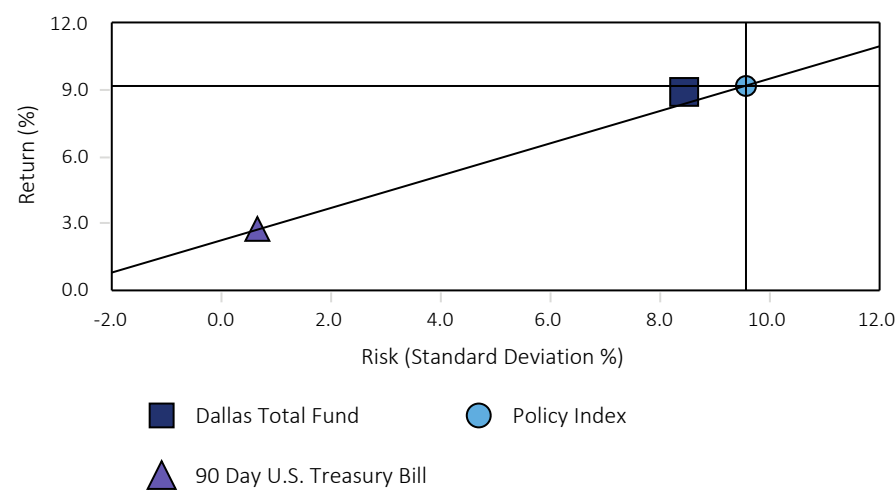
Added Value History



Rolling Percentile Rank: All Public Plans > \$1B-Total Fund



Risk and Return 07/1/20 - 06/30/25

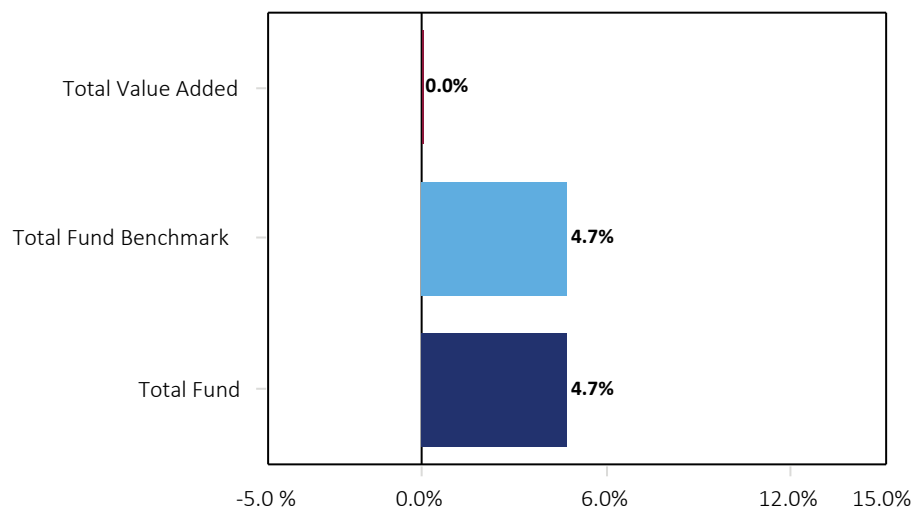


Total Fund Attribution

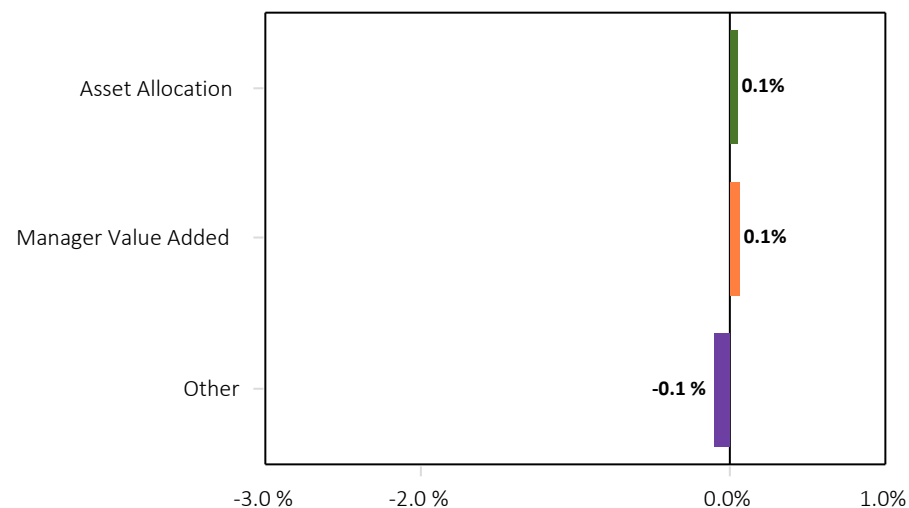
Dallas Total Fund

Periods Ended 1 Quarter Ending June 30, 2025

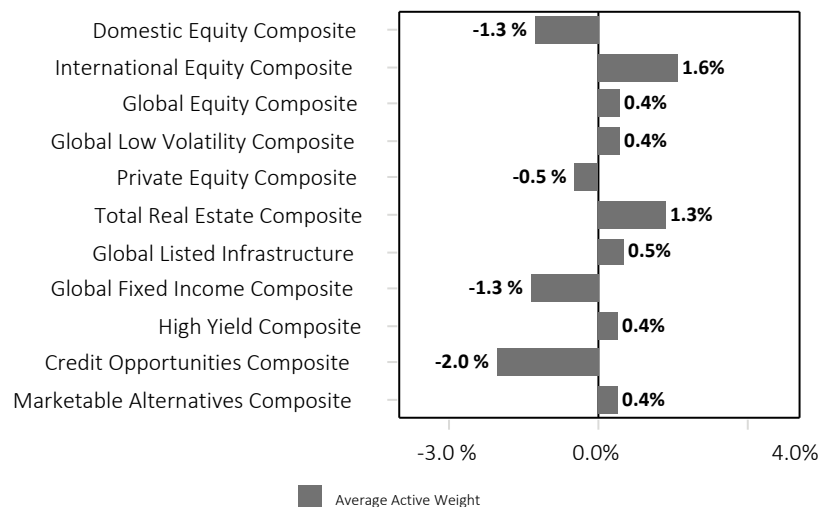
Total Fund Performance



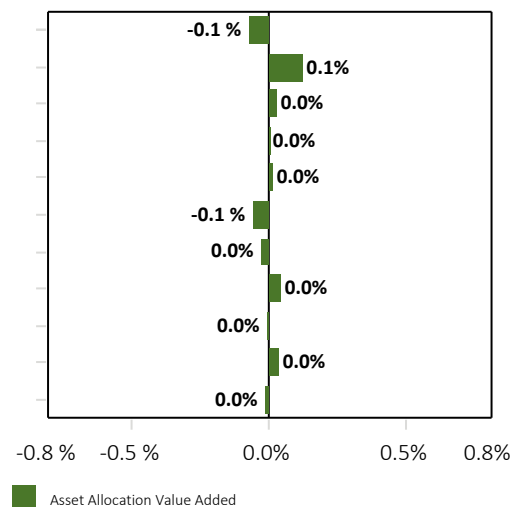
Total Value Added:0.0%



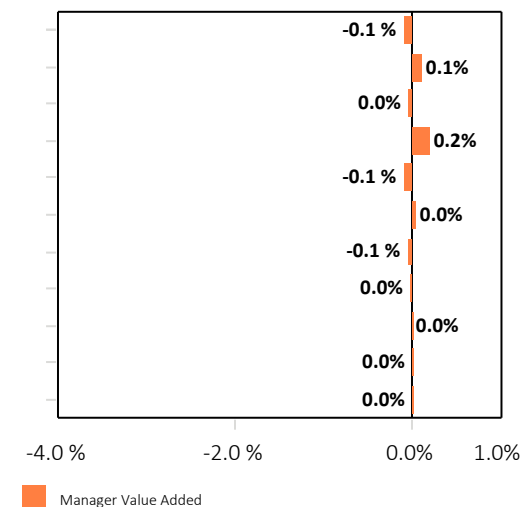
Total Asset Allocation:0.1%



Asset Allocation Value Added:0.1%



Total Manager Value Added:0.1%

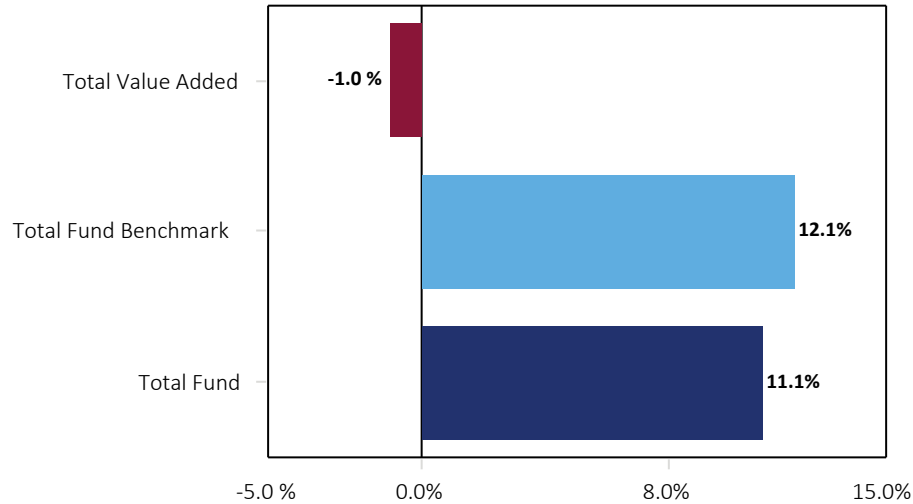


Total Fund Attribution

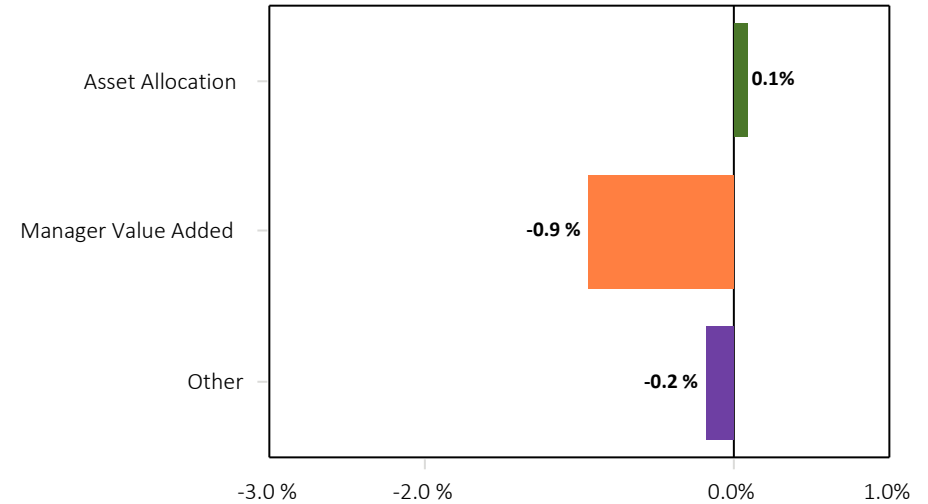
Dallas Total Fund

Periods Ended 1 Year Ending June 30, 2025

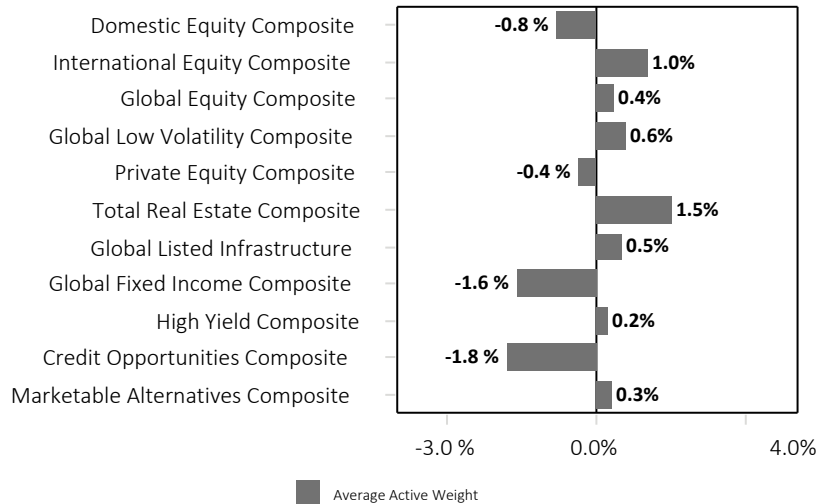
Total Fund Performance



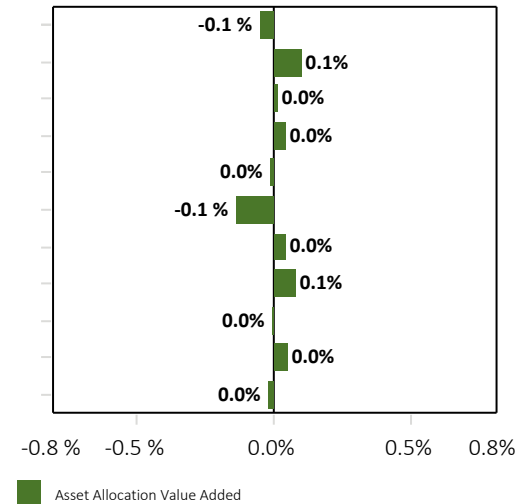
Total Value Added:-1.0 %



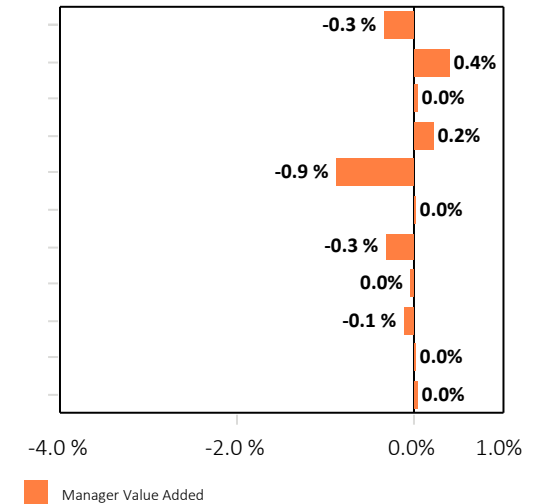
Total Asset Allocation:0.1%



Asset Allocation Value Added:0.1%



Total Manager Value Added:-0.9 %

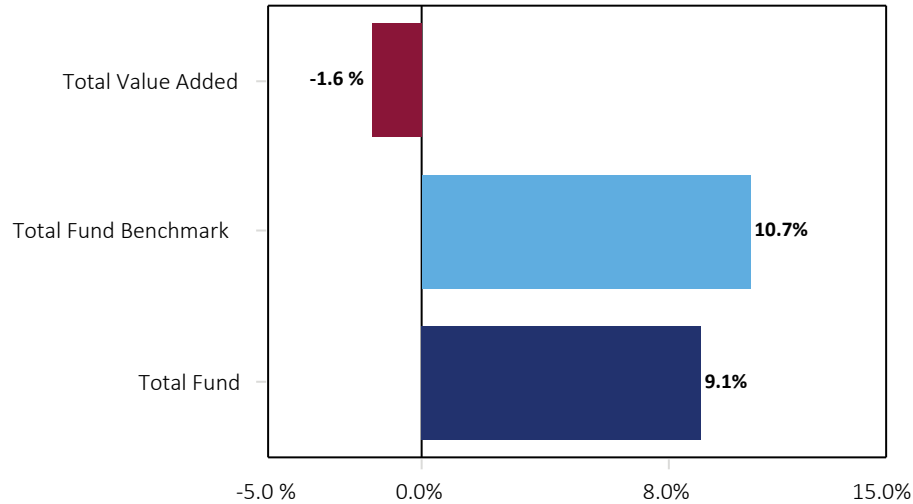


Total Fund Attribution

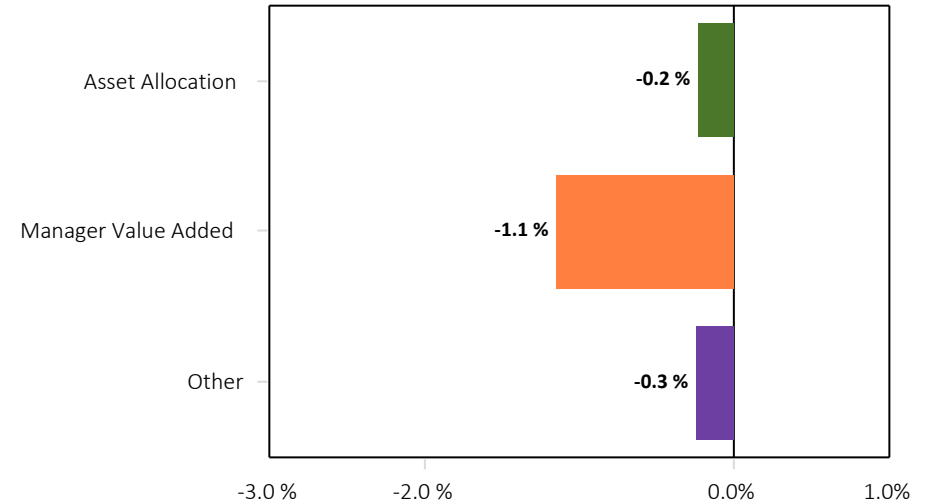
Dallas Total Fund

Periods Ended 3 Years Ending June 30, 2025

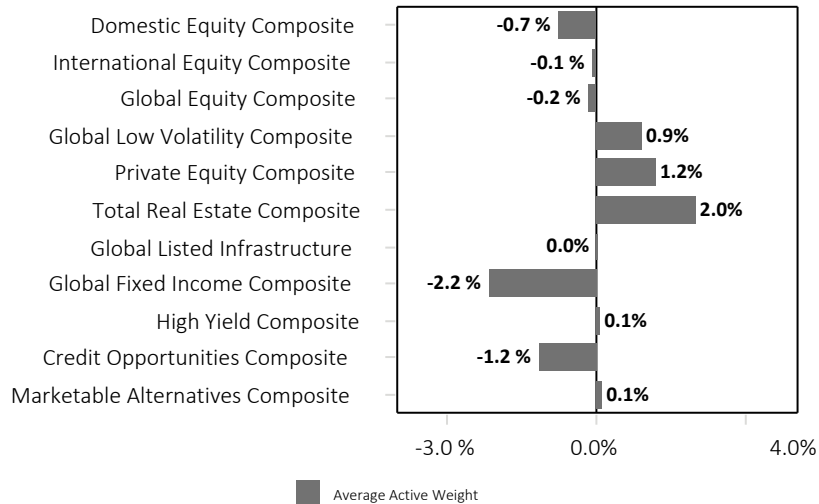
Total Fund Performance



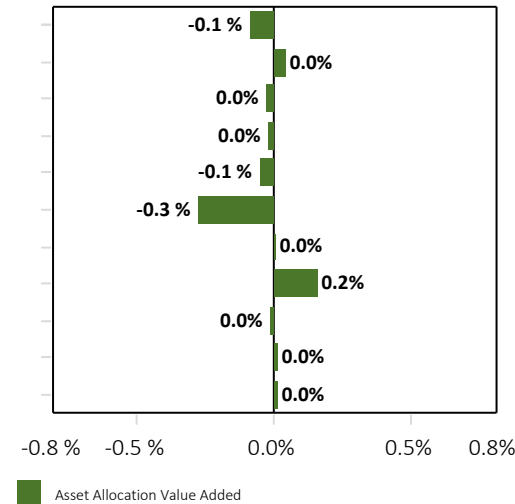
Total Value Added:-1.6 %



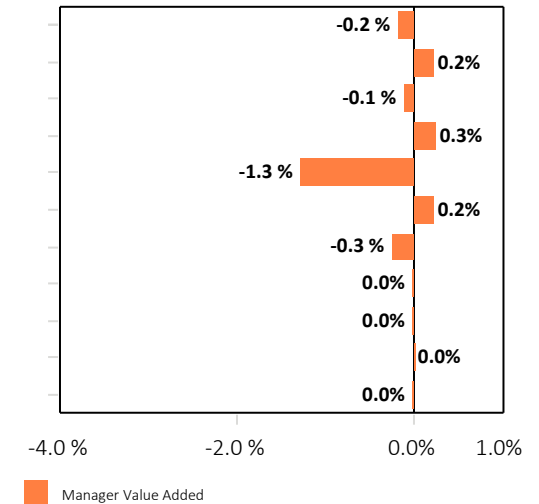
Total Asset Allocation:-0.2 %



Asset Allocation Value Added:-0.2 %



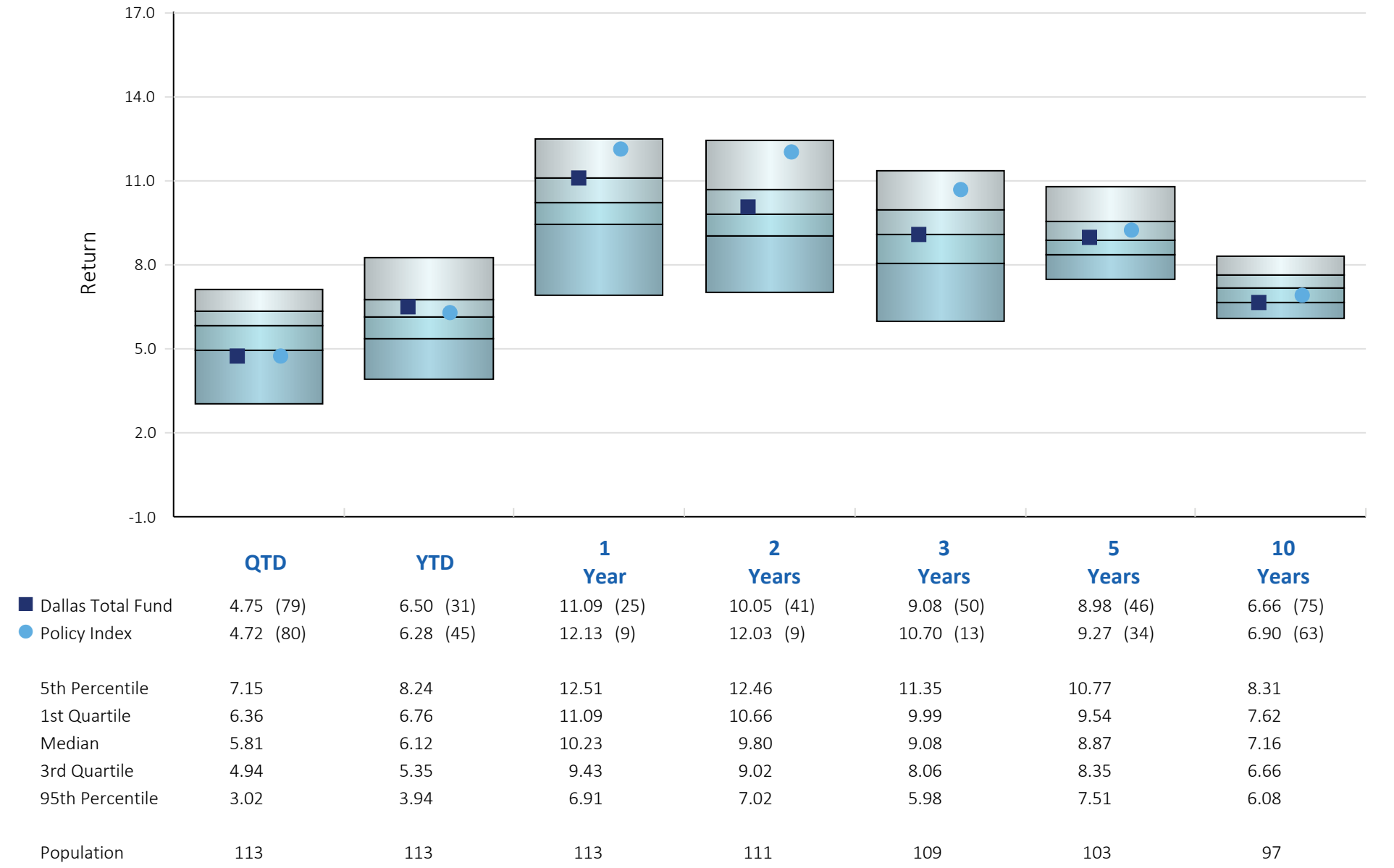
Total Manager Value Added:-1.1 %



Plan Sponsor Peer Group Analysis

Dallas Total Fund vs All Public Plans > \$1B-Total Fund

Periods Ended June 30, 2025

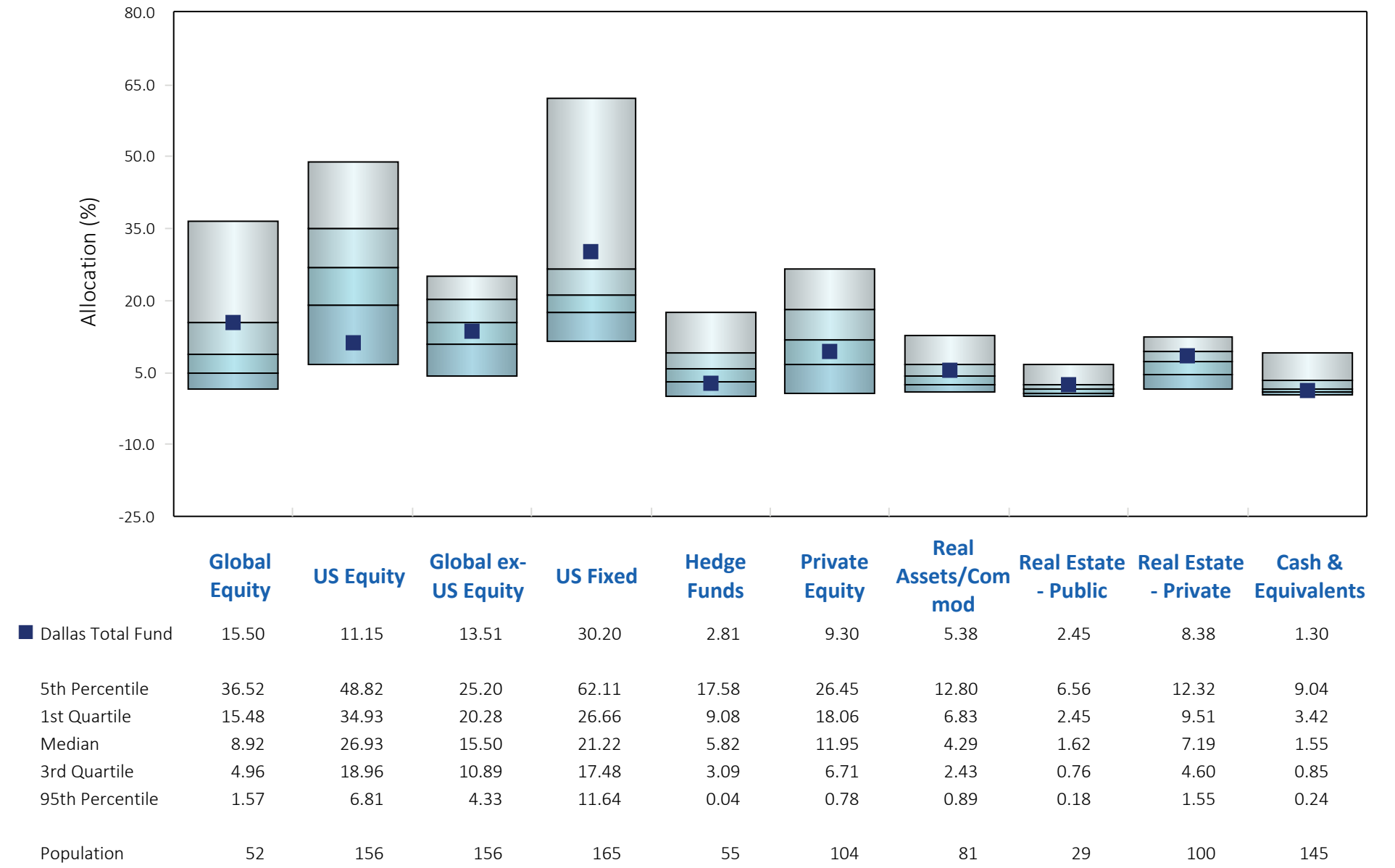


Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Plan Sponsor TF Asset Allocation

Dallas Total Fund vs All Public Plans > \$1B-Total Fund

Periods Ended June 30, 2025



Asset Allocation & Performance

Dallas Total Fund

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-------------|--------------|-------------|-------------|-------------|-----------------|-----------------|----------------------|---------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Domestic Equity Composite | 10.14 | 3.84 | 12.09 | 17.13 | 16.36 | 11.87 | 10.60 | 1/1/1990 | 434,645,922 | 11.15 |
| International Equity Composite | 13.64 | 20.66 | 21.28 | 15.91 | 11.97 | 7.35 | 6.08 | 1/1/1990 | 526,284,564 | 13.51 |
| Global Equity Composite | 10.73 | 10.56 | 16.90 | 15.60 | 12.16 | 9.15 | 9.77 | 9/1/2012 | 218,225,665 | 5.60 |
| Global Low Volatility Composite | 4.99 | 10.80 | 18.32 | 12.42 | 10.19 | 8.32 | 8.32 | 7/1/2015 | 385,973,138 | 9.90 |
| Private Equity Composite | 1.64 | 1.81 | 3.16 | 1.64 | 11.64 | 11.13 | 12.40 | 6/1/2009 | 354,417,795 | 9.10 |
| Total Real Estate Composite | 0.82 | 0.68 | 3.53 | 0.34 | 6.43 | 5.88 | 6.36 | 1/1/1990 | 422,318,086 | 10.84 |
| Global Listed Infrastructure Composite | -0.72 | 6.03 | 21.17 | 20.77 | 21.16 | 4.22 | 7.45 | 1/1/2012 | 209,781,814 | 5.38 |
| Fixed Income Composite | 1.10 | 4.17 | 5.81 | 2.46 | -0.22 | 2.13 | 4.26 | 10/1/1995 | 608,133,750 | 15.61 |
| High Yield Composite | 3.62 | 4.32 | 9.45 | 9.77 | 6.12 | 4.99 | 6.19 | 1/1/1997 | 398,193,833 | 10.22 |
| Credit Opportunities Composite | 2.90 | 4.23 | 9.62 | 9.68 | 5.41 | | 5.44 | 2/1/2016 | 170,447,948 | 4.37 |
| Private Credit Composite | 1.44 | 2.78 | 17.35 | | | | 14.70 | 5/1/2024 | 8,055,096 | 0.21 |
| Marketable Alternatives Composite | 0.88 | 3.45 | 9.56 | | | | 7.40 | 10/1/2022 | 109,526,954 | 2.81 |
| Managed Short Term Composite | 1.04 | 2.07 | 4.68 | 4.57 | 2.77 | 1.98 | 2.89 | 1/1/1990 | 50,821,208 | 1.30 |
| Dallas Total Fund | 4.75 | 6.50 | 11.09 | 9.08 | 8.98 | 6.66 | 8.76 | 1/1/1985 | 3,896,825,772 | 100.00 |
| Policy Index | 4.72 | 6.28 | 12.13 | 10.70 | 9.27 | 6.90 | 9.34 | | | |

Asset Allocation & Performance

Domestic Equity

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|--------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Systematic Financial Russell 2000 Index | 5.50 8.50 | -3.88 -1.79 | 2.48 7.68 | 9.83 10.00 | 13.56 10.04 | 8.69 7.12 | 10.11 8.62 | 8/1/2003 | 55,115,087 | 12.68 |
| Channing Capital Russell 2000 Value Index | 10.43 4.97 | -2.87 -3.16 | 4.34 5.54 | 8.31 7.45 | 12.09 12.47 | 6.49 6.72 | 6.59 6.39 | 12/1/2013 | 32,218,428 | 7.41 |
| Domestic Equity Small Cap Composite | 7.27 | -3.51 | 3.16 | 8.37 | 10.98 | 7.26 | 8.88 | 6/1/2003 | 87,333,515 | 20.09 |
| T. Rowe Price S&P 500 Index | 10.82 10.94 | 5.53 6.20 | 14.00 15.16 | 21.09 19.71 | 17.57 16.64 | 14.38 13.65 | 11.24 10.61 | 4/1/2006 | 170,946,706 | 39.33 |
| Northern Trust S&P 500 (Lending) S&P 500 Index | 10.94 10.94 | 6.20 6.20 | 15.15 15.16 | 19.69 19.71 | 16.61 16.64 | 13.65 13.65 | 10.99 10.95 | 1/1/1995 | 176,365,701 | 40.58 |
| Domestic Equity Composite | 10.14 | 3.84 | 12.09 | 17.13 | 16.36 | 11.87 | 10.60 | 1/1/1990 | 434,645,922 | 100.00 |
| Custom Benchmark ¹ | 11.11 | 5.73 | 15.21 | 19.10 | 16.16 | 13.18 | 10.84 | | | |

¹ Domestic Equity Composite Custom Benchmark: FT Wilshire 5000 (2Q99-Present); S&P 500 (1Q90-1Q99)

Asset Allocation & Performance

International Equity

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|--------------|--------------|--------------|--------------|-------------|-----------------|-----------------|--------------------|---------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian International | 18.52 | 21.12 | 22.29 | 15.26 | 13.89 | 8.81 | 8.61 | 4/1/1989 | 137,469,294 | 26.12 |
| Custom Benchmark ¹ | 16.93 | 17.68 | 18.34 | 13.46 | 10.74 | 6.54 | 6.15 | | | |
| Ativo International | 11.90 | 22.46 | 20.27 | 15.03 | 10.24 | | 5.59 | 1/1/2018 | 32,336,025 | 6.14 |
| MSCI EAFE (Net) | 11.78 | 19.45 | 17.73 | 15.97 | 11.16 | | 6.31 | | | |
| AQR Capital Management | 10.76 | 22.55 | 22.02 | 17.44 | 12.02 | 6.82 | 4.85 | 4/1/2006 | 148,773,574 | 28.27 |
| Custom Benchmark ² | 12.03 | 17.90 | 17.72 | 13.99 | 10.13 | 6.12 | 4.25 | | | |
| Baillie Gifford | 14.02 | 17.95 | 19.07 | 15.03 | 6.16 | | 7.45 | 4/1/2019 | 93,397,763 | 17.75 |
| MSCI AC World ex USA (Net) | 12.03 | 17.90 | 17.72 | 13.99 | 10.13 | | 7.68 | | | |
| Baillie Gifford - Sanctioned Assets | | | | | | | | | 33,179 | 0.01 |
| Earnest Partners | 12.41 | 19.10 | 21.05 | 15.57 | 14.90 | | 10.12 | 4/1/2019 | 114,274,729 | 21.71 |
| MSCI AC World ex USA (Net) | 12.03 | 17.90 | 17.72 | 13.99 | 10.13 | | 7.68 | | | |
| International Equity Composite | 13.64 | 20.66 | 21.28 | 15.91 | 11.97 | 7.35 | 6.08 | 1/1/1990 | 526,284,564 | 100.00 |
| Custom Benchmark ³ | 12.71 | 17.88 | 17.83 | 13.92 | 10.20 | 6.18 | 5.02 | | | |

¹ Acadian Custom Benchmark: MSCI ACWI x-US Small Cap (3Q09-Present); MSCI EAFE Small Cap (4Q99-2Q09); S&P/Citigroup Eur/Pac EMI Index (2Q96-3Q99); MSCI EAFE (2Q89-1Q96)

² AQR Custom Benchmark: MSCI ACWI x-US (2Q10-Present); MSCI EAFE (1Q06-1Q10)

³ International Equity Composite Custom Benchmark: MSCI ACWI x-US IMI (2Q10-Present); MSCI ACWI x-US (1Q99-1Q10); Wilshire Non-US/Non-SA (2Q96-4Q98; MSCI EAFE (4Q89-1Q96)

Asset Allocation & Performance

Global Equity

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--------------------------------|-----------------------------|--------------|--------------|--------------|--------------|-------------|-----------------|------------------|--------------------|---------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Ariel Global | 7.83 | 14.27 | 18.03 | 11.33 | 10.71 | | 8.02 | 1/1/2018 | 47,184,107 | 21.62 |
| MSCI AC World Index (Net) | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | | 9.96 | | | |
| NT ACWI IMI Fund | 11.65 | 10.08 | | | | | 8.80 | 10/1/2024 | 58,637,519 | 26.87 |
| MSCI AC World IMI Index (Net) | 11.62 | 9.82 | | | | | 8.47 | | | |
| Wellington | 11.51 | 9.31 | 14.94 | 19.20 | 12.89 | 9.56 | 11.58 | 9/1/2012 | 112,404,039 | 51.51 |
| MSCI AC World Index (Net) | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 9.99 | 10.53 | | | |
| Global Equity Composite | 10.73 | 10.56 | 16.90 | 15.60 | 12.16 | 9.15 | 9.77 | 9/1/2012 | 218,225,665 | 100.00 |
| MSCI AC World Index (Net) | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 9.99 | 10.53 | | | |

Private Equity Summary

Periods Ended as of June 30, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Hamilton Lane Secondary Fund II | 4,589 | 25,000,000 | 22,058,532 | 31,298,964 | Jul-09 | 13.4% | 1.4 |
| Hamilton Lane Secondary Fund III | 164,832 | 30,000,000 | 23,372,292 | 29,807,176 | Nov-12 | 8.7% | 1.3 |
| Hamilton Lane Secondary Fund IV | 8,743,777 | 30,000,000 | 25,907,343 | 30,952,910 | Mar-17 | 14.1% | 1.5 |
| Hamilton Lane Secondary Fund V | 44,481,558 | 65,000,000 | 43,128,993 | 22,309,049 | Mar-20 | 13.6% | 1.5 |
| Hamilton Lane Secondary Fund VI-A | 12,218,195 | 30,000,000 | 11,211,545 | 2,978,825 | Feb-23 | 32.2% | 1.4 |
| Hamilton Lane Fund VII Composite | 8,305,811 | 50,000,000 | 45,600,834 | 58,414,898 | Jan-10 | 5.1% | 1.5 |
| Hamilton Lane Fund VIII (Global) | 11,602,037 | 30,000,000 | 22,270,594 | 21,603,872 | Nov-12 | 6.1% | 1.5 |
| GCM Grosvenor - Partnership, L.P. | 18,475,560 | 75,000,000 | 95,722,822 | 141,900,528 | Jun-11 | 13.9% | 1.7 |
| GCM Grosvenor - Partnership II, L.P. (2014) | 29,605,434 | 60,000,000 | 73,566,185 | 85,410,872 | Jul-14 | 13.7% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2015) | 62,047,705 | 55,000,000 | 49,450,168 | 16,236,253 | Dec-15 | 13.5% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2017) | 29,714,565 | 30,000,000 | 32,380,286 | 17,644,180 | Jan-18 | 12.0% | 1.5 |
| GCM Grosvenor - Advance Fund, L.P. | 8,486,288 | 10,000,000 | 7,362,810 | 345,493 | Jun-21 | 8.7% | 1.2 |
| GCM Grosvenor - Partnership II, L.P. (2022) | 7,899,365 | 20,000,000 | 7,070,263 | 5,461 | May-22 | 4.2% | 1.1 |
| Fairview Capital - Lone Star Fund I | 48,911,992 | 40,000,000 | 33,903,847 | 21,600,300 | Aug-15 | 12.2% | 2.1 |
| Fairview Capital - Lone Star Fund II | 34,736,482 | 30,000,000 | 23,900,777 | 8,195,837 | Dec-18 | 13.4% | 1.8 |
| Fairview Capital - Lone Star Fund III - A | 20,619,819 | 25,000,000 | 20,016,616 | 1,135,551 | Apr-21 | 2.6% | 1.1 |
| Fairview Capital - Lone Star Fund III - B | 3,701,699 | 20,000,000 | 4,173,406 | - | Dec-22 | -25.5% | 0.9 |
| Fairview Capital - Private Markets Fund VI | 4,698,087 | 10,000,000 | 4,886,841 | 210,556 | Apr-22 | 0.4% | 1.0 |
| Total Private Equity Composite | 354,417,795 | 635,000,000 | 545,984,153 | 490,050,725 | Jul-09 | 12.1% | 1.5 |

Public Market Equivalent (PME) ²

694,101,085

17.3%

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = $(\text{market value} + \text{distributions}) / \text{capital called}$

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly Wilshire 5000 index returns, plus a 300 BPs annual hurdle rate.

Private Real Estate Summary

Periods Ended as of June 30, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Invesco II | 72,856,948 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |
| Total Direct Private Real Estate | 72,856,948 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|---------------------------------------|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| Heitman America Real Estate Trust | 72,255,385 | 75,000,000 | 88,210,161 | 113,377,125 | Dec-10 | 6.3% | 2.1 |
| Invesco Core Real Estate USA | 51,063,174 | 75,000,000 | 76,921,500 | 111,521,839 | Oct-10 | 9.8% | 2.1 |
| Total Core Private Real Estate | 123,318,560 | 150,000,000 | 165,131,661 | 224,898,964 | Oct-10 | 8.2% | 2.1 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|--|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| AEW Partners Real Estate Fund IX | 41,201,935 | 45,000,000 | 38,222,222 | 4,627,758 | Mar-21 | 6.7% | 1.2 |
| AEW PIX MM Co-Invest | 4,469,074 | 10,000,000 | 5,422,642 | 965,657 | Nov-21 | 0.9% | 1.0 |
| AEW PIX Oakland Park Co-Invest | 4,524,233 | 5,000,000 | 5,000,000 | 764,960 | Feb-22 | 1.2% | 1.1 |
| Virtus Real Estate Capital III | 50,267,238 | 43,281,585 | 44,340,405 | 5,459,897 | Jan-21 | 7.7% | 1.3 |
| Brasa Real Estate Fund II | 19,940,486 | 20,000,000 | 19,681,894 | 1,133,526 | Jul-22 | 3.6% | 1.1 |
| Long Wharf Real Estate Partners VII | 10,144,093 | 20,000,000 | 13,310,272 | 3,191,283 | Mar-23 | -2.2% | 1.0 |
| Total Value-Add Private Real Estate | 130,547,059 | 143,281,585 | 125,977,435 | 16,143,081 | Jan-21 | 6.0% | 1.2 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

Private Credit Summary

Periods Ended as of June 30, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---------------------------------------|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Silver Point DOF II | 3,197,863 | 20,000,000 | 2,702,822 | 96,002 | May-24 | 32.7% | 1.2 |
| MGG Structured Solutions | 4,857,233 | 20,000,000 | 4,920,262 | 273,483 | Jul-24 | 5.0% | 1.0 |
| Total Private Credit Composite | 8,055,096 | 40,000,000 | 7,623,084 | 369,485 | May-24 | 14.2% | 1.1 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = *(market value + distributions) / capital called*

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly S&P 500 index returns, plus a 300 BPs annual hurdle rate.

Asset Allocation & Performance

Low Volatility

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|--------------|--------------|--------------|-------------|-----------------|-----------------|--------------------|---------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian Global Low Vol. | 7.08 | 12.12 | 20.71 | 14.31 | 11.70 | 8.68 | 8.68 | 7/1/2015 | 196,419,161 | 50.89 |
| MSCI AC World Index (Net) | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 9.99 | 9.99 | | | |
| MSCI AC World Minimum Volatility Index (Net) | 2.95 | 9.33 | 15.88 | 10.17 | 8.36 | 7.65 | 7.65 | | | |
| Acadian Global Low Vol - Sanctioned Assets | | | | | | | | | 46,406 | 0.01 |
| BlackRock Global Low Vol. | 2.92 | 9.50 | 15.96 | 10.53 | 8.69 | 7.94 | 7.94 | 7/1/2015 | 189,507,572 | 49.10 |
| MSCI AC World Minimum Volatility Index (Net) | 2.95 | 9.33 | 15.88 | 10.17 | 8.36 | 7.65 | 7.65 | | | |
| Global Low Volatility Composite | 4.99 | 10.80 | 18.32 | 12.42 | 10.19 | 8.32 | 8.32 | 7/1/2015 | 385,973,138 | 100.00 |
| MSCI AC World Minimum Volatility Index (Net) | 2.95 | 9.33 | 15.88 | 10.17 | 8.36 | 7.65 | 7.65 | | | |

Asset Allocation & Performance

Real Estate

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-------|--------|---------|---------|----------|-----------------|----------------|-----------------|--------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Adelante Capital Management | -0.55 | 2.37 | 12.48 | 6.46 | 9.53 | 6.85 | 9.04 | 10/1/2001 | 48,131,940 | 50.35 |
| Wilshire U.S. Real Estate Securities Index | -0.76 | 1.74 | 11.25 | 6.46 | 9.15 | 6.64 | 9.08 | | | |
| CenterSquare | -1.01 | -0.51 | 10.37 | 5.79 | 9.28 | | 7.23 | 6/1/2018 | 47,463,580 | 49.65 |
| FTSE NAREIT Equity REIT Index | -1.16 | -0.25 | 8.60 | 5.35 | 8.63 | | 6.16 | | | |
| REIT Composite | -0.78 | 0.92 | 11.42 | 6.13 | 9.40 | 6.83 | 9.10 | 10/1/2001 | 95,595,520 | 100.00 |
| Wilshire U.S. Real Estate Securities Index | -0.76 | 1.74 | 11.25 | 6.46 | 9.15 | 6.64 | 9.08 | | | |

Asset Allocation & Performance

Global Listed Infrastructure

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|------|--------|---------|---------|----------|-----------------|----------------|-----------------|--------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| CIBC | -2.86 | 4.39 | 24.78 | 28.80 | 29.17 | 7.62 | 10.10 | 1/1/2012 | 76,915,833 | 36.66 |
| CIBC Policy ¹ | -1.19 | 5.08 | 30.79 | 33.30 | 32.29 | 7.37 | 7.15 | | | |
| Harvest Fund Advisors MLP | -1.00 | 6.09 | 23.37 | 28.14 | 30.27 | 8.03 | 10.07 | 1/1/2012 | 83,205,051 | 39.66 |
| Harvest Policy ² | -1.19 | 5.08 | 30.79 | 33.30 | 32.29 | 7.37 | 7.15 | | | |
| C&S Global Listed Infrastructure | 3.30 | 8.57 | 15.96 | 7.47 | | | 9.10 | 11/1/2020 | 49,660,930 | 23.67 |
| FTSE Global Core Infrastructure 50/50 (Net) | 4.29 | 9.30 | 17.03 | 6.66 | | | 8.46 | | | |
| Global Listed Infrastructure Composite | -0.72 | 6.03 | 21.17 | 20.77 | 21.16 | 4.22 | 7.45 | 1/1/2012 | 209,781,814 | 100.00 |
| Global Listed Infrastructure Benchmark ³ | 0.21 | 6.18 | 27.51 | 26.40 | 25.28 | 4.49 | 5.01 | | | |

¹ CIBC Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

² Harvest Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

³ Global Listed Infrastructure Benchmark: 75% Alerian Midstream Energy Index / 25% FTSE Global Core Infrastructure 50/50 (5/24-Present)
75% Alerian MLP / 25% FTSE Global Core Infrastructure 50/50 (4Q20-4/24); Alerian MLP (1Q12-3Q20)

Asset Allocation & Performance

Fixed Income

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--------------------------------|-----------------------------|-------------|-------------|-------------|--------------|-------------|-----------------|------------------|--------------------|---------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Garcia Hamilton | 1.12 | 4.69 | 6.26 | 2.03 | -0.64 | 1.83 | 2.11 | 11/1/2013 | 197,880,546 | 32.54 |
| Blmbg. U.S. Aggregate Index | 1.21 | 4.02 | 6.08 | 2.55 | -0.73 | 1.76 | 1.92 | | | |
| Wellington Core Bond | 0.98 | 3.85 | 6.10 | 3.13 | | | 3.13 | 7/1/2022 | 207,823,073 | 34.17 |
| Blmbg. U.S. Aggregate Index | 1.21 | 4.02 | 6.08 | 2.55 | | | 2.55 | | | |
| NT Aggregate Bond Index | 1.22 | 4.03 | | | | | 0.87 | 10/1/2024 | 202,430,088 | 33.29 |
| Blmbg. U.S. Aggregate Index | 1.21 | 4.02 | | | | | 0.84 | | | |
| Fixed Income Composite | 1.10 | 4.17 | 5.81 | 2.46 | -0.22 | 2.13 | 4.26 | 10/1/1995 | 608,133,750 | 100.00 |
| Blmbg. U.S. Aggregate Index | 1.21 | 4.02 | 6.08 | 2.55 | -0.73 | 1.76 | 4.29 | | | |

Asset Allocation & Performance

Opportunistic Credit

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation |
|-------------------------------|-----------------------------|------|--------|---------|---------|----------|-----------------|----------------|-----------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ |
| Neuberger Berman | 2.90 | 4.23 | 9.62 | 9.68 | 5.41 | | 5.44 | 2/1/2016 | 170,447,948 |
| Custom Benchmark ¹ | 3.07 | 4.33 | 9.18 | 9.53 | 5.13 | | 5.51 | | |

¹ Custom Benchmark: 33% Morningstar LSTA U.S. Leveraged Loan Index / 33% ICE BofA U.S. High Yield Constrained Index / 33% JPM EMBI Global Diversified

Asset Allocation & Performance

High Yield

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-------------------------------------|-----------------------------|-------------|-------------|--------------|-------------|-------------|-----------------|------------------|--------------------|---------------|
| | QTD | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | Market Value \$ | % |
| Oaktree Capital Management | 3.31 | 4.00 | 9.26 | 9.55 | 6.10 | 4.77 | 6.32 | 2/1/1997 | 201,051,830 | 50.49 |
| FTSE High Yield Market Capped Index | 3.61 | 4.57 | 10.36 | 10.05 | 6.17 | 5.13 | | | | |
| FTSE High Yield Cash Pay | 3.61 | 4.62 | 10.44 | 9.99 | 6.15 | 5.21 | 6.47 | | | |
| BlackRock | 3.92 | 4.64 | 9.65 | 10.01 | 6.13 | 4.97 | 6.03 | 10/1/2006 | 197,142,004 | 49.51 |
| FTSE High Yield Market Capped Index | 3.61 | 4.57 | 10.36 | 10.05 | 6.17 | 5.13 | 6.26 | | | |
| FTSE High Yield Cash Pay | 3.61 | 4.62 | 10.44 | 9.99 | 6.15 | 5.21 | 6.33 | | | |
| High Yield Composite | 3.62 | 4.32 | 9.45 | 9.77 | 6.12 | 4.99 | 6.19 | 1/1/1997 | 398,193,833 | 100.00 |
| FTSE High Yield Cash Pay | 3.61 | 4.62 | 10.44 | 9.99 | 6.15 | 5.21 | 6.48 | | | |

Asset Allocation & Performance

Marketable Alternatives

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | Allocation | |
|---|-----------------------------|-------------|--------------|-----------------|------------------|--------------------|---------------|
| | QTD | YTD | 1 Year | Since Inception | Inception Date | Market Value \$ | % |
| Davidson Kempner | 1.39 | 4.42 | 10.62 | 7.93 | 10/1/2022 | 55,511,837 | 50.68 |
| HFRI Event-Driven Total Index | 1.17 | 1.65 | 8.94 | 9.23 | | | |
| Value Added | 0.22 | 2.78 | 1.68 | -1.30 | | | |
| Hudson Bay Capital | 0.37 | 2.47 | 8.50 | 6.87 | 10/1/2022 | 54,015,117 | 49.32 |
| HFRI Relative Value Total Index | 0.64 | 2.67 | 7.65 | 7.11 | | | |
| Value Added | -0.28 | -0.19 | 0.85 | -0.24 | | | |
| Marketable Alternatives Composite | 0.88 | 3.45 | 9.56 | 7.40 | 10/1/2022 | 109,526,954 | 100.00 |
| Marketable Alternatives Policy ¹ | 0.91 | 2.16 | 8.31 | 8.19 | | | |
| Value Added | -0.03 | 1.29 | 1.25 | -0.78 | | | |

¹ Marketable Alternatives Policy: 50% HFRI Event-Driven Total Index / 50% HFRI Relative Value Total Index

Cash Flow Summary

Dallas Total Fund

1 Quarter Ending June 30, 2025

| | Begin Value | Net Cash Flow | Fees | Expenses | Capital Apprec./ Deprec. | End Value |
|--|----------------------|--------------------|-------------------|-------------------|--------------------------------|----------------------|
| Dallas Total Fund | 3,769,169,916 | -50,184,525 | -3,265,157 | -1,078,095 | 182,183,634 | 3,896,825,772 |
| Domestic Equity Composite | 394,647,898 | 2,981 | -310,620 | -4,055 | 40,309,719 | 434,645,922 |
| Northern Trust S&P 500 (Lending) | 158,978,018 | 2,981 | | -2,981 | 17,387,683 | 176,365,701 |
| Smith Graham | | | | | | |
| T. Rowe Price | 154,250,918 | | -115,532 | -243 | 16,811,563 | 170,946,706 |
| Domestic Equity Small Cap Composite | 81,418,961 | | -195,088 | -831 | 6,110,473 | 87,333,515 |
| Systematic Financial | 52,242,363 | | -119,085 | -642 | 2,992,452 | 55,115,087 |
| Channing Capital | 29,176,599 | | -76,003 | -189 | 3,118,022 | 32,218,428 |
| Total Real Estate Composite | 426,069,438 | -7,167,445 | -569,057 | -98,296 | 4,083,447 | 422,318,086 |
| REIT Composite | 96,344,724 | | -133,446 | -266 | -615,493 | 95,595,520 |
| Adelante Capital Management | 48,398,228 | | -72,798 | -190 | -193,299 | 48,131,940 |
| CenterSquare | 47,946,497 | | -60,648 | -75 | -422,193 | 47,463,580 |
| Private Core Real Estate Composite | 202,939,507 | -8,174,887 | -288,741 | | 1,699,628 | 196,175,508 |
| Heitman America Real Estate Trust, LP | 76,437,089 | -4,940,783 | -172,114 | | 931,193 | 72,255,385 |
| Invesco Core Real Estate USA, LLC | 54,360,338 | -3,234,104 | -116,627 | | 53,567 | 51,063,174 |
| Invesco II | 72,142,080 | | | | 714,868 | 72,856,948 |
| Private Value-Add Real Estate | 126,785,207 | 1,007,441 | -146,870 | -98,031 | 2,999,312 | 130,547,059 |
| Virtus Real Estate Capital III | 48,677,504 | | | | 1,589,734 | 50,267,238 |
| AEW PARTNERS REAL ESTATE FUND IX | 41,360,586 | -255,673 | -72,897 | -23,399 | 193,318 | 41,201,935 |
| AEW PIX MM CO-INVEST | 4,535,352 | -53,139 | | | -13,139 | 4,469,074 |
| AEW PIX OAKLAND PARK CO-INVEST | 4,499,131 | | | | 25,102 | 4,524,233 |
| Brasa Real Estate Fund II | 19,091,515 | | | | 848,971 | 19,940,486 |
| Private Equity Composite | 352,869,753 | -4,233,004 | -240,122 | | 6,021,169 | 354,417,795 |
| Fairview Capital - Lone Star Fund I | 47,386,511 | -110,990 | -40,000 | | 1,676,471 | 48,911,992 |
| Fairview Capital - Lone Star Fund II | 35,533,799 | -1,783,014 | -37,500 | | 1,023,197 | 34,736,482 |

Cash Flow Summary

Dallas Total Fund

1 Quarter Ending June 30, 2025

| | Begin Value | Net Cash Flow | Fees | Expenses | Capital Apprec./ Deprec. | End Value |
|--|--------------------|--------------------|-----------------|---------------|--------------------------------|--------------------|
| Fairview Capital - Lone Star Fund III - A | 19,273,652 | 1,027,599 | -37,142 | | 355,710 | 20,619,819 |
| Fairview Capital - Lone Star Fund III - B | 2,893,494 | 1,020,099 | -30,000 | | -181,894 | 3,701,699 |
| Fairview Private Makets Fund VI | 4,043,953 | 466,357 | | | 187,777 | 4,698,087 |
| Grosvenor Composite | 155,354,635 | -2,292,016 | | | 3,166,298 | 156,228,917 |
| Hamilton Lane Secondary Fund II | 1 | | | | 4,588 | 4,589 |
| Hamilton Lane Secondary Fund III | 131,338 | | | | 33,494 | 164,832 |
| Hamilton Lane Secondary Fund IV | 8,589,731 | | | | 154,046 | 8,743,777 |
| Hamilton Lane Secondary Fund V | 44,267,925 | | | | 213,633 | 44,481,558 |
| Hamilton Lane Fund VIII (Global) | 12,286,656 | -163,383 | -38,295 | | -482,941 | 11,602,037 |
| Hamilton Lane Fund VII (Series B) | 2,953,980 | -165,660 | | | -369,640 | 2,418,680 |
| Hamilton Lane Fund VII (Series A) | 7,629,748 | -66,901 | -57,185 | | -1,618,531 | 5,887,131 |
| International Equity Composite | 477,589,116 | -14,966,821 | -646,977 | -3,048 | 64,312,293 | 526,284,564 |
| Acadian International | 115,987,417 | | -155,987 | -96 | 21,637,960 | 137,469,294 |
| Ativo International | 28,898,438 | | -42,293 | -84 | 3,479,963 | 32,336,025 |
| AQR Capital Management | 149,134,601 | -15,000,000 | -189,024 | -2,083 | 14,830,080 | 148,773,574 |
| Earnest Partners | 101,658,349 | | -149,431 | -467 | 12,766,278 | 114,274,729 |
| Baillie Gifford | 81,910,312 | | -110,242 | -318 | 11,598,011 | 93,397,763 |
| Baillie Gifford - Sanctioned Assets | | 33,179 | | | | 33,179 |
| Global Equity Composite | 197,078,557 | 4,923 | -232,795 | -6,050 | 21,381,030 | 218,225,665 |
| Ariel Global | 43,756,844 | | -77,764 | -142 | 3,505,169 | 47,184,107 |
| NT ACWI IMI Fund | 52,516,736 | 4,923 | | -4,923 | 6,120,783 | 58,637,519 |
| Wellington | 100,804,977 | | -155,031 | -985 | 11,755,078 | 112,404,039 |
| Global Low Volatility Composite | 412,115,175 | -44,933,773 | -193,999 | -626 | 18,986,362 | 385,973,138 |
| Acadian Global Low Vol. | 208,132,665 | -25,000,000 | -174,178 | -626 | 13,461,300 | 196,419,161 |
| Acadian Global Low Vol - Sanctioned Assets | | 46,406 | | | | 46,406 |

Cash Flow Summary

Dallas Total Fund

1 Quarter Ending June 30, 2025

| | Begin Value | Net Cash Flow | Fees | Expenses | Capital Apprec./ Deprec. | End Value |
|---|--------------------|----------------|-----------------|----------------|--------------------------------|--------------------|
| BlackRock Global Low Vol. | 203,982,510 | -19,980,179 | -19,821 | | 5,525,062 | 189,507,572 |
| Global Listed Infrastructure Composite | 211,302,779 | | -338,513 | -1,570 | -1,180,883 | 209,781,814 |
| CIBC | 79,183,381 | | -114,094 | -549 | -2,152,905 | 76,915,833 |
| Harvest Fund Advisors MLP | 84,046,224 | | -153,930 | -883 | -686,360 | 83,205,051 |
| C&S Global Listed Infrastructure | 48,073,175 | | -70,489 | -138 | 1,658,382 | 49,660,930 |
| Fixed Income Composite | 601,404,937 | 101,887 | -182,367 | -11,779 | 6,821,072 | 608,133,750 |
| Garcia Hamilton | 195,693,827 | | -90,480 | -265 | 2,277,464 | 197,880,546 |
| Wellington Core Bond | 205,720,102 | 91,887 | -91,887 | -1,515 | 2,104,486 | 207,823,073 |
| NT Aggregate Bond Index | 199,991,009 | 10,000 | | -10,000 | 2,439,080 | 202,430,088 |
| Western Asset Management | | | | | 42 | 42 |
| Credit Opportunities Composite | 165,640,949 | | -98,931 | -930 | 4,906,860 | 170,447,948 |
| Neuberger Berman | 165,640,949 | | -98,931 | -930 | 4,906,860 | 170,447,948 |
| Private Credit Composite | 7,490,149 | 447,989 | | | 116,958 | 8,055,096 |
| Silver Point DOF II | 2,553,317 | 604,638 | | | 39,908 | 3,197,863 |
| MGG Structured Solutions | 4,936,832 | -156,649 | | | 77,050 | 4,857,233 |
| High Yield Composite | 384,297,563 | 5,559 | -451,775 | -2,796 | 14,345,282 | 398,193,833 |
| Oaktree Capital Management | 194,599,879 | 5,559 | -238,812 | -1,846 | 6,687,050 | 201,051,830 |
| BlackRock | 189,697,684 | | -212,963 | -950 | 7,658,232 | 197,142,004 |
| Marketable Alternatives Composite | 108,569,708 | | | | 957,246 | 109,526,954 |
| Davidson Kempner | 54,752,751 | | | | 759,086 | 55,511,837 |
| Hudson Bay Capital | 53,816,957 | | | | 198,160 | 54,015,117 |

Cash Flow Summary

Dallas Total Fund

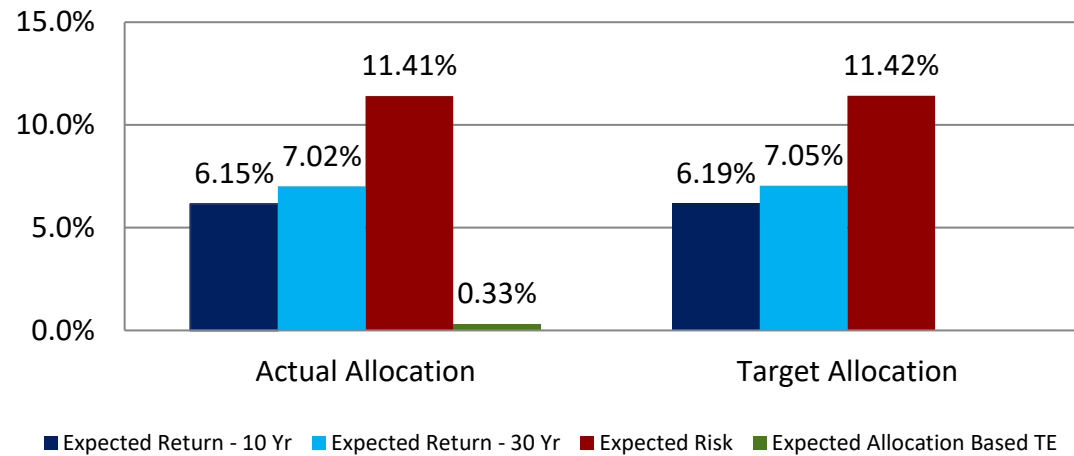
1 Quarter Ending June 30, 2025

| | Begin Value | Net Cash Flow | Fees | Expenses | Capital Apprec./ Deprec. | End Value |
|------------------------------|-------------|---------------|------|----------|--------------------------------|------------|
| Managed Short Term Composite | 30,093,894 | 20,553,180 | | -948,944 | 1,123,079 | 50,821,208 |
| Cash Account | 30,093,894 | 20,553,180 | | -948,944 | 1,123,079 | 50,821,208 |

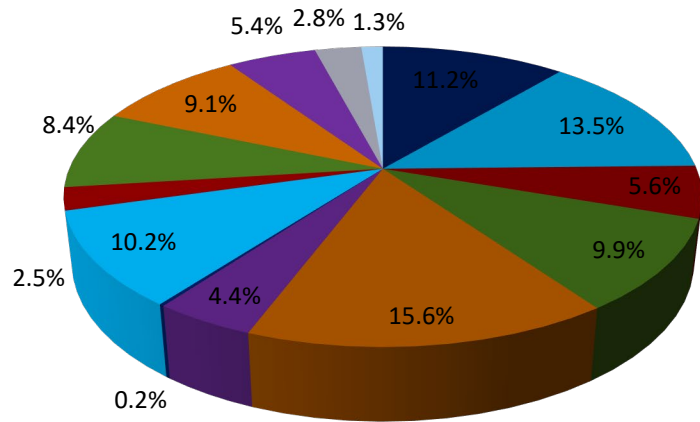
Risk Analysis & Performance Objectives

Expected Return and Risk

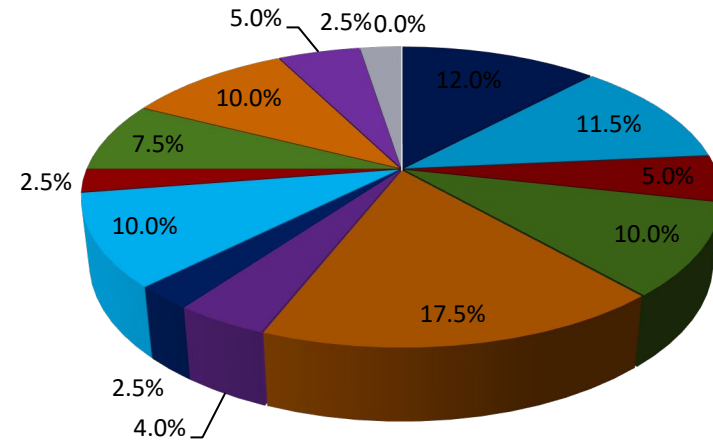
Periods Ended as of June 30, 2025



Actual Asset Allocation



Target Asset Allocation

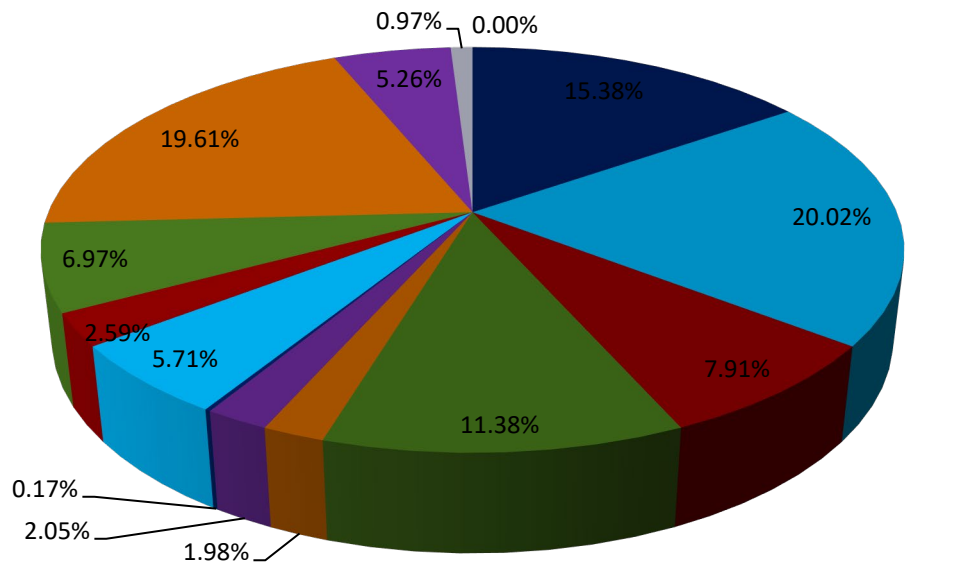


- | | | | | | | | |
|---------------------------|------------------------|------------------|--------------------------------|---------------------------|------------------------|------------------|--------------------------------|
| ■ Domestic Equity | ■ International Equity | ■ Global Equity | ■ Global Low Volatility | ■ Domestic Equity | ■ International Equity | ■ Global Equity | ■ Global Low Volatility |
| ■ US Fixed Income | ■ Opportunistic Credit | ■ Private Credit | ■ High Yield | ■ US Fixed Income | ■ Opportunistic Credit | ■ Private Credit | ■ High Yield |
| ■ Public REITs | ■ Private Real Estate | ■ Private Equity | ■ Global Public Infrastructure | ■ Public REITs | ■ Private Real Estate | ■ Private Equity | ■ Global Public Infrastructure |
| ■ Marketable Alternatives | ■ Cash | | | ■ Marketable Alternatives | ■ Cash | | |

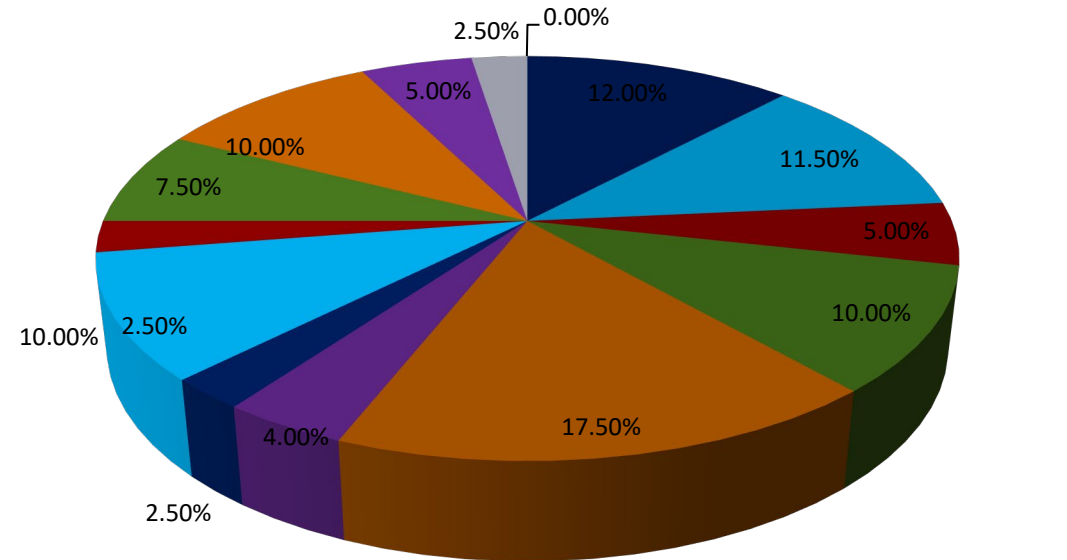
Expected Return and Risk

Periods Ended as of June 30, 2025

Contribution to Total Risk - Actual Allocation



Contribution to Total Risk - Target Allocation

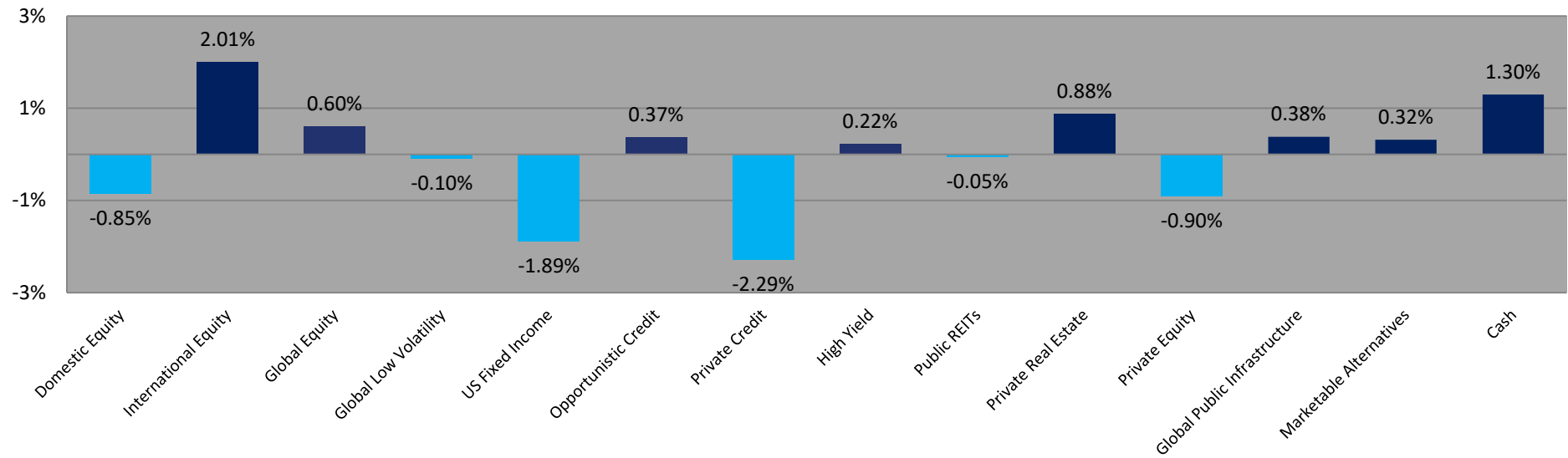


- | | | | | | | | |
|---------------------------|------------------------|------------------|--------------------------------|---------------------------|------------------------|------------------|--------------------------------|
| ■ Domestic Equity | ■ International Equity | ■ Global Equity | ■ Global Low Volatility | ■ Domestic Equity | ■ International Equity | ■ Global Equity | ■ Global Low Volatility |
| ■ US Fixed Income | ■ Opportunistic Credit | ■ Private Credit | ■ High Yield | ■ US Fixed Income | ■ Opportunistic Credit | ■ Private Credit | ■ High Yield |
| ■ Public REITs | ■ Private Real Estate | ■ Private Equity | ■ Global Public Infrastructure | ■ Public REITs | ■ Private Real Estate | ■ Private Equity | ■ Global Public Infrastructure |
| ■ Marketable Alternatives | ■ Cash | | | ■ Marketable Alternatives | ■ Cash | | |

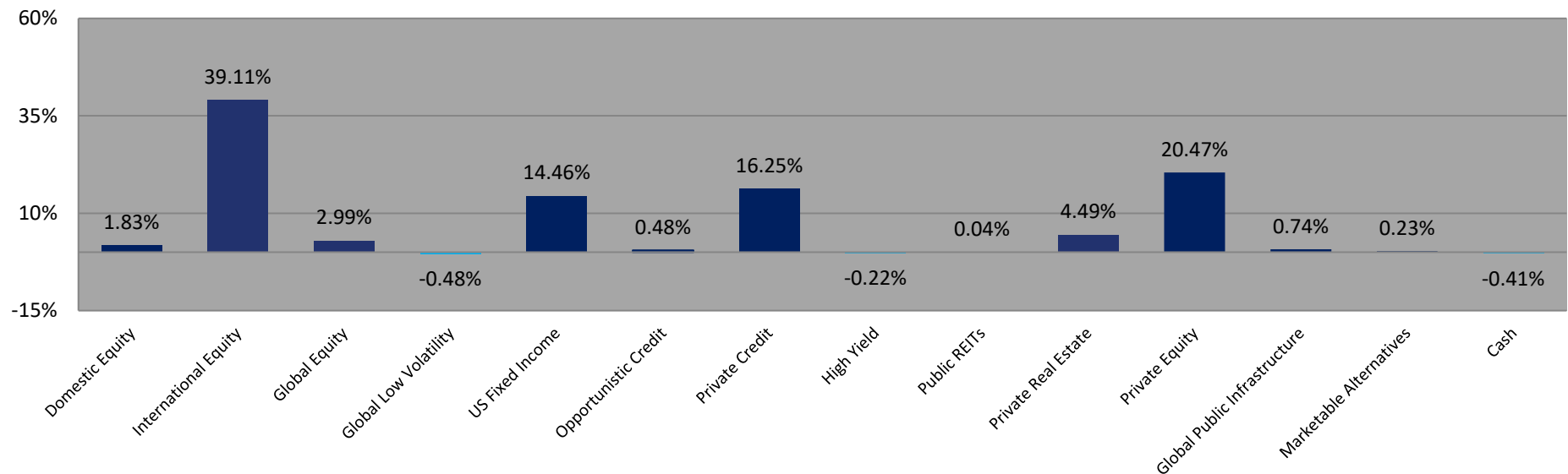
Expected Return and Risk

Periods Ended as of June 30, 2025

Asset Allocation Variance



Contribution to TF Tracking Error



1-Year Risk Statistics

Periods Ended June 30, 2025

| | 1 Year Standard Deviation | 1 Year Sharpe Ratio | 1 Year Tracking Error | 1 Year Information Ratio |
|---------------------------------------|------------------------------------|------------------------------|--------------------------------|-----------------------------------|
| Dallas Total Fund | 5.04 | 1.22 | 1.05 | -0.91 |
| Policy Index | 5.36 | 1.33 | 0.00 | |
| DOMESTIC EQUITY | | | | |
| Domestic Equity Composite | 12.81 | 0.60 | 1.36 | -2.03 |
| Custom Benchmark | 12.76 | 0.82 | 0.00 | |
| Systematic Financial | 17.98 | -0.03 | 3.97 | -1.39 |
| Russell 2000 Index | 20.84 | 0.24 | 0.00 | |
| Channing Capital | 21.44 | 0.09 | 6.91 | -0.13 |
| Russell 2000 Value Index | 20.63 | 0.14 | 0.00 | |
| T. Rowe Price | 11.87 | 0.78 | 0.78 | -1.32 |
| S&P 500 Index | 11.90 | 0.87 | 0.00 | |
| INTERNATIONAL EQUITY | | | | |
| International Equity Composite | 9.28 | 1.64 | 2.02 | 1.44 |
| Custom Benchmark | 9.56 | 1.30 | 0.00 | |
| Acadian International | 10.65 | 1.52 | 3.06 | 1.07 |
| MSCI AC World ex USA Small Cap (Net) | 11.15 | 1.17 | 0.00 | |
| AQR Capital Management | 9.17 | 1.73 | 4.28 | 0.84 |
| Custom Benchmark | 9.46 | 1.30 | 0.00 | |
| Ativo International | 9.99 | 1.45 | 3.72 | 0.57 |
| MSCI EAFE (Net) | 10.46 | 1.18 | 0.00 | |
| Baillie Gifford | 11.77 | 1.16 | 4.26 | 0.33 |
| MSCI AC World ex USA (Net) | 9.46 | 1.30 | 0.00 | |
| Earnest Partners | 9.04 | 1.67 | 3.08 | 0.91 |
| MSCI AC World ex USA (Net) | 9.46 | 1.30 | 0.00 | |

1-Year Risk Statistics

Periods Ended June 30, 2025

| | 1 Year Standard Deviation | 1 Year Sharpe Ratio | 1 Year Tracking Error | 1 Year Information Ratio |
|--|------------------------------------|------------------------------|--------------------------------|-----------------------------------|
| GLOBAL EQUITY | | | | |
| Global Equity Composite | 9.56 | 1.21 | 1.74 | 0.34 |
| MSCI AC World Index (Net) | 10.01 | 1.10 | 0.00 | |
| Wellington | 9.65 | 1.03 | 2.34 | -0.47 |
| MSCI AC World Index (Net) | 10.01 | 1.10 | 0.00 | |
| Ariel Global | 10.29 | 1.23 | 6.33 | 0.26 |
| MSCI AC World Index (Net) | 10.01 | 1.10 | 0.00 | |
| GLOBAL LOW VOLATILITY | | | | |
| Global Low Volatility Composite | 8.04 | 1.58 | 1.64 | 1.29 |
| MSCI AC World Minimum Volatility Index (Net) | 8.07 | 1.32 | 0.00 | |
| Acadian Global Low Vol. | 8.31 | 1.78 | 3.25 | 1.28 |
| MSCI AC World Minimum Volatility Index (Net) | 8.07 | 1.32 | 0.00 | |
| REIT's | | | | |
| REIT Composite | 13.58 | 0.53 | 1.51 | 0.12 |
| Wilshire U.S. Real Estate Securities Index | 13.43 | 0.53 | 0.00 | |
| Adelante Capital Management | 13.32 | 0.61 | 1.74 | 0.63 |
| Wilshire U.S. Real Estate Securities Index | 13.43 | 0.53 | 0.00 | |
| CenterSquare | 13.98 | 0.45 | 1.02 | 1.56 |
| FTSE NAREIT Equity REIT Index | 14.16 | 0.33 | 0.00 | |
| FIXED INCOME | | | | |
| Fixed Income Composite | 5.46 | 0.22 | 0.62 | -0.37 |
| Blmbg. U.S. Aggregate Index | 4.94 | 0.30 | 0.00 | |
| Garcia Hamilton | 6.60 | 0.26 | 1.73 | 0.16 |
| Blmbg. U.S. Aggregate Index | 4.94 | 0.30 | 0.00 | |
| Wellington Core Bond | 5.07 | 0.29 | 0.48 | 0.06 |
| Blmbg. U.S. Aggregate Index | 4.94 | 0.30 | 0.00 | |

1-Year Risk Statistics

Periods Ended June 30, 2025

| | 1 Year Standard Deviation | 1 Year Sharpe Ratio | 1 Year Tracking Error | 1 Year Information Ratio |
|---|------------------------------------|------------------------------|--------------------------------|-----------------------------------|
| HIGH YIELD | | | | |
| High Yield Composite | 3.48 | 1.33 | 0.58 | -1.58 |
| FTSE High Yield Cash Pay | 3.53 | 1.57 | 0.00 | |
| BlackRock | 3.38 | 1.42 | 0.73 | -1.00 |
| FTSE High Yield Cash Pay | 3.53 | 1.57 | 0.00 | |
| Oaktree Capital Management | 3.60 | 1.23 | 0.55 | -1.96 |
| FTSE High Yield Cash Pay | 3.53 | 1.57 | 0.00 | |
| CREDIT OPPORTUNITIES | | | | |
| Credit Opportunities Composite | 2.99 | 1.59 | 0.83 | 0.49 |
| Custom Benchmark | 2.99 | 1.46 | 0.00 | |
| Neuberger Berman | 2.99 | 1.59 | 0.83 | 0.49 |
| Custom Benchmark | 2.99 | 1.46 | 0.00 | |
| Global Listed Infrastructure | | | | |
| Global Listed Infrastructure Composite | 14.68 | 1.08 | 3.48 | -1.48 |
| Global Listed Infrastructure Benchmark | 14.31 | 1.47 | 0.00 | |
| Harvest Fund Advisors MLP | 17.65 | 1.03 | 7.25 | 1.13 |
| Alerian MLP Index | 20.65 | 0.48 | 0.00 | |
| CIBC | 19.55 | 1.00 | 7.25 | 1.34 |
| Alerian MLP Index | 20.65 | 0.48 | 0.00 | |
| C&S Global Listed Infrastructure | 11.25 | 0.98 | 1.62 | -0.51 |
| FTSE Global Core Infra. 50/50 Index (Net) | 10.27 | 1.15 | 0.00 | |

3-Year Risk Statistics

Periods Ended June 30, 2025

| | 3 Years Standard Deviation | 3 Years Sharpe Ratio | 3 Years Tracking Error | 3 Years Information Ratio |
|--------------------------------------|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| Dallas Total Fund | 8.09 | 0.57 | 1.40 | -1.13 |
| Policy Index | 9.02 | 0.68 | 0.00 | |
| DOMESTIC EQUITY | | | | |
| Domestic Equity Composite | 16.54 | 0.77 | 2.74 | -0.59 |
| Custom Benchmark | 16.09 | 0.90 | 0.00 | |
| Systematic Financial | 19.08 | 0.35 | 5.57 | -0.14 |
| Russell 2000 Index | 22.22 | 0.34 | 0.00 | |
| Channing Capital | 22.21 | 0.27 | 6.33 | 0.11 |
| Russell 2000 Value Index | 22.66 | 0.23 | 0.00 | |
| T. Rowe Price | 15.51 | 1.03 | 1.01 | 1.15 |
| S&P 500 Index | 15.58 | 0.95 | 0.00 | |
| INTERNATIONAL EQUITY | | | | |
| International Equity Composite | 14.71 | 0.78 | 2.28 | 0.77 |
| Custom Benchmark | 14.72 | 0.66 | 0.00 | |
| Acadian International | 14.53 | 0.75 | 3.34 | 0.45 |
| MSCI AC World ex USA Small Cap (Net) | 15.11 | 0.62 | 0.00 | |
| AQR Capital Management | 14.56 | 0.88 | 4.54 | 0.66 |
| Custom Benchmark | 14.75 | 0.66 | 0.00 | |
| Ativo International | 14.72 | 0.73 | 3.34 | -0.26 |
| MSCI EAFE (Net) | 15.15 | 0.76 | 0.00 | |
| Baillie Gifford | 18.65 | 0.61 | 5.90 | 0.26 |
| MSCI AC World ex USA (Net) | 14.75 | 0.66 | 0.00 | |
| Earnest Partners | 14.50 | 0.77 | 3.70 | 0.37 |
| MSCI AC World ex USA (Net) | 14.75 | 0.66 | 0.00 | |

3-Year Risk Statistics

Periods Ended June 30, 2025

| | 3 Years Standard Deviation | 3 Years Sharpe Ratio | 3 Years Tracking Error | 3 Years Information Ratio |
|--|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| GLOBAL EQUITY | | | | |
| Global Equity Composite | 12.61 | 0.87 | 3.41 | -0.52 |
| MSCI AC World Index (Net) | 14.55 | 0.87 | 0.00 | |
| Wellington | 13.68 | 1.03 | 2.51 | 0.58 |
| MSCI AC World Index (Net) | 14.55 | 0.87 | 0.00 | |
| Ariel Global | 12.25 | 0.58 | 6.85 | -0.82 |
| MSCI AC World Index (Net) | 14.55 | 0.87 | 0.00 | |
| GLOBAL LOW VOLATILITY | | | | |
| Global Low Volatility Composite | 10.31 | 0.76 | 1.33 | 1.55 |
| MSCI AC World Minimum Volatility Index (Net) | 10.03 | 0.58 | 0.00 | |
| Acadian Global Low Vol. | 10.70 | 0.89 | 2.59 | 1.46 |
| MSCI AC World Minimum Volatility Index (Net) | 10.03 | 0.58 | 0.00 | |
| REIT's | | | | |
| REIT Composite | 18.94 | 0.17 | 1.37 | -0.30 |
| Wilshire U.S. Real Estate Securities Index | 19.41 | 0.19 | 0.00 | |
| Adelante Capital Management | 18.52 | 0.19 | 1.81 | -0.09 |
| Wilshire U.S. Real Estate Securities Index | 19.41 | 0.19 | 0.00 | |
| CenterSquare | 19.43 | 0.16 | 1.13 | 0.39 |
| FTSE NAREIT Equity REIT Index | 19.35 | 0.14 | 0.00 | |
| FIXED INCOME | | | | |
| Fixed Income Composite | 8.26 | -0.21 | 1.18 | -0.01 |
| Blmbg. U.S. Aggregate Index | 7.20 | -0.24 | 0.00 | |
| Garcia Hamilton | 8.96 | -0.23 | 1.95 | -0.19 |
| Blmbg. U.S. Aggregate Index | 7.20 | -0.24 | 0.00 | |
| Wellington Core Bond | 7.55 | -0.15 | 0.62 | 0.95 |
| Blmbg. U.S. Aggregate Index | 7.20 | -0.24 | 0.00 | |

3-Year Risk Statistics

Periods Ended June 30, 2025

| | 3 Years Standard Deviation | 3 Years Sharpe Ratio | 3 Years Tracking Error | 3 Years Information Ratio |
|---|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| HIGH YIELD | | | | |
| High Yield Composite | 6.78 | 0.75 | 0.75 | -0.26 |
| FTSE High Yield Cash Pay | 6.73 | 0.79 | 0.00 | |
| BlackRock | 6.46 | 0.82 | 0.88 | 0.00 |
| FTSE High Yield Cash Pay | 6.73 | 0.79 | 0.00 | |
| Oaktree Capital Management | 7.18 | 0.68 | 1.30 | -0.29 |
| FTSE High Yield Cash Pay | 6.73 | 0.79 | 0.00 | |
| CREDIT OPPORTUNITIES | | | | |
| Credit Opportunities Composite | 5.67 | 0.88 | 1.66 | 0.09 |
| Custom Benchmark | 5.54 | 0.87 | 0.00 | |
| Neuberger Berman | 5.67 | 0.88 | 1.66 | 0.09 |
| Custom Benchmark | 5.54 | 0.87 | 0.00 | |
| MLP's | | | | |
| Global Listed Infrastructure Composite | 14.24 | 1.09 | 4.19 | -1.12 |
| Global Listed Infrastructure Benchmark | 14.73 | 1.37 | 0.00 | |
| Harvest Fund Advisors MLP | 15.64 | 1.38 | 6.53 | 0.18 |
| Alerian MLP Index | 18.17 | 1.13 | 0.00 | |
| CIBC | 17.26 | 1.30 | 6.43 | 0.31 |
| Alerian MLP Index | 18.17 | 1.13 | 0.00 | |
| C&S Global Listed Infrastructure | 14.62 | 0.26 | 1.91 | 0.41 |
| FTSE Global Core Infrastructure 50/50 Index (Net) | 14.44 | 0.21 | 0.00 | |

5-Year Risk Statistics

Periods Ended June 30, 2025

| | 5 Years Standard Deviation | 5 Years Sharpe Ratio | 5 Years Tracking Error | 5 Years Information Ratio |
|--------------------------------------|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| Dallas Total Fund | 8.45 | 0.74 | 1.79 | -0.21 |
| Policy Index | 9.57 | 0.69 | 0.00 | |
| DOMESTIC EQUITY | | | | |
| Domestic Equity Composite | 16.75 | 0.83 | 3.36 | 0.06 |
| Custom Benchmark | 16.58 | 0.83 | 0.00 | |
| Systematic Financial | 18.50 | 0.63 | 7.01 | 0.37 |
| Russell 2000 Index | 21.58 | 0.42 | 0.00 | |
| Channing Capital | 22.31 | 0.50 | 7.27 | -0.04 |
| Russell 2000 Value Index | 21.95 | 0.52 | 0.00 | |
| T. Rowe Price | 16.31 | 0.91 | 1.10 | 0.75 |
| S&P 500 Index | 16.16 | 0.87 | 0.00 | |
| INTERNATIONAL EQUITY | | | | |
| International Equity Composite | 15.54 | 0.63 | 2.35 | 0.71 |
| Custom Benchmark | 15.11 | 0.54 | 0.00 | |
| Acadian International | 15.97 | 0.73 | 4.03 | 0.70 |
| MSCI AC World ex USA Small Cap (Net) | 16.15 | 0.55 | 0.00 | |
| AQR Capital Management | 14.85 | 0.66 | 4.05 | 0.42 |
| Custom Benchmark | 15.03 | 0.54 | 0.00 | |
| Ativo International | 15.40 | 0.54 | 3.93 | -0.23 |
| MSCI EAFE (Net) | 15.90 | 0.58 | 0.00 | |
| GLOBAL EQUITY | | | | |
| Global Equity Composite | 13.11 | 0.74 | 3.43 | -0.48 |
| MSCI AC World Index (Net) | 15.24 | 0.74 | 0.00 | |
| Wellington | 15.10 | 0.70 | 3.07 | -0.23 |
| MSCI AC World Index (Net) | 15.24 | 0.74 | 0.00 | |
| Ariel Global | 11.94 | 0.69 | 7.67 | -0.40 |
| MSCI AC World Index (Net) | 15.24 | 0.74 | 0.00 | |

5-Year Risk Statistics

Periods Ended June 30, 2025

| | 5 Years Standard Deviation | 5 Years Sharpe Ratio | 5 Years Tracking Error | 5 Years Information Ratio |
|--|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| GLOBAL LOW VOLATILITY | | | | |
| Global Low Volatility Composite | 10.76 | 0.71 | 1.40 | 1.23 |
| MSCI AC World Minimum Volatility Index (Net) | 10.51 | 0.56 | 0.00 | |
| Acadian Global Low Vol. | 11.12 | 0.81 | 2.77 | 1.13 |
| MSCI AC World Minimum Volatility Index (Net) | 10.51 | 0.56 | 0.00 | |
| REIT's | | | | |
| REIT Composite | 18.54 | 0.43 | 1.31 | 0.12 |
| Wilshire U.S. Real Estate Securities Index | 18.98 | 0.41 | 0.00 | |
| Adelante Capital Management | 18.33 | 0.44 | 1.59 | 0.15 |
| Wilshire U.S. Real Estate Securities Index | 18.98 | 0.41 | 0.00 | |
| CenterSquare | 18.83 | 0.42 | 1.17 | 0.51 |
| FTSE NAREIT Equity REIT Index | 18.82 | 0.39 | 0.00 | |
| FIXED INCOME | | | | |
| Fixed Income Composite | 7.01 | -0.39 | 1.04 | 0.53 |
| Blmbg. U.S. Aggregate Index | 6.32 | -0.52 | 0.00 | |
| Garcia Hamilton | 7.36 | -0.43 | 1.64 | 0.09 |
| Blmbg. U.S. Aggregate Index | 6.32 | -0.52 | 0.00 | |
| HIGH YIELD | | | | |
| High Yield Composite | 7.37 | 0.48 | 1.25 | -0.02 |
| FTSE High Yield Cash Pay | 7.27 | 0.49 | 0.00 | |
| BlackRock | 7.57 | 0.47 | 2.29 | 0.00 |
| FTSE High Yield Cash Pay | 7.27 | 0.49 | 0.00 | |
| Oaktree Capital Management | 7.40 | 0.47 | 1.09 | -0.04 |
| FTSE High Yield Cash Pay | 7.27 | 0.49 | 0.00 | |
| CREDIT OPPORTUNITIES | | | | |
| Credit Opportunities Composite | 6.27 | 0.45 | 1.41 | 0.20 |

5-Year Risk Statistics

Periods Ended June 30, 2025

| | 5 Years Standard Deviation | 5 Years Sharpe Ratio | 5 Years Tracking Error | 5 Years Information Ratio |
|--|-------------------------------------|-------------------------------|---------------------------------|------------------------------------|
| Custom Benchmark | 6.04 | 0.41 | 0.00 | |
| Neuberger Berman | 6.27 | 0.45 | 1.41 | 0.20 |
| Custom Benchmark | 6.04 | 0.41 | 0.00 | |
| MLP's | | | | |
| Global Listed Infrastructure Composite | 15.80 | 1.13 | 5.52 | -0.70 |
| Global Listed Infrastructure Benchmark | 18.56 | 1.17 | 0.00 | |
| Harvest Fund Advisors MLP | 18.13 | 1.41 | 7.04 | 0.15 |
| Alerian MLP Index | 22.16 | 1.11 | 0.00 | |
| CIBC | 19.48 | 1.28 | 6.45 | 0.06 |
| Alerian MLP Index | 22.16 | 1.11 | 0.00 | |

10-Year Risk Statistics

Periods Ended June 30, 2025

| | 10 Years Standard Deviation | 10 Years Sharpe Ratio | 10 Years Excess Risk | 10 Years Information Ratio |
|--------------------------------------|--------------------------------------|--------------------------------|-------------------------------|-------------------------------------|
| Dallas Total Fund | 9.04 | 0.54 | 9.08 | -0.19 |
| Policy Index | 10.17 | 0.52 | 10.19 | |
| DOMESTIC EQUITY | | | | |
| Domestic Equity Composite | 16.63 | 0.64 | 16.66 | -0.36 |
| Custom Benchmark | 15.91 | 0.74 | 15.93 | |
| Systematic Financial | 18.89 | 0.43 | 18.95 | 0.18 |
| Russell 2000 Index | 20.87 | 0.34 | 20.91 | |
| Channing Capital | 22.05 | 0.31 | 22.10 | -0.01 |
| Russell 2000 Value Index | 21.33 | 0.32 | 21.39 | |
| T. Rowe Price | 15.62 | 0.82 | 15.63 | 0.61 |
| S&P 500 Index | 15.44 | 0.78 | 15.45 | |
| INTERNATIONAL EQUITY | | | | |
| International Equity Composite | 15.59 | 0.41 | 15.59 | 0.58 |
| Custom Benchmark | 15.04 | 0.35 | 15.04 | |
| Acadian International | 16.47 | 0.48 | 16.50 | 0.55 |
| MSCI AC World ex USA Small Cap (Net) | 16.40 | 0.35 | 16.42 | |
| AQR Capital Management | 15.35 | 0.38 | 15.34 | 0.21 |
| Custom Benchmark | 14.92 | 0.34 | 14.91 | |
| Ativo International | | | | |
| MSCI EAFE (Net) | 15.17 | 0.36 | 15.16 | |
| GLOBAL EQUITY | | | | |
| Global Equity Composite | 13.56 | 0.57 | 13.56 | -0.34 |
| MSCI AC World Index (Net) | 14.85 | 0.59 | 14.85 | |
| Wellington | 15.34 | 0.55 | 15.33 | -0.10 |
| MSCI AC World Index (Net) | 14.85 | 0.59 | 14.85 | |
| Ariel Global | | | | |
| MSCI AC World Index (Net) | 14.85 | 0.59 | 14.85 | |

10-Year Risk Statistics

Periods Ended June 30, 2025

| | 10 Years Standard Deviation | 10 Years Sharpe Ratio | 10 Years Excess Risk | 10 Years Information Ratio |
|--|--------------------------------------|--------------------------------|-------------------------------|-------------------------------------|
| GLOBAL LOW VOLATILITY | | | | |
| Global Low Volatility Composite | 11.01 | 0.61 | 11.02 | 0.43 |
| MSCI AC World Minimum Volatility Index (Net) | 10.55 | 0.57 | 10.56 | |
| Acadian Global Low Vol. | 11.53 | 0.61 | 11.53 | 0.35 |
| MSCI AC World Minimum Volatility Index (Net) | 10.55 | 0.57 | 10.56 | |
| REIT's | | | | |
| REIT Composite | 17.28 | 0.36 | 17.31 | 0.07 |
| Wilshire U.S. Real Estate Securities Index | 17.77 | 0.34 | 17.81 | |
| Adelante Capital Management | 16.98 | 0.36 | 17.01 | 0.03 |
| Wilshire U.S. Real Estate Securities Index | 17.77 | 0.34 | 17.81 | |
| CenterSquare | | | | |
| FTSE NAREIT Equity REIT Index | 17.95 | 0.32 | 17.99 | |
| FIXED INCOME | | | | |
| Fixed Income Composite | 5.63 | 0.06 | 5.62 | 0.27 |
| Blmbg. U.S. Aggregate Index | 5.01 | -0.02 | 4.97 | |
| Garcia Hamilton | 5.63 | 0.00 | 5.61 | 0.07 |
| Blmbg. U.S. Aggregate Index | 5.01 | -0.02 | 4.97 | |
| HIGH YIELD | | | | |
| High Yield Composite | 7.30 | 0.44 | 7.30 | -0.20 |
| FTSE High Yield Cash Pay | 7.64 | 0.45 | 7.65 | |
| BlackRock | 7.32 | 0.44 | 7.32 | -0.13 |
| FTSE High Yield Cash Pay | 7.64 | 0.45 | 7.65 | |
| Oaktree Capital Management | 7.46 | 0.40 | 7.47 | -0.43 |
| FTSE High Yield Cash Pay | 7.64 | 0.45 | 7.65 | |
| CREDIT OPPORTUNITIES | | | | |
| Credit Opportunities Composite | | | | |

10-Year Risk Statistics

Periods Ended June 30, 2025

| | 10 Years Standard Deviation | 10 Years Sharpe Ratio | 10 Years Excess Risk | 10 Years Information Ratio |
|---|--------------------------------------|--------------------------------|-------------------------------|-------------------------------------|
| Custom Benchmark | | | | |
| Neuberger Berman | | | | |
| Custom Benchmark | | | | |
| MLP's | | | | |
| Global Listed Infrastructure Composite | 25.18 | 0.22 | 25.20 | -0.21 |
| Global Listed Infrastructure Benchmark | 29.58 | 0.24 | 29.60 | |
| Harvest Fund Advisors MLP | 25.35 | 0.36 | 25.38 | 0.08 |
| Alerian MLP Index | 30.85 | 0.28 | 30.89 | |
| CIBC | 27.48 | 0.34 | 27.50 | 0.13 |
| Alerian MLP Index | 30.85 | 0.28 | 30.89 | |

Asset Allocation & Performance

DOMESTIC EQUITY

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | |
|-----------------------------|-----------------------------|--------------|--------------------|-------------------|
| | 3 Years | 5 Years | Since Inception | Inception Date |
| DOMESTIC EQUITY | | | | |
| T. Rowe Price | 21.09 | 17.57 | 11.24 | 4/1/2006 |
| Standard & Poor's 500 +1% | 20.90 | 17.80 | 11.72 | |
| Value Added | 0.20 | -0.22 | -0.47 | |
| Systematic Financial | 9.83 | 13.56 | 10.11 | 8/1/2003 |
| Russell 2000 + 1.25% | 11.37 | 11.41 | 9.98 | |
| Value Added | -1.54 | 2.15 | 0.13 | |
| Channing Capital | 8.31 | 12.09 | 6.59 | 12/1/2013 |
| Russell 2000 Value + 1.25% | 8.80 | 13.87 | 7.72 | |
| Value Added | -0.49 | -1.78 | -1.14 | |

Asset Allocation & Performance

INTERNATIONAL EQUITY

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | |
|-------------------------------|-----------------------------|--------------|--------------------|-------------------|
| | 3 Years | 5 Years | Since Inception | Inception Date |
| INTERNATIONAL EQUITY | | | | |
| Acadian International | 15.26 | 13.89 | 8.61 | 4/1/1989 |
| Custom Benchmark + 2% | 15.73 | 12.96 | 8.29 | |
| Value Added | -0.47 | 0.93 | 0.32 | |
| AQR Capital Management | 17.44 | 12.02 | 4.85 | 4/1/2006 |
| Custom Benchmark +1.5% | 15.70 | 11.78 | 5.81 | |
| Value Added | 1.74 | 0.24 | -0.96 | |
| Ativo International | 15.03 | 10.24 | 5.59 | 1/1/2018 |
| MSCI EAFE Index (N) + 2% | 18.28 | 13.39 | 8.45 | |
| Value Added | -3.26 | -3.15 | -2.86 | |
| Baillie Gifford | 15.03 | 6.16 | 7.45 | 4/1/2019 |
| MSCI ACWI ex US + 2.00% | 16.27 | 12.33 | 9.84 | |
| Value Added | -1.24 | -6.18 | -2.40 | |
| Earnest Partners | 15.57 | 14.90 | 10.12 | 4/1/2019 |
| MSCI ACWI ex US + 2.00% | 16.27 | 12.33 | 9.84 | |
| Value Added | -0.70 | 2.57 | 0.27 | |

Asset Allocation & Performance

GLOBAL EQUITY

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | |
|--------------------------------|-----------------------------|--------------|--------------------|-------------------|
| | 3 Years | 5 Years | Since Inception | Inception Date |
| GLOBAL EQUITY | | | | |
| Wellington | 19.20 | 12.89 | 11.58 | 9/1/2012 |
| MSCI ACWI (N) + 2% | 19.69 | 15.92 | 12.74 | |
| Value Added | -0.49 | -3.03 | -1.16 | |
| Ariel Global | 11.33 | 10.71 | 8.02 | 1/1/2018 |
| MSCI ACWI (N) + 1.5% | 19.10 | 15.35 | 11.61 | |
| Value Added | -7.77 | -4.64 | -3.59 | |
| Acadian Global Low Vol. | 14.31 | 11.70 | 8.68 | 7/1/2015 |
| MSCI ACWI (N) + 2% | 19.69 | 15.92 | 12.20 | |
| Value Added | -5.38 | -4.22 | -3.52 | |

Asset Allocation & Performance

REAL ESTATE

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | |
|------------------------------------|-----------------------------|-------------|--------------------|-------------------|
| | 3 Years | 5 Years | Since Inception | Inception Date |
| REAL ESTATE | | | | |
| Adelante Capital Management | 6.46 | 9.53 | 9.04 | 10/1/2001 |
| Wilshire Real Est. Secs + 1% | 7.53 | 10.24 | 10.18 | |
| Value Added | -1.07 | -0.71 | -1.13 | |
| CenterSquare | 5.79 | 9.28 | 7.23 | 6/1/2018 |
| Wilshire Real Est. Secs + 1% | 7.53 | 10.24 | 7.60 | |
| Value Added | -1.74 | -0.96 | -0.37 | |

Asset Allocation & Performance

FIXED INCOME

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | |
|-----------------------------------|-----------------------------|--------------|--------------------|-------------------|
| | 3 Years | 5 Years | Since Inception | Inception Date |
| FIXED INCOME | | | | |
| Garcia Hamilton | 2.03 | -0.64 | 2.11 | 11/1/2013 |
| Bloomberg Aggregate + 0.5% | 3.06 | -0.23 | 2.43 | |
| Value Added | -1.03 | -0.41 | -0.32 | |
| HIGH YIELD | | | | |
| Oaktree Capital Management | 9.55 | 6.10 | 6.19 | 4/1/1988 |
| FTSE HY Cash Pay + 1% | 11.09 | 7.21 | | |
| Value Added | -1.54 | -1.11 | | |
| BlackRock | 10.01 | 6.13 | 6.03 | 10/1/2006 |
| FTSE HY Cash Pay + 1% | 11.08 | 7.21 | 7.39 | |
| Value Added | -1.07 | -1.08 | -1.36 | |
| CREDIT OPPORTUNITIES | | | | |
| Neuberger Berman | 9.68 | 5.41 | 5.44 | 2/1/2016 |
| Custom Benchmark + 1% | 10.62 | 6.18 | 6.56 | |
| Value Added | -0.94 | -0.77 | -1.12 | |

Asset Allocation & Performance

MLP's

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | |
|---------------------------|-----------------------------|------------|--------------------|-------------------|
| | 3 Years | 5 Years | Since Inception | Inception Date |
| MLP's | | | | |
| Harvest Fund Advisors MLP | 28.14 | 30.27 | 10.07 | 1/1/2012 |
| Alerian MLP Index + 1.5% | 27.98 | 29.86 | 7.43 | |
| Value Added | 0.16 | 0.41 | 2.64 | |
| CIBC | 28.80 | 29.17 | 10.10 | 1/1/2012 |
| Alerian MLP Index + 1.5% | 27.98 | 29.86 | 7.43 | |
| Value Added | 0.82 | -0.69 | 2.67 | |

DISCUSSION SHEET

Employees' Retirement Fund Board of Trustees Meeting

September 16, 2025

Issue: Wilshire Consulting Contract Extension

Attachments: Wilshire Contract Amendment

Discussion: The Wilshire contract signed on March 1, 2021 is effective for five years, ending February 28th, 2026, with no automatic extensions. Staff and legal counsel have negotiated an additional one-year extension beginning March 1, 2026 and ending February 28, 2027. All terms and conditions from the final year of the original contract remain unchanged under this extension.

Staff recommends approval of a one-year extension beginning March 1, 2026 ending February 28, 2027.

Recommendation: Suggested motion for the approval is as follows: Move to approve the contract extension and authorize the Board Chair to sign.

**TERM EXTENSION AND AMENDMENT TO THE WILSHIRE
INVESTMENT CONSULTANT AGREEMENT**

This Term Extension and Amendment to the Consultant Agreement (this “**Amendment**”), entered into this [] day of July 2025, is made by and between Wilshire Advisors LLC, a Delaware limited liability company (“**Investment Consultant**”), and Employees’ Retirement Fund of the City of Dallas (the “**Fund**”). Each of Investment Consultant and the Fund are referred to as a “**Party**” and collectively as the “**Parties**.”

WHEREAS, the Parties entered into that certain Investment Consultant Agreement, effective as of March 1, 2021 (as amended, the “**Agreement**”), pursuant to which Investment Consultant provides certain consulting services to the Fund, in accordance with and subject to the terms of the Agreement;

WHEREAS, in accordance with Section 6(b) of the Agreement, the term of the Agreement is set to expire on February 28, 2026;

WHEREAS, the Parties wish to extend the term of the Agreement for an additional one (1) year;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, it is agreed as follows:

1. The Parties hereto agree to extend the term of the Agreement for an additional one (1) year period, beginning on March 1, 2026.

2. Section 6 of the Agreement shall be amended by deleting subparagraph (b) in its entirety and replacing it with the following:

“(b) This Agreement, as amended, is subject to an initial term of five years following the initial effective date of March 1, 2021, and shall further be subject to a one-year extension period effective March 1, 2026 and terminating February 28, 2027.”

3. Except as specifically amended hereby, all terms and conditions of the Agreement remain in full force and effect.

4. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Amendment.

This Amendment constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the signatory for each Party has duly executed this Amendment on the date hereof and certifies that he/she has the authority to bind the Party on behalf of whom he/she has signed.

WILSHIRE ADVISORS LLC

**EMPLOYEES' RETIREMENT FUND OF
THE CITY OF DALLAS**

By: _____
Name:
Title:

By: _____
Name:
Title:

INVESTMENT CONSULTANT AGREEMENT

THIS INVESTMENT CONSULTANT AGREEMENT, is made and entered into effective the first day of March, 2021 by and between the EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS (hereinafter called the "Fund"), and INVESTMENT CONSULTANT (hereinafter called "Investment Consultant").

WITNESSETH THAT

WHEREAS, the Fund and Investment Consultant wish to enter into this Investment Consultant Agreement (hereinafter called this "Agreement") for the purpose of the Fund retaining Investment Consultant and Investment Consultant agreeing to provide investment consulting services with respect to the Assets of the Fund, pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Fund was created pursuant to Chapter 40A of the Dallas City Code, and in addition to being subject to Chapter 40A, is subject to the Texas Trust Code and Chapter 802 of the Texas Government Code (collectively hereinafter called the "Texas Statutes"); and

WHEREAS, Investment Consultant acknowledges that the Fund is a "governmental plan" (as hereinafter defined) singularly headquartered, situated, and administered by its Board of Trustees (hereinafter called the "Board") in Dallas, Texas; and

WHEREAS, Investment Consultant acknowledges that it has engaged in substantial contacts with the Fund in Dallas, Texas as a material part of the negotiations with the

Fund, which has caused the Fund to enter into this Agreement for Investment Consultant's services; and

WHEREAS, notwithstanding the fact that Investment Consultant may have similar agreements with and render similar services to other parties who may be either or both non-governmental plans or parties not necessarily domiciled in Dallas, Texas, it is acknowledged by Investment Consultant that no such other agreements or transactions shall be deemed relevant to the interpretation or enforcement of this Agreement; and

WHEREAS, the Fund is administered by the Board which, pursuant to the authority granted by the Texas Statutes, has the authority to contract for investment consulting services in the administration of the Fund's Assets subject to such requirements, policies, and guidelines as the Board may impose; and

WHEREAS, Investment Consultant is engaged in consulting for other large public pension plans; and

WHEREAS, Investment Consultant acknowledges the applicability of the Texas Statutes to this Agreement and that Investment Consultant shall remain familiar with its obligations under such statutes; and

WHEREAS, the Fund acknowledges that Investment Consultant will provide investment consulting services; and

WHEREAS, the Board has duly voted on February 9th, 2021 to enter into this Agreement with Investment Consultant to act as an investment consultant.

NOW, THEREFORE, in consideration of the promises and the covenants and conditions hereinafter stated and the recitals set forth above which form a material part of this Agreement, and other good and valuable consideration, the Fund and Investment Consultant do hereby agree as follows:

SECTION 1. Investment Consultant represents and warrants that:

- (a) It is duly registered and in good standing as an investment adviser with the Securities and Exchange commission under the Investment Advisers Act of 1940;
- (b) It has completed, obtained, and performed all other registrations, filings, authorizations, consents or examinations required by any government or governmental authority for its acts contemplated by this Agreement;
- (c) It is an investment consultant and as such is a fiduciary with respect to the performance of its duties herein for the Fund, and such duties include, without limitation, the duty to make recommendations to the Board and staff of the Fund with regard to the investments of the Fund's Assets and that it will affirmatively and promptly disclose information of which it is aware that may negatively impact the investment of the Fund and/or that may relate to Investment Consultant's ability to perform under the terms of this Agreement. For greater certainty, Investment Consultant shall not be considered a fiduciary for duties not specifically contemplated in this Agreement or not considered to be fiduciary in nature under applicable law or market practice;
- (d) It has the requisite experience, expertise, and resources to fully and properly perform all its duties and obligations, and exercise all of the powers, as set forth herein; and
- (e) It will neither directly nor indirectly accept any compensation from any third party for actions taken on behalf of the Fund, whether under this Agreement or otherwise.

SECTION 2. The Fund hereby appoints Investment Consultant to provide the services described in Exhibit A of this Agreement. For greater certainty, the Fund agrees and acknowledges that Investment Consultant does not provide legal, tax or accounting advice. Therefore, except with respect to Investment Consultant's provision of the services described herein, the Fund assumes all responsibility for ensuring that the Fund complies with all applicable law of governmental authorities with jurisdiction over the Fund.

SECTION 3.

- (a) The term "Asset" when used throughout this Agreement shall mean, in general, any cash, cash equivalents, debt instruments, securities of all types and nature which the Fund places under the investment management of any person or entity and anything else of value which becomes part of the Fund's portfolio as a result of any transaction or accretion thereto.
- (b) INVESTMENT CONSULTANT shall at no time receive, retain, nor physically control any Assets of the Fund. All transactions authorized by the Fund must be transacted through the Fund's custodian(s) and investment managers and Investment Consultant will not be liable to the Fund for any default or misconduct of the custodian or any investment manager unless Investment Consultant knowingly participates in such default or misconduct.
- (c) Investment Consultant shall not be authorized to vote, direct the voting of proxies solicited by or with respect to the issuers of securities held on behalf of the Fund or be responsible for making any elections in connection with any mergers, acquisitions, tender offers, bankruptcy proceedings, or other similar occurrences which may affect the Assets. The Fund may seek Investment Consultant's advice, recommendation, or comment concerning the issue.

- (d) The Investment Consultant does not have any discretionary power or authority for the Fund. The Fund shall have sole responsibility for determining whether to implement any recommendations made by Investment Consultant and for implementing such recommendations, including without limitation, the review and negotiation of any agreements or other documents required.
- (e) All financial and other information provided to Investment Consultant by the Fund or its service providers is true and correct and may be relied upon by Investment Consultant in providing the services. Investment Consultant shall have no liability for the accuracy or completeness of any information furnished or representation made by the Fund or its service providers.

SECTION 4.

- (a) Investment Consultant will attend four of the Fund's trustee meetings and a one-day trustee workshop each year. Upon request, and for any additional charges described in Exhibit B, Investment Consultant will attend any additional meetings as reasonably requested by the Board of Trustees.
- (b) Fund will compensate and reimburse Investment Consultant for its services and related expenses under Exhibit B. Payments will be made in quarterly installments following the close of the calendar quarter for which services have been rendered. If terminated during a calendar quarter, Investment Consultant will be paid pro-rata, on a daily basis, for services performed before the termination.

SECTION 5. Investment Consultant shall have the following administrative duties and powers:

- (a) Investment Consultant shall promptly notify the Fund in writing (i) if any of the representations in Section 1 hereof shall cease to be true at any time during the term of this Agreement, (ii) of any change in Investment Consultant's employees who render services under this Agreement, CEO or President, (iii) of any other material change in Investment Consultant's corporate organization or ability to perform hereunder, (iv) of any material lawsuit, arbitration or administrative proceeding threatened or filed against Investment Consultant, (v) of any material adverse change or threatened change in Investment Consultant's financial condition or (iv) any significant change in its ADV Part II.
- (b) Upon 10 business days' prior notice and at a mutually convenient time, Investment Consultant shall permit those financial statements, books, records and work papers relating to the work performed for the Fund pursuant to this Agreement to be inspected and/or audited by the Fund or its agents at all reasonable times during the business hours of Investment Consultant during and for three years after the term of this Agreement as it may be modified from time to time.
- (c) Request and receive in a timely manner those documents and records reasonably required to perform its duties under this Agreement. Investment Consultant will preserve the confidentiality of all information it receives in the performance of its duties under this Agreement unless it has received written consent from the Fund to the contrary.

SECTION 6.

- (a) This Agreement may not be amended except by a writing expressly so providing, signed by each of the parties hereto. This Agreement may be terminated with sixty days' notice by Investment Consultant and thirty days' notice by the Fund.
- (b) This Agreement is for a period of five years.

- c) If Investment Consultant is unable to act or appears as if it might be unable to act in any matter by reason of any conflict of interest, whether between the Fund and any other venture advised or managed by Investment Consultant or otherwise, Investment Consultant must immediately advise the Fund and the Fund may terminate this Agreement immediately, without regard to the preceding notice and time provisions.
- (d) Following the delivery of any notice of termination hereunder, Investment Consultant shall perform all of its obligations hereunder in good faith as directed by the Fund and will cooperate fully with the Fund in taking all necessary and appropriate steps to effectuate the orderly transfer of portfolio advisory functions to third parties designated by the fund. If Investment Consultant incurs unusual expenses because of inconsistencies between their systems and those of their successors, Fund will reimburse such reasonable expenses.
- (e) Investment Consultant's report of activities occurring during the final quarter, or part thereof, shall be made in writing at the normal time for delivery of such report. There will be no additional fee for the preparation of such report.

SECTION 7. Notices hereunder shall be in writing and shall be mailed by registered or certified, return receipt requested, United States mail or express mail/package courier service or postage paid addressed as follows:

- (a) To the Fund:
Employees' Retirement Fund of the City of Dallas
1920 McKinney Avenue, 10th Floor
Dallas, Texas 75201
FAX number 214-580-3515
Attn: Cheryl D. Alston, Executive Director

(b) To Investment Consultant:
Wilshire Advisors LLC
1299 Ocean Avenue, Suite 700
Santa Monica, CA 90401
Attention: General Counsel
wailegal@wilshire.com

or such other address as either party may, from time to time, furnish in writing by notice hereunder to the other party.

SECTION 8. Investment Consultant hereby accepts the appointment to provide the services described in this Agreement regarding the Fund's Assets. Investment Consultant acknowledges that it is a fiduciary, within the meaning of the Texas Statutes, and Investment Consultant represents and covenants that it will comply with the fiduciary responsibilities required of investment managers under provisions of the Texas Statutes in the exercise of its rights and the performance of its obligations under this Agreement and perform such duties, obligations, and services under this Agreement in accordance with the highest legal, ethical, and business standards applicable to similar transactions conducted by nationally prominent investment consultants. Without limitation of the foregoing, Investment Consultant shall discharge its duties under this Agreement solely in the interest of the participants and beneficiaries and for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the Fund; with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; by recommending the

diversification of investments in the Account so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so. Notwithstanding the foregoing, it is agreed that Investment Consultant does not work with participant level data and that its work is performed at the Fund level. Obligations, if any, whether of a fiduciary nature or otherwise, which Investment Consultant may have to any other plan or fund and whether such obligations arise under state laws or the Employee Retirement Income Security Act of 1974, shall not diminish or alter Investment Consultant's obligations hereunder to the Fund.

SECTION 9. Investment Consultant shall procure, pay for and maintain during the term of this Contract, with an insurance company authorized to do business in the State of Texas and otherwise acceptable to the Fund, the minimum insurance coverage described in Exhibit C, attached to and made a part of this Contract.

SECTION 10. This Agreement shall not be assignable (save for certain "minority interest changes" in INVESTMENT CONSULTANT as that term is defined in the Investment Advisors Act of 1940 and only to the extent relevant and different from the generally accepted definitions) by either party without the prior written consent of the other party, and shall be administered and construed according to the laws of the State of Texas. If any provision of this Agreement is construed to purport to relieve Investment Consultant from responsibility or liability for any responsibility, obligation or duty of an investment consultant under the Texas Statutes, such provision shall be void without affecting the validity of the other provisions of this Agreement.

SECTION 11. Investment Consultant will designate Thomas Toth as the primary consultant assigned to provide and coordinate services to the Board, but if he/ she is unable to attend a meeting because of illness or compelling business reasons, the

consulting services will be performed by Ali Kazemi and if he/ she is unable because of illness or compelling business reasons, the consulting services will be performed by another senior consultant. Investment Consultant's substitution of a different primary consultant to the Fund's account without a written amendment to this Agreement will be considered a material breach of the Agreement and grounds for its termination for cause by the Fund.

SECTION 12. Investment Consultant acknowledges that the records and meetings of the Fund are subject to public disclosure under Chapters 551 and 552 of the Texas Government Code, commonly referred to as the Texas Open Records Act and the Texas Open Meetings Act.

SECTION 13. Investment Consultant and its officers, employees, and any person duly acting on its behalf shall not be liable to the Fund or Board for any error of judgment or any loss arising out of any investment of the Account; provided however, Investment Consultant hereby agrees that it may be liable for losses to the Fund which are a result of bad faith, negligence, or willful misconduct on the part of Investment Consultant, its employees, or any person acting for or on its or their behalf. Any party to this Agreement which, out of necessity, incurs attorney's fees in successfully enforcing the terms of this Agreement or otherwise enforcing the obligations of the other party to this Agreement, shall be reimbursed for its reasonable attorney's fees in so doing by the other party.

SECTION 14. This Contract embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to matters in this Contract, and except as otherwise provided herein

cannot be modified without written agreement of the parties to be attached to and made a part of this Contract.

SECTION 15. If Investment Consultant conducts seminars, training sessions, or similar events on investment or pension issues which are generally made available to Investment Consultant's consulting clients, the Fund shall be invited to send at least two representatives. Investment Consultant shall pay the cost of conducting such events.

SECTION 16. This Agreement shall be construed in accordance with and subject only to the internal laws of the State of Texas and federal law (s), if any, other than ERISA (which does not pertain to the Fund, a governmental plan). Venue for any action arising from this Agreement, including but not limited to matters concerning validity, construction, performance, or enforcement, shall lie exclusively in the state or federal courts located in the City of Dallas, Dallas County, Texas. Notwithstanding that any questions of law or fact in such dispute and any other dispute which may be common with respect to any other contract or arrangement between Investment Consultant and any other parties with whom Investment Consultant may have in the past or may in the future have a similar contractual or other relationship, Investment Consultant further agrees that in any dispute between the parties hereto that Investment Consultant shall not be entitled to seek a stay, transfer, or consolidation with any other dispute(s) then pending or thereafter brought by any party involving Investment Consultant and any third party not party to this Agreement; provided, however, that this Agreement shall not be construed to prohibit such other litigation from being transferred to the court in which the dispute between the parties hereto is pending and then consolidated into such suit.

SECTION 17. The covenants and provisions contained in this Agreement shall apply to, be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto where permitted consistent with the provisions hereof. The terms "successors and assigns" are used herein in the broadest possible context and include, but are not limited to, every person, partnership, association, corporation, or other entity succeeding to any interest in this Agreement or in the Assets from time to time in the Account.

SECTION 18. If any of the provisions of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, the legality, validity, and enforceability of the remaining provisions hereof shall not be affected thereby.

SECTION 19. This Agreement may be executed in any number of counterparts, each of which shall be original, and each such counterpart shall, together with all other such counterparts hereof, constitute but one and the same Agreement. This Agreement may be signed and delivered by means of a facsimile machine or other electronic transmission, it will be treated in all manner and respects as an original agreement or instrument and will be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

SECTION 20. The execution and performance of this Agreement by the parties has been duly authorized by all necessary corporate, trust or partnership action and this Agreement constitutes the valid and enforceable obligations of the parties in accordance and consistent with the terms hereof.

SECTION 21. Notwithstanding anything to the contrary contained herein, each parties' rights and obligations under Sections 8, 13, and subsections (d) and (e) of Section 6 shall survive the expiration or termination of this Agreement.

EFFECTIVE the 1st day of March 2021.

APPROVED AS TO FORM:

FOSTER GARVEY PC

Rafael Stone
Rafael Stone (Mar 1, 2021 07:01 PST)

Rafael Stone, Investment Counsel

EMPLOYEES' RETIREMENT FUND
OF THE CITY OF DALLAS

Henry Talavera
By Henry Talavera (Feb 26, 2021 09:13 CST)

Henry Talavera, Chair
Board of Trustees

INVESTMENT CONSULTANT:

WILSHIRE ADVISORS LLC

Jason Schwarz
By Jason Schwarz (Feb 26, 2021 15:12 PST)

Jason Schwarz, President & COO

EXHIBIT A

Investment Consultant will perform the following services:

1. Asset/liability study and monitoring.
2. Review and make recommendations on investment objectives, policies, asset allocation, and investment structure.
3. Recommend performance benchmarks for the Fund, asset classes, and individual portfolios.
4. Recommend individual portfolio guidelines.
5. Prepare a quarterly report containing calculated total return (after fees) for the Fund, asset classes, portfolio management styles, and individual portfolios, and compare calculated data with benchmarks and with data for a similar population of funds by fund, asset class, and portfolio management styles.
6. Prepare a quarterly report containing performance measurement attribution and analysis for the Fund, asset class, and individual portfolios. This report should include a historical return analysis and risk/return analysis.
7. Review investment manager compliance with investment objectives and prepare appropriate reports.
8. Provide ERF staff with direct access to ERF data, research databases, asset allocation and investment structure models, and risk dashboard for public equity portfolios.
9. Recommend appropriate investment strategies, tactics, procedures, and practices.
10. Recommend suitable investment opportunities and practical implementation methods.
11. Assist in the conduct of investment manager searches and facilitate the hiring of suitable managers.
 - a. Inclusive of public market managers;

- b. Inclusive of private equity fund-of-funds, but excluding direct private equity opportunities;
 - c. Inclusive of marketable alternative strategies – formal due diligence reports on up to five managers per year not under current coverage;
 - i. Incremental formal due diligence reports would be charged at \$15,000/each;
 - d. Inclusive of private real estate manager searches up to two focus list due diligence reports on an annual/bi-annual basis.
- 12. Provide research reports on asset allocation, investment issues, and description and evaluation of new types of investments and alternative approaches.
 - 13. Provide information on market conditions and explain their impact on investments.
 - 14. Keep the Board fully informed on investment subjects.
 - 15. Attend four (4) regular Trustee Meetings each year, plus a one-day workshop annually in addition to special meetings as required.
 - 16. Complete other assignments that may be assigned by the Board and agreed to by Investment Consultant.
 - 17. Provide on an ongoing basis educational sessions including at least a one-day annual workshop for the Trustees.
 - 18. Be a fiduciary to ERF.

Investment Consultant will also provide any and all of the standard investment consulting services as listed in their response to the RFP.

EXHIBIT B
Fees

| | | |
|--------|------------------------------------|---------------|
| Year 1 | March 1, 2021 to February 28, 2022 | \$ 370,000 |
| Year 2 | March 1, 2022 to February 28, 2023 | \$ 377,400 |
| Year 3 | March 1, 2023 to February 29, 2024 | \$ 384,948 |
| Year 4 | March 1, 2024 to February 28, 2025 | \$ 392,646.96 |
| Year 5 | March 1, 2025 to February 28, 2026 | \$ 400,499.90 |

Investment Consultant will attend four (4) regular Trustee meetings annually plus a one-day Trustee Workshop. This fee also includes one planning meeting with staff. Further, Investment Consultant will accompany Fund representative(s) on manager due diligence visits that are mutually conveniently scheduled if requested by Fund staff. For additional meetings, in excess of the six (6) noted above in the annual retainer fee, requested by the Trustees the fee on a per meeting basis will be \$1,000 per day.

EXHIBIT C
Insurance

Name of Carrier(s): Federal Insurance Company

Commercial General Liability Insurance \$2,000,000 (aggregate)
Policy Number: 35267456

Commercial Umbrella Insurance \$4,000,000 (aggregate)
Policy Number: 79730702

Non-Owned and Hired Car Liability Insurance \$ 1,000,000 (each accident)
Policy Number: 73253548











Dallas ERF - Wilshire Investment Consultant Agreement FINAL FEB 25 2021_

Final Audit Report

2021-03-01

| | |
|-----------------|--|
| Created: | 2021-02-26 |
| By: | Anita Gage (agage@dallaserf.org) |
| Status: | Signed |
| Transaction ID: | CBJCHBCAABAAMCUvOml9HEvNYvjvgOZIGz7RQN6eIJjt |

"Dallas ERF - Wilshire Investment Consultant Agreement FINAL FEB 25 2021_" History

-  Document created by Anita Gage (agage@dallaserf.org)
2021-02-26 - 2:28:04 PM GMT- IP address: 70.118.54.186
-  Document emailed to Henry Talavera (htalavera@polsinelli.com) for signature
2021-02-26 - 2:29:33 PM GMT
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2021-02-26 - 3:08:57 PM GMT- IP address: 45.41.142.102
-  Document e-signed by Henry Talavera (htalavera@polsinelli.com)
Signature Date: 2021-02-26 - 3:13:43 PM GMT - Time Source: server- IP address: 209.236.106.6
-  Document emailed to Jason Schwarz (jschwarz@wilshire.com) for signature
2021-02-26 - 3:13:45 PM GMT
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-  Document e-signed by Jason Schwarz (jschwarz@wilshire.com)
Signature Date: 2021-02-26 - 11:12:16 PM GMT - Time Source: server- IP address: 23.241.122.80
-  Document emailed to Rafael Stone (rafael.stone@foster.com) for signature
2021-02-26 - 11:12:18 PM GMT
-  Email viewed by Rafael Stone (rafael.stone@foster.com)
2021-02-26 - 11:25:53 PM GMT- IP address: 104.15.174.198
-  Email viewed by Rafael Stone (rafael.stone@foster.com)
2021-03-01 - 2:04:43 PM GMT- IP address: 104.15.174.198



Document e-signed by Rafael Stone (rafael.stone@foster.com)

Signature Date: 2021-03-01 - 3:01:00 PM GMT - Time Source: server- IP address: 104.15.174.198



Agreement completed.

2021-03-01 - 3:01:00 PM GMT



Adobe Sign

DISCUSSION SHEET

Employees' Retirement Fund Board of Trustees Meeting

September 16, 2025

Issue: Northern Trust Custodian Contract Extension

Attachments: Northern Trust Contract Amendment

Discussion: The Northern Trust contract signed on December 12, 2022 is effective for three years with two one-year extensions. The contract expires on December 12, 2025. Staff recommends a one-year extension beginning December 13, 2025 and ending December 12, 2026.

Recommendation: Suggested motion for the approval is as follows: Move to approve the contract extension and authorize the Board Chair to sign.



Employees' Retirement Fund
of the City of DALLAS

September 16, 2025

Kathy Stevenson
Client Executive
The Northern Trust Company
50 South LaSalle Street
Chicago, Illinois 60675

Re: Renewal of Term of the Master Custody Agreement

Dear Kathy:

Pursuant to Article 3 of the Master Custody Agreement between Employees' Retirement Fund of the City of Dallas ("Fund") and The Northern Trust Company ("Custodian") dated December 12, 2022 ("Agreement"), the Fund hereby notifies the Custodian that the term of the Agreement is renewed for an additional one (1) year term beginning on December 13, 2025 and ending December 12, 2026. The Fund also reserves its right to renew for an additional term thereafter.

Please sign and date this letter in the space provided below and email me a copy for the Fund's files.

Sincerely,

By: David K. Etheridge
Title: Executive Director
Date: _____

Acknowledged and agreed by The Northern Trust Company

By: Kathy Stevenson
Title: Client Executive, Senior Vice President
Date: _____

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The iDAC Global Summit brings together senior leaders across asset owners, investment managers, consultants, banks and brokerages, ecosystem partners, and other financial service providers to explore bold strategies for maximizing talent in a time of rapid industry transformation. This year's theme, "**For Such a Time as This**," reflects the urgency of this moment and the need for a unified vision for talent maximization: one that redefines success, empowers development, addresses industry-specific challenges, and showcases innovative investment approaches. Expect candid conversations, fresh insights, and actionable takeaways to help firms adapt, evolve, and lead with intention in today's shifting landscape.

Baillie Gifford™

Synthesis

Agenda



| | |
|---------|---|
| 12.00pm | Golf The Bull Run Golf Club 18-hole championship golf course is set on 450 acres in the foothills of Virginia’s Bull Run Mountain. Renowned architect Rick Jacobson designed this course with the player in mind. From the back tees, the course is difficult enough to challenge the best hitters. There are also wide fairways with excellent views of where your next shot is supposed to land and there are often run-up options to the greens even where the hazards look challenging. |
| 2.00pm | Registration |
| 5.30pm | Drinks reception |
| 6.30pm | Welcome buffet dinner |
| 8.00pm | Whisky tasting |

| | |
|---------|--|
| 6.45am | Morning run Morning walk |
| 7.00am | Breakfast |
| 8.15am | Welcome Ben James, Investment Specialist Director, Baillie Gifford |
| 8.17am | Managing Partner address Amy Attack, Chief of Staff for Equities, Managing Partner, Baillie Gifford |
| 8.37am | Big ideas, bigger questions Kirsty Gibson, Investment Manager, Baillie Gifford Tim Urban, Speaker Tim Urban is the writer and illustrator behind "Wait But Why", the wildly popular blog known for tackling everything from procrastination to super intelligent AI—with stick figures, wit, and mind-expanding depth. In this live conversation, we'll dig into his thinking on the future of robotics, artificial intelligence, and the accelerating convergence of technology and humanity. From deep research to bold speculation, this session will trace the edges of what's coming next—and how we make sense of it. |
| 9.45am | Concurrent session 1 |
| 10.45am | Refreshment break |
| 11.15pm | Concurrent session 2 |
| 12.15pm | Lunch |
| 1.45pm | Concurrent session 3 |
| 2.45pm | Refreshment break |
| 8.37am | What's your flavor of choice? Exploring the diverse world of growth investing Gemma Barkhuizen, Investment Manager, Baillie Gifford Will Sutcliffe, Investment Manager, Partner, Baillie Gifford James Dow, Head of Global Income Growth, Partner, Baillie Gifford Helen Xiong, Investment Manager, Partner, Baillie Gifford Whether you are drawn to the adrenaline rush of rapid growth, the steady climb of enduring growth, or the rhythmic patterns of cyclical growth, the world of growth investing offers a flavor for every palate. In this interactive session, our panel of Investment Managers will argue the case for their chosen style. What will be your preferred flavor of growth? |
| 4.30pm | Free time |
| 6.00pm | Drinks reception |
| 6.45pm | Dinner followed by after dinner speaker: Luke Donald, European Ryder Cup Captain |

Agenda

Wednesday, October 1, 2025

The Salamander Hotel
Middleburg, VA

6.45am **Morning run**

Morning walk

7.00am **Breakfast**

8.15am **In conversation with Keller Rinaudo Clifton, Zipline CEO**

Tom Slater, Investment Manager, Partner, Baillie Gifford

Keller Rinaudo Clifton, CEO, Zipline

Zipline is the global leader in autonomous delivery and currently operates the largest drone delivery network in the world, covering eight countries across four continents. This is a company transforming the logistics industry by using autonomous drones to deliver medicines, vaccines, food, and other vital products. Supplying life-saving medical supplies by robotic flights in Africa is just the start. Zipline's founder Keller Rinaudo talks to Tom Slater about what's next.

9.30am **Concurrent session 4**

10.30am **Refreshment break**

11.00am **Human judgement in the age of AI**

Robert Natzler, Investment Manager, Baillie Gifford

What aspects of Baillie Gifford's long-term, active, growth investment approach will remain uniquely human in an AI-driven future? Will machines replace human curiosity, creativity or conviction? Can we embrace the synthesis of human intellect and generative AI? As we draw the Forum to a close, we'll explore how edge can still be built from human components in an age of digital disruption.

11.45am **Conference closing remarks**

Ben James, Investment Specialist Director, Baillie Gifford

11.50am **Lunch**

Session 1

Agents, otters and the next wave of AI: A conversation with Ethan Mollick*

Stewart Hogg, Investment Specialist Director
Ethan Mollick, Speaker

Join us for an engaging conversation with Ethan Mollick, hosted by Client Director Stewart Hogg. Ethan is a Professor at The Wharton School of The University of Pennsylvania, renowned for his expertise in innovation and entrepreneurship. He is the author of the best-selling book *Co-Intelligence*, which explores the practical applications of AI, and he also writes a popular newsletter *One Useful Thing* with 300,000 subscribers. In this session, we will delve into AI's transformative impact, so don't miss this opportunity to gain insights from one of the leading voices on AI's role in shaping the future of work and enterprise.

Change drives growth: A world of opportunities

Lawrence Burns, Investment Manager, Partner
Tom Slater, Investment Manager, Partner

Baillie Gifford's century-long experience investing in growth equities from around the world informs us that meaningful growth is built over years, not weeks, requiring patience and imagination. Our work reveals that just a few exceptional companies drive the majority of market returns, reinforcing our strategy to focus on long-term, fundamental growth and innovation. Our work also reveals that outliers can be found across the globe - from artificial intelligence and novel healthcare in the US, to precision engineering and luxury brands in Europe, and ecommerce and digital finance in Latin America. By combining our global perspective, deep research, and ability to engage with and back visionary leaders, we aim to capture the upside of transformative trends worldwide. Our approach is rooted in supporting the exceptional growth companies that shape the future, aiming to deliver enduring value for our clients.

From promise to progress: Healthcare's next chapter

Joseph Levin, Investment Analyst

In recent years, healthcare has been long on ambition and short on delivery. But what if that's about to change? This session looks at how technological progress and convergence across domains — biology, devices, data, AI — maybe finally allowing the industry to move faster and more efficiently. We'll explore how this is helping to solve some of the sector's deepest bottlenecks and spotlight the exceptional growth businesses accelerating into this opportunity and advancing human health.

Engineering the Future: Space exploration, quantum computing and nuclear fusion

Luke Ward, Investment Manager

Join Investment Manager Luke Ward as he explores the disruptive innovations tackling some of humanity's greatest challenges and transforming entire industries with powerful new business models. What separates the good from the great, and how should we assess their long-term potential?

*This talk is available in Concurrent Session 2 and 3.

Session 2

Agents, otters and the next wave of AI: A conversation with Ethan Mollick*

Stewart Hogg, Investment Specialist Director
Ethan Mollick, Speaker

Join us for an engaging conversation with Ethan Mollick, hosted by Client Director Stewart Hogg. Ethan is a Professor at The Wharton School of The University of Pennsylvania, renowned for his expertise in innovation and entrepreneurship. He is the author of the best-selling book *Co-Intelligence*, which explores the practical applications of AI, and he also writes a popular newsletter *One Useful Thing* with 300,000 subscribers. In this session, we will delve into AI's transformative impact, so don't miss this opportunity to gain insights from one of the leading voices on AI's role in shaping the future of work and enterprise.

Unlocking insights: A conversation on transformative thinking and innovation

Ross Mathison, Investment Manager
Gary Klein, Speaker

Join Investment Manager Ross Mathison in conversation with renowned cognitive psychologist, Dr Gary Klein, to explore how sudden, transformative shifts in understanding occur and why they are crucial for innovation and progress. Dr Klein defines insights as an unexpected leap that changes how we perceive and act, often challenging existing beliefs. In his book *"Seeing What Others Don't"*, Dr Klein advocates fostering curiosity, embracing uncertainty, and encouraging diverse perspectives to enhance insight generation.

System change and the new American culture

Dave Bujnowski, Investment Manager, Partner
Grant McCracken, Speaker

Change drives growth opportunities — but not all change is created equal. The most profound transformations occur when entire systems shift. In this presentation, we'll explore the unique dynamics of system-wide change: how it unfolds, why it matters, and what makes it uniquely powerful. Using American culture as a case study, we'll examine the forces disrupting the old order, the rise of a fragmented "North Sea" landscape, and how disorder can create unexpected pathways for growth and innovation.

Emerging Markets in 2050

Andrew Keiller, Investment Specialist Director, Partner

Over the next quarter century, we expect Emerging Market economies to take a disproportionate share of investors' attention. This session explores how the world might change over this timeframe and how Emerging Market companies and countries might benefit from this.

Navigating the \$14trillion private market opportunity

Brian Kelly, Investment Specialist
Robert Natzler, Investment Manager

Private markets today are of the same size and scale as the entire world ex-US equity market. They are home to some of the most important companies in the world, and can produce some truly unique outcomes not possible in public markets. Join portfolio managers Peter Singlehurst and Rob Natzler, alongside investment specialist Brian Kelly as they explore the range of opportunities across private equity, with a focus on private growth.

*This talk is available in Concurrent Session 1 and 3.

Session 3

Agents, otters and the next wave of AI: A conversation with Ethan Mollick*

Stewart Hogg, Investment Specialist Director
Ethan Mollick, Speaker

Join us for an engaging conversation with Ethan Mollick, hosted by Client Director Stewart Hogg. Ethan is a Professor at The Wharton School of The University of Pennsylvania, renowned for his expertise in innovation and entrepreneurship. He is the author of the best-selling book *Co-Intelligence*, which explores the practical applications of AI, and he also writes a popular newsletter *One Useful Thing* with 300,000 subscribers. In this session, we will delve into AI's transformative impact, so don't miss this opportunity to gain insights from one of the leading voices on AI's role in shaping the future of work and enterprise.

Synthesis in Risk Management: Balancing stock picking and portfolio construction

Nick Wood, Client Relationship Director, Partner
James Taylor, Investment Risk Analyst
Tom Walsh, Investment Manager, Partner
Tom Coutts, Investment Manager, Partner

Join Partner Nick Wood as he hosts Investment Managers Tom Coutts and Tom Walsh and Head of Investment Analytics, James Taylor in a panel discussion about the evolution of our approach to portfolio construction and risk management. The post-pandemic period has been the most challenging of our investment careers. As with previous difficult periods, emerging better placed to deliver the returns our clients need over the next 5-10 years requires us to be frank in confronting our mistakes, relentless in our pursuit of getting better, and enthusiastic about our enduring edge – insightful research and patient ownership of exceptional growth businesses.

China: A changing narrative

Ben Buckler, Investment Specialist Director
Linda Lin, Investment Manager, Partner

For a while, the headlines were dominated by geopolitics, a sluggish economy, and regulatory challenges. But the tide seems to be turning. China's renewed focus on growth, support for private enterprises, and efforts to stimulate domestic consumption are changing the narrative, underscored by an increasing awareness of the country's remarkable strides in innovation. This session will explore the opportunities and challenges in this fascinating yet complex market—one that continues to redefine itself on the world stage.

International: Growth, trade and the world outside America

Nick Thomas, Head of Clients Department, Partner
Robert Wilson, Investment Manager

In an interview with Baillie Gifford Partner Nick Thomas, Investment Manager Robert Wilson will discuss growth drivers and opportunities outside America. The discussion will touch on a range of topics, including elements of the semiconductor supply-chain, political neutrality, and some of the exciting investment opportunities we see in International Markets.

*This talk is available in Concurrent Session 1 and 2.

Session 4

Long Term Global Growth

Gemma Barkhuizen, Investment Manager
Tim Garratt, Investment Specialist Director, Partner

Join the Long Term Global Growth investment team for a strategy discussion.

Global Alpha

Malcolm MacColl, Investment Manager, Managing Partner
Helen Xiong, Investment Manager, Partner

Join the Global Alpha investment team for a strategy discussion.

Emerging Markets

Will Sutcliffe, Investment Manager, Partner
Mike Gush, Investment Manager

Join the Emerging Markets investment team for a strategy discussion.

International Growth

Lawrence Burns, Investment Manager, Partner
Robert Wilson, Investment Manager
Tom Coutts, Investment Manager, Partner

Join the International Growth investment team for a strategy discussion.

US Growth

Dave Bujnowski, Investment Manager, Partner
Kirsty Gibson, Investment Manager
Tom Slater, Investment Manager, Partner

Join the US Equities investment team for a strategy discussion.

International Alpha

Chris Davis, Investment Manager
Tom Walsh, Investment Manager, Partner

Join the International Alpha investment team for a strategy discussion.

Private Companies

Robert Natzler, Investment Manager
Peter Singlehurst, Investment Manager, Partner

Join the Private Companies investment team for a strategy discussion.

International All Cap

Joe Faraday, Investment Manager
Iain Campbell, Investment Manager, Partner

Join the International All Cap investment team for a strategy discussion.

Synthesis

North American Forum 2025

The Salamander Hotel
500 N. Pendleton St
Middleburg
VA 20117

A wide-angle photograph of the Austin skyline, featuring several prominent skyscrapers under a blue sky with scattered white clouds. The text is overlaid on this image.

12th Annual Texas Institutional Forum

October 15 – 16, 2025

Hosted At Omni Austin Hotel Downtown →

[Register](#)

The 12th Annual Texas Institutional Forum is the region's leading conference for pension funds, insurance companies, foundations & endowments, hospital plans, sovereign wealth funds and consultants from throughout the region. The forum's content is developed through hundreds of one-on-one meetings with the institutional investment community and the program's speaker faculty is primarily comprised of leaders in the sector across Texas.

Our agenda covers asset allocation and protection, equity markets, fixed income, alternative investments, as well as an outlook of the financial markets and the global economy. This event is completely closed-door and invitation-only, and it is designed to enable genuine peer-to-peer learning and networking for the regional institutional community.

ASSET ALLOCATION COMPARISON

JUNE 30, 2025

| | Market Value | % of Total Fund | Allocation Policy | % Difference from Allocation | Prior Period Market Value | Prior Period % of Total Fund |
|---|-------------------------|-----------------|-------------------|------------------------------|---------------------------|------------------------------|
| Equity | | | | | | |
| CHANNING CAPITAL | 32,218,428.35 | 0.83 | | | 29,953,903.39 | 0.78 |
| SYSTEMATIC | 55,115,086.68 | 1.42 | | | 52,941,573.57 | 1.38 |
| Total Small Cap | 87,333,515.03 | 2.24 | | | 82,895,476.96 | 2.16 |
| T. ROWE PRICE | 170,946,706.06 | 4.39 | | | 162,860,165.20 | 4.25 |
| Total Domestic/Enhanced equity | 170,946,706.06 | 4.39 | | | 162,860,165.20 | 4.25 |
| NTGI S&P 500 EQUITY INDEX | 176,365,701.22 | 4.53 | | | 167,833,014.93 | 4.38 |
| Total Index | 176,365,701.22 | 4.53 | | | 167,833,014.93 | 4.38 |
| Total Domestic | 434,645,922.31 | 11.16 | 12.00 | -0.84 | 413,588,657.09 | 10.80 |
| ACADIAN | 137,469,294.01 | 3.53 | | | 130,971,710.28 | 3.42 |
| AQR CAPITAL | 148,584,957.26 | 3.81 | | | 143,553,744.14 | 3.75 |
| ATIVO | 32,335,982.82 | 0.83 | | | 31,654,586.44 | 0.83 |
| BAILLIE GIFFORD | 93,397,762.68 | 2.40 | | | 91,368,996.18 | 2.39 |
| EARNEST PARTNERS | 114,274,546.59 | 2.93 | | | 109,893,950.07 | 2.87 |
| Total International | 526,062,543.36 | 13.51 | 11.50 | 2.01 | 507,442,987.11 | 13.25 |
| ARIEL | 47,183,991.98 | 1.21 | | | 45,172,868.05 | 1.18 |
| NTAM ACWI IMI | 58,637,519.44 | 1.51 | | | 56,085,258.98 | 1.46 |
| WELLINGTON MGMT | 112,404,038.65 | 2.89 | | | 107,790,613.06 | 2.81 |
| Total Global Equity | 218,225,550.07 | 5.60 | 5.00 | 0.60 | 209,048,740.09 | 5.46 |
| ACADIAN-LVG | 196,419,160.56 | 5.04 | | | 193,137,630.02 | 5.04 |
| BLACKROCK | 189,507,571.73 | 4.87 | | | 187,592,465.32 | 4.90 |
| SANCTIONED ASSET PORTFOL | 79,626.84 | 0.00 | | | 79,626.54 | 0.00 |
| Total Global Low Volatility Equity | 386,006,359.13 | 9.91 | 10.00 | -0.09 | 380,809,721.88 | 9.94 |
| FAIRVIEW CAPITAL | 112,668,079.00 | 2.89 | | | 114,534,691.00 | 2.99 |
| GROSVENOR GCM - CFGI | 156,228,917.00 | 4.01 | | | 152,631,832.00 | 3.99 |
| HAMILTON LANE | 85,483,428.00 | 2.19 | | | 85,454,427.00 | 2.23 |
| Total Private Equity | 354,380,424.00 | 9.10 | 10.00 | -0.90 | 352,620,950.00 | 9.21 |
| Total Equity | 1,919,320,798.87 | 49.27 | 48.50 | 0.77 | 1,863,511,056.17 | 48.66 |
| Fixed Income | | | | | | |
| GARCIA HAMILTON | 197,880,545.58 | 5.08 | | | 194,352,994.05 | 5.07 |
| NTAM AGG BOND INDEX FUND | 202,430,088.33 | 5.20 | | | 199,335,632.86 | 5.21 |
| WELLINGTON-CORE BOND | 206,851,202.82 | 5.31 | | | 204,249,255.15 | 5.33 |
| Total Core Fixed Income | 607,161,836.73 | 15.59 | 17.50 | -1.91 | 597,937,882.06 | 15.61 |
| BLACKROCK-HY | 197,137,123.12 | 5.06 | | | 193,558,437.43 | 5.05 |
| OAKTREE | 201,056,602.22 | 5.16 | | | 197,528,726.71 | 5.16 |
| Total High Yield | 398,193,725.34 | 10.22 | 10.00 | 0.22 | 391,087,164.14 | 10.21 |
| NEUBERGER BERMAN | 169,872,312.68 | 4.36 | | | 166,791,714.15 | 4.36 |
| Total Credit Opportunities | 169,872,312.68 | 4.36 | 4.00 | 0.36 | 166,791,714.15 | 4.36 |
| SILVER POINT - DOIP II | 3,197,863.00 | 0.08 | | | 3,197,863.00 | 0.08 |
| MGG STRUCTURED SOLUTIONS | 4,857,233.00 | 0.12 | | | 5,013,882.00 | 0.13 |
| Total Private Credit | 8,055,096.00 | 0.21 | 2.50 | -2.42 | 8,211,745.00 | 0.21 |
| Total Fixed Income | 1,183,282,970.75 | 30.38 | 34.00 | -3.62 | 1,164,028,505.35 | 30.40 |
| Real Assets | | | | | | |
| ADELANTE CAPITAL | 48,131,939.57 | 1.24 | | | 48,289,243.37 | 1.26 |
| CENTERSQUARE-SL | 47,463,579.98 | 1.22 | | | 47,777,607.40 | 1.25 |
| Total REITS | 95,595,519.55 | 2.45 | 2.50 | -0.05 | 96,066,850.77 | 2.51 |
| ATLANTIC TRUST | 76,915,833.09 | 1.97 | | | 74,328,465.52 | 1.94 |
| HARVEST FUND | 83,205,051.09 | 2.14 | | | 80,581,537.99 | 2.10 |
| COHEN & STEERS | 49,660,929.53 | 1.27 | | | 49,137,911.87 | 1.28 |
| Total Global Listed Infrastructure | 209,781,813.71 | 5.39 | 5.00 | 0.39 | 204,047,915.38 | 5.33 |
| AEW PARTNERS | 50,195,242.00 | 1.29 | | | 50,504,054.00 | 1.32 |
| BRASA CAPITAL MGMT | 19,940,486.00 | 0.51 | | | 19,091,515.00 | 0.50 |
| HEITMAN | 72,255,385.15 | 1.86 | | | 72,255,385.15 | 1.89 |
| INVESCO | 51,063,174.47 | 1.31 | | | 51,063,174.47 | 1.33 |
| INVESCO - SL | 72,856,948.00 | 1.87 | | | 72,142,080.00 | 1.88 |
| LONG WHARF CAPITAL | 10,144,093.00 | 0.26 | | | 9,036,300.00 | 0.24 |
| VIRTUS REAL ESTATE CAP | 50,267,238.00 | 1.29 | | | 50,267,238.00 | 1.31 |
| Total Real Estate | 326,722,566.62 | 8.39 | 7.50 | 0.89 | 324,359,746.62 | 8.47 |
| Total Real Assets | 632,099,899.88 | 16.23 | 15.00 | 1.23 | 624,474,512.77 | 16.31 |
| Diversifying Strategies | | | | | | |
| DAVIDSON KEMPNER INST PTRS | 55,511,837.00 | 1.43 | | | 54,921,729.00 | 1.43 |
| HUDSON BAY CAPITAL | 54,015,117.00 | 1.39 | | | 53,445,916.00 | 1.40 |
| Total Marketable Alternatives | 109,526,954.00 | 2.81 | 2.50 | 0.31 | 108,367,645.00 | 2.83 |
| Total Diversifying Strategies | 109,526,954.00 | 2.81 | 2.50 | 0.31 | 108,367,645.00 | 2.83 |
| Cash | | | | | | |
| | 50,821,208.24 | 1.30 | | | 69,273,168.50 | 1.81 |
| Total Cash Account | 50,821,208.24 | 1.30 | 0.00 | 1.30 | 69,273,168.50 | 1.81 |

| | | | | | | | |
|-------------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|
| TOTAL FUND | \$ | 3,895,051,831.74 | 100.00 | 100.00 | \$ | 3,829,654,887.79 | 100.00 |
|-------------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|

Market Value YE 2024

\$ 3,759,909,949.86

Market Value Variance
 Change from YE 2024: **\$ 135,141,881.88**
 Change from prior month: **\$ 65,396,943.95**

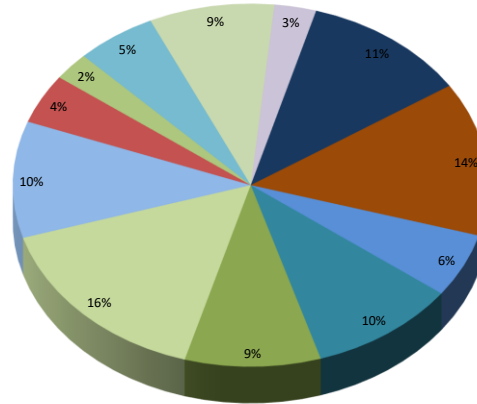
Asset Allocation: Actual vs. Target

JUNE 30, 2025

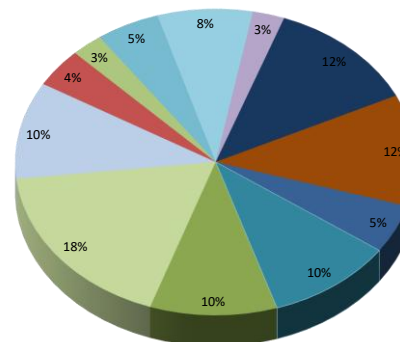
| | Market Value | Gross Actual Allocation | Target Allocation | % Difference from Allocation |
|---|-------------------------|-------------------------|-------------------|------------------------------|
| EQUITY | | | | |
| CHANNING CAPITAL SYSTEMATIC | 32,218,428.35 | 0.83 | | |
| | 55,115,086.68 | 1.42 | | |
| Total Small Cap | 87,333,515.03 | 2.24 | | |
| T. ROWE PRICE | 170,946,706.06 | 4.39 | | |
| Total Domestic/Enhanced equity | 170,946,706.06 | 4.39 | | |
| NTGI S&P 500 EQUITY INDEX | 176,365,701.22 | 4.53 | | |
| Total Index | 176,365,701.22 | 4.53 | | |
| Total Domestic | 434,645,922.31 | 11.16 | 12.00 | -0.84 |
| ACADIAN | 137,469,294.01 | 3.53 | | |
| AQR CAPITAL | 148,584,957.26 | 3.81 | | |
| ATIVO | 32,335,982.82 | 0.83 | | |
| BAILLIE GIFFORD | 93,397,762.68 | 2.40 | | |
| EARNST PARTNERS | 114,274,546.59 | 2.93 | | |
| Total International | 526,062,543.36 | 13.51 | 11.50 | 2.01 |
| ARIEL | 47,183,991.98 | 1.21 | | |
| NTAM ACWI IMI | 58,637,519.44 | 1.51 | | |
| WELLINGTON MGMT | 112,404,038.65 | 2.89 | | |
| Total Global Equity | 218,225,550.07 | 5.60 | 5.00 | 0.60 |
| ACADIAN-LVG | 196,419,160.56 | 5.04 | | |
| BLACKROCK | 189,507,571.73 | 4.87 | | |
| SANCTIONED ASSET PORTFOL | 79,626.84 | 0.00 | | |
| Total Global Low Volatility Equity | 386,006,359.13 | 9.91 | 10.00 | -0.09 |
| FAIRVIEW CAPITAL | 112,668,079.00 | 2.89 | | |
| GROSVENOR GCM - CFG | 156,228,917.00 | 4.01 | | |
| HAMILTON LANE | 85,483,428.00 | 2.19 | | |
| Total Private Equity | 354,380,424.00 | 9.10 | 10.00 | -0.90 |
| TOTAL EQUITY | 1,919,320,798.87 | 49.27 | 48.50 | 0.77 |
| FIXED INCOME | | | | |
| GARCIA HAMILTON | 197,880,545.58 | 5.08 | | |
| NTAM AGG BOND INDEX FUND | 202,430,088.33 | 5.20 | | |
| WELLINGTON-CORE BOND | 206,851,202.82 | 5.31 | | |
| Total Core Fixed Income | 607,161,836.73 | 15.59 | 17.50 | -1.91 |
| BLACKROCK-HY | 197,137,123.12 | 5.06 | | |
| OAKTREE | 201,056,602.22 | 5.16 | | |
| Total High Yield | 398,193,725.34 | 10.22 | 10.00 | 0.22 |
| NEUBERGER BERMAN | 169,872,312.68 | 4.36 | | |
| Total Credit Opportunistic | 169,872,312.68 | 4.36 | 4.00 | 0.36 |
| SILVER POINT - DOIP II | 3,197,863.00 | 0.08 | | |
| MGG STRUCTURED SOLUTIONS | 4,857,233.00 | 0.12 | | |
| Total Private Credit | 8,055,096.00 | 0.08 | 2.50 | -2.42 |
| Total Fixed Income | 1,183,282,970.75 | 30.38 | 34.00 | -3.62 |
| REAL ESTATE | | | | |
| CENTERSQUARE-SL | 47,463,579.98 | 1.22 | | |
| Total REITS | 95,595,519.55 | 2.45 | 2.50 | -0.05 |
| ATLANTIC TRUST | 76,915,833.09 | 1.97 | | |
| HARVEST FUND | 83,205,051.09 | 2.14 | | |
| COHEN & STEERS | 49,660,929.53 | 1.27 | | |
| Total Global Listed Infrastructure | 209,781,813.71 | 5.39 | 5.00 | 0.39 |
| AEW PARTNERS | 50,195,242.00 | 1.29 | | |
| BRASA CAPITAL MGMT | 19,940,486.00 | 0.51 | | |
| HEITMAN | 72,255,385.15 | 1.86 | | |
| INVESCO | 51,063,174.47 | 1.31 | | |
| INVESCO - SL | 72,856,948.00 | 1.87 | | |
| LONG WHARF CAPITAL | 10,144,093.00 | 0.26 | | |
| VIRTUS REAL ESTATE CAP | 50,267,238.00 | 1.29 | | |
| Total Real Estate | 326,722,566.62 | 8.39 | | |
| Total Real Assets | 632,099,899.88 | 16.23 | 15.00 | 1.23 |
| DAVIDSON KEMPNER INST PTRS | 55,511,837.00 | 1.43 | | |
| HUDSON BAY CAPITAL | 54,015,117.00 | 1.39 | | |
| Total Diversifying Strategies | 109,526,954.00 | 2.81 | 2.50 | 0.31 |
| CASH ACCOUNT | 50,821,208.24 | 1.30 | | |

TOTAL FUND \$ 3,895,051,831.74 \$ 100.00 \$ 100.00 \$ (0.00)

Gross Actual Allocation



Target Allocation



ASSET ALLOCATION COMPARISON

JULY 31, 2025

| | Market Value | % of Total Fund | Allocation Policy | % Difference from Allocation | Prior Period Market Value | Prior Period % of Total Fund |
|---|-------------------------|-----------------|-------------------|------------------------------|---------------------------|------------------------------|
| Equity | | | | | | |
| CHANNING CAPITAL | 32,934,523.06 | 0.85 | | | 32,218,428.35 | 0.83 |
| SYSTEMATIC | 55,850,597.18 | 1.44 | | | 55,115,086.68 | 1.42 |
| Total Small Cap | 88,785,120.24 | 2.29 | | | 87,333,515.03 | 2.24 |
| T. ROWE PRICE | 174,812,534.27 | 4.50 | | | 170,946,706.06 | 4.39 |
| Total Domestic/Enhanced equity | 174,812,534.27 | 4.50 | | | 170,946,706.06 | 4.39 |
| NTGI S&P 500 EQUITY INDEX | 180,321,332.09 | 4.65 | | | 176,365,701.22 | 4.53 |
| Total Index | 180,321,332.09 | 4.65 | | | 176,365,701.22 | 4.53 |
| Total Domestic | 443,918,986.60 | 11.44 | 12.00 | -0.56 | 434,645,922.31 | 11.16 |
| ACADIAN | 138,907,849.14 | 3.58 | | | 137,469,294.01 | 3.53 |
| AQR CAPITAL | 149,340,304.55 | 3.85 | | | 148,584,957.26 | 3.81 |
| ATIVO | 32,061,104.00 | 0.83 | | | 32,335,982.82 | 0.83 |
| BAILLIE GIFFORD | 91,251,414.82 | 2.35 | | | 93,397,762.68 | 2.40 |
| EARNEST PARTNERS | 115,009,766.20 | 2.96 | | | 114,274,546.59 | 2.93 |
| Total International | 526,570,438.71 | 13.57 | 11.50 | 2.07 | 526,062,543.36 | 13.51 |
| ARIEL | 46,437,783.66 | 1.20 | | | 47,183,991.98 | 1.21 |
| NTAM ACWI IMI | 59,420,098.91 | 1.53 | | | 58,637,519.44 | 1.51 |
| WELLINGTON MGMT | 112,662,767.21 | 2.90 | | | 112,404,038.65 | 2.89 |
| Total Global Equity | 218,520,649.78 | 5.63 | 5.00 | 0.63 | 218,225,550.07 | 5.60 |
| ACADIAN-LVG | 195,071,125.90 | 5.03 | | | 196,419,160.56 | 5.04 |
| BLACKROCK | 186,437,206.97 | 4.80 | | | 189,507,571.73 | 4.87 |
| SANCTIONED ASSET PORTFOL | 79,627.15 | 0.00 | | | 79,626.84 | 0.00 |
| Total Global Low Volatility Equity | 381,587,960.02 | 9.83 | 10.00 | -0.17 | 386,006,359.13 | 9.91 |
| FAIRVIEW CAPITAL | 113,018,079.00 | 2.91 | | | 112,668,079.00 | 2.89 |
| GROSVENOR GCM - CFGI | 156,212,355.00 | 4.02 | | | 156,228,917.00 | 4.01 |
| HAMILTON LANE | 85,520,799.00 | 2.20 | | | 85,483,428.00 | 2.19 |
| Total Private Equity | 354,751,233.00 | 9.14 | 10.00 | -0.86 | 354,380,424.00 | 9.10 |
| Total Equity | 1,925,349,268.11 | 49.60 | 48.50 | 1.10 | 1,919,320,798.87 | 49.27 |
| Fixed Income | | | | | | |
| GARCIA HAMILTON | 196,682,400.42 | 5.07 | | | 197,880,545.58 | 5.08 |
| NTAM AGG BOND INDEX FUND | 201,916,597.91 | 5.20 | | | 202,430,088.33 | 5.20 |
| WELLINGTON-CORE BOND | 207,125,972.10 | 5.34 | | | 206,851,202.82 | 5.31 |
| Total Core Fixed Income | 605,724,970.43 | 15.61 | 17.50 | -1.89 | 607,161,836.73 | 15.59 |
| BLACKROCK-HY | 198,171,537.08 | 5.11 | | | 197,137,123.12 | 5.06 |
| OAKTREE | 202,346,888.67 | 5.21 | | | 201,056,602.22 | 5.16 |
| Total High Yield | 400,518,425.75 | 10.32 | 10.00 | 0.32 | 398,193,725.34 | 10.22 |
| NEUBERGER BERMAN | 171,417,031.68 | 4.42 | | | 169,872,312.68 | 4.36 |
| Total Credit Opportunities | 171,417,031.68 | 4.42 | 4.00 | 0.42 | 169,872,312.68 | 4.36 |
| SILVER POINT - DOIP II | 3,197,863.00 | 0.08 | | | 3,197,863.00 | 0.08 |
| MGG STRUCTURED SOLUTIONS | 4,857,233.00 | 0.13 | | | 4,857,233.00 | 0.12 |
| VISTA CREDIT PARTNERS FUND IV | 2,000,727.00 | 0.05 | | | - | - |
| Total Private Credit | 10,055,823.00 | 0.26 | 2.50 | -2.24 | 8,055,096.00 | 0.21 |
| Total Fixed Income | 1,187,716,250.86 | 30.60 | 34.00 | -3.40 | 1,183,282,970.75 | 30.38 |
| Real Assets | | | | | | |
| ADELANTE CAPITAL | 47,313,611.12 | 1.22 | | | 48,131,939.57 | 1.24 |
| CENTERSQUARE-SL | 47,152,560.15 | 1.21 | | | 47,463,579.98 | 1.22 |
| Total REITS | 94,466,171.27 | 2.43 | 2.50 | -0.07 | 95,595,519.55 | 2.45 |
| ATLANTIC TRUST | 76,659,023.57 | 1.97 | | | 76,915,833.09 | 1.97 |
| HARVEST FUND | 82,191,547.11 | 2.12 | | | 83,205,051.09 | 2.14 |
| COHEN & STEERS | 49,892,839.54 | 1.29 | | | 49,660,929.53 | 1.27 |
| Total Global Listed Infrastructure | 208,743,410.22 | 5.38 | 5.00 | 0.38 | 209,781,813.71 | 5.39 |
| AEW PARTNERS | 50,195,242.00 | 1.29 | | | 50,195,242.00 | 1.29 |
| BRASA CAPITAL MGMT | 19,940,486.00 | 0.51 | | | 19,940,486.00 | 0.51 |
| HEITMAN | 72,750,982.30 | 1.87 | | | 72,255,385.15 | 1.86 |
| INVESCO | 47,419,314.89 | 1.22 | | | 51,063,174.47 | 1.31 |
| INVESCO - SL | 72,807,956.00 | 1.88 | | | 72,856,948.00 | 1.87 |
| LONG WHARF CAPITAL | 10,144,093.00 | 0.26 | | | 10,144,093.00 | 0.26 |
| VIRTUS REAL ESTATE CAP | 50,267,238.00 | 1.30 | | | 50,267,238.00 | 1.29 |
| Total Real Estate | 323,525,312.19 | 8.33 | 7.50 | 0.83 | 326,722,566.62 | 8.39 |
| Total Real Assets | 626,734,893.68 | 16.15 | 15.00 | 1.15 | 632,099,899.88 | 16.23 |
| Diversifying Strategies | | | | | | |
| DAVIDSON KEMPNER INST PTRS | 56,080,779.00 | 1.44 | | | 55,511,837.00 | 1.43 |
| HUDSON BAY CAPITAL | 54,536,680.00 | 1.41 | | | 54,015,117.00 | 1.39 |
| Total Marketable Alternatives | 110,617,459.00 | 2.85 | 2.50 | 0.35 | 109,526,954.00 | 2.81 |
| Total Diversifying Strategies | 110,617,459.00 | 2.85 | 2.50 | 0.35 | 109,526,954.00 | 2.81 |
| Cash | | | | | | |
| | 31,129,652.17 | 0.80 | | | 50,821,208.24 | 1.30 |
| Total Cash Account | 31,129,652.17 | 0.80 | 0.00 | 0.80 | 50,821,208.24 | 1.30 |

| | | | | | | | |
|-------------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|
| TOTAL FUND | \$ | 3,881,547,523.82 | 100.00 | 100.00 | \$ | 3,895,051,831.74 | 100.00 |
|-------------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|

| | | |
|-----------------------------|-----------|-------------------------|
| Market Value YE 2024 | \$ | 3,759,909,949.86 |
|-----------------------------|-----------|-------------------------|

| | |
|--------------------------|------------------------------|
| | Market Value Variance |
| Change from YE 2024: | \$ 121,637,573.96 |
| Change from prior month: | \$ (13,504,307.92) |

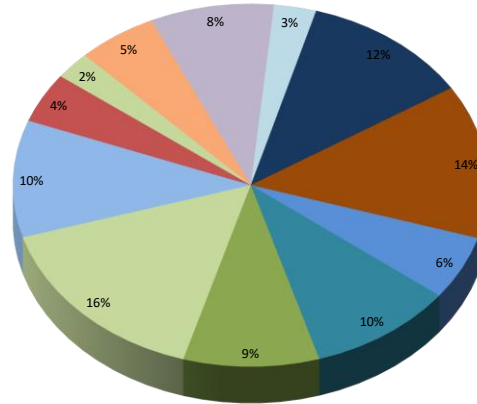
Asset Allocation: Actual vs. Target

JULY 31, 2025

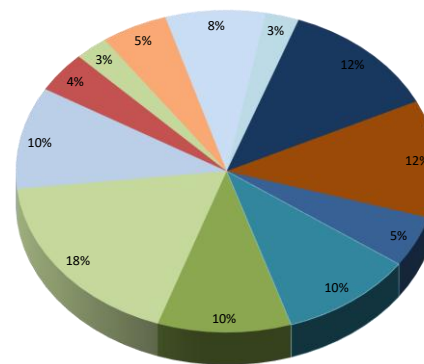
| | Market Value | Gross Actual Allocation | Target Allocation | % Difference from Allocation |
|---|-------------------------|-------------------------|-------------------|------------------------------|
| EQUITY | | | | |
| CHANNING CAPITAL SYSTEMATIC | 32,934,523.06 | 0.85 | | |
| | 55,850,597.18 | 1.44 | | |
| <i>Total Small Cap</i> | 88,785,120.24 | 2.29 | | |
| T. ROWE PRICE | 174,812,534.27 | 4.50 | | |
| <i>Total Domestic/Enhanced equity</i> | 174,812,534.27 | 4.50 | | |
| NTGI S&P 500 EQUITY INDEX | 180,321,332.09 | 4.65 | | |
| <i>Total Index</i> | 180,321,332.09 | 4.65 | | |
| <i>Total Domestic</i> | 443,918,986.60 | 11.44 | 12.00 | -0.56 |
| ACADIAN | 138,907,849.14 | 3.58 | | |
| AQR CAPITAL | 149,340,304.55 | 3.85 | | |
| ATIVO | 32,061,104.00 | 0.83 | | |
| BAILLIE GIFFORD | 91,251,414.82 | 2.35 | | |
| EARNST PARTNERS | 115,009,766.20 | 2.96 | | |
| <i>Total International</i> | 526,570,438.71 | 13.57 | 11.50 | 2.07 |
| ARIEL | 46,437,783.66 | 1.20 | | |
| NTAM ACWI IMI | 59,420,098.91 | 1.53 | | |
| WELLINGTON MGMT | 112,662,767.21 | 2.90 | | |
| <i>Total Global Equity</i> | 218,520,649.78 | 5.63 | 5.00 | 0.63 |
| ACADIAN-LVG | 195,071,125.90 | 5.03 | | |
| BLACKROCK | 186,437,206.97 | 4.80 | | |
| SANCTIONED ASSET PORTFOL | 79,627.15 | 0.00 | | |
| <i>Total Global Low Volatility Equity</i> | 381,587,960.02 | 9.83 | 10.00 | -0.17 |
| FAIRVIEW CAPITAL | 113,018,079.00 | 2.91 | | |
| GROSVENOR GCM - CFGI | 156,212,355.00 | 4.02 | | |
| HAMILTON LANE | 85,520,799.00 | 2.20 | | |
| <i>Total Private Equity</i> | 354,751,233.00 | 9.14 | 10.00 | -0.86 |
| TOTAL EQUITY | 1,925,349,268.11 | 49.60 | 48.50 | 1.10 |
| FIXED INCOME | | | | |
| GARCIA HAMILTON | 196,682,400.42 | 5.07 | | |
| NTAM AGG BOND INDEX FUND | 201,916,597.91 | 5.20 | | |
| WELLINGTON-CORE BOND | 207,125,972.10 | 5.34 | | |
| <i>Total Core Fixed Income</i> | 605,724,970.43 | 15.61 | 17.50 | -1.89 |
| BLACKROCK-HY | 198,171,537.08 | 5.11 | | |
| OAKTREE | 202,346,888.67 | 5.21 | | |
| <i>Total High Yield</i> | 400,518,425.75 | 10.32 | 10.00 | 0.32 |
| NEUBERGER BERMAN | 171,417,031.68 | 4.42 | | |
| <i>Total Credit Opportunistic</i> | 171,417,031.68 | 4.42 | 4.00 | 0.42 |
| SILVER POINT - DOIP II | 3,197,863.00 | 0.08 | | |
| MGG STRUCTURED SOLUTIONS | 4,857,233.00 | 0.13 | | |
| VISTA CREDIT PARTNERS FUND IV | 2,000,727.00 | 0.05 | | |
| <i>Total Private Credit</i> | 10,055,823.00 | 0.26 | 2.50 | -2.24 |
| Total Fixed Income | 1,187,716,250.86 | 30.60 | 34.00 | -3.40 |
| REAL ESTATE | | | | |
| CENTERSQUARE-SL | 47,152,560.15 | 1.21 | | |
| <i>Total REITS</i> | 94,466,171.27 | 2.43 | 2.50 | -0.07 |
| ATLANTIC TRUST | 76,659,023.57 | 1.97 | | |
| HARVEST FUND | 82,191,547.11 | 2.12 | | |
| COHEN & STEERS | 49,892,839.54 | 1.29 | | |
| <i>Total Global Listed Infrastructure</i> | 208,743,410.22 | 5.38 | 5.00 | 0.38 |
| AEW PARTNERS | 50,195,242.00 | 1.29 | | |
| BRASA CAPITAL MGMT | 19,940,486.00 | 0.51 | | |
| HEITMAN | 72,750,982.30 | 1.87 | | |
| INVESCO | 47,419,314.89 | 1.22 | | |
| INVESCO - SL | 72,807,956.00 | 1.88 | | |
| LONG WHARF CAPITAL | 10,144,093.00 | 0.26 | | |
| VIRTUS REAL ESTATE CAP | 50,267,238.00 | 1.30 | | |
| <i>Total Real Estate</i> | 323,525,312.19 | 8.33 | 15.00 | -6.67 |
| Total Real Assets | 626,734,893.68 | 16.15 | 15.00 | 1.15 |
| DAVIDSON KEMPNER INST PTRS | 56,080,779.00 | 1.44 | | |
| HUDSON BAY CAPITAL | 54,536,680.00 | 1.41 | | |
| <i>Total Diversifying Strategies</i> | 110,617,459.00 | 2.85 | 2.50 | 0.35 |
| CASH ACCOUNT | 31,129,652.17 | 0.80 | | |

TOTAL FUND \$ 3,881,547,523.82 \$ 100.00 \$ 100.00 \$ (0.00)

Gross Actual Allocation



Target Allocation



ASSET ALLOCATION COMPARISON

AUGUST 31, 2025

| | Market Value | % of Total Fund | Allocation Policy | % Difference from Allocation | Prior Period Market Value | Prior Period % of Total Fund |
|---|-------------------------|-----------------|-------------------|------------------------------|---------------------------|------------------------------|
| Equity | | | | | | |
| CHANNING CAPITAL | 35,075,383.96 | 0.89 | | | 32,934,523.06 | 0.85 |
| SYSTEMATIC | 59,865,855.03 | 1.53 | | | 55,850,597.18 | 1.44 |
| Total Small Cap | 94,941,238.99 | 2.42 | | | 88,785,120.24 | 2.29 |
| T. ROWE PRICE | 177,747,022.82 | 4.53 | | | 174,812,534.27 | 4.50 |
| Total Domestic/Enhanced equity | 177,747,022.82 | 4.53 | | | 174,812,534.27 | 4.50 |
| NTGI S&P 500 EQUITY INDEX | 183,980,481.31 | 4.69 | | | 180,321,332.09 | 4.65 |
| Total Index | 183,980,481.31 | 4.69 | | | 180,321,332.09 | 4.65 |
| Total Domestic | 456,668,743.12 | 11.64 | 12.00 | -0.36 | 443,918,986.60 | 11.44 |
| ACADIAN | 144,267,117.63 | 3.68 | | | 138,907,849.14 | 3.58 |
| AQR CAPITAL | 153,332,780.28 | 3.91 | | | 149,340,304.55 | 3.85 |
| ATIVO | 33,547,783.97 | 0.85 | | | 32,061,104.00 | 0.83 |
| BAILLIE GIFFORD | 93,094,571.80 | 2.37 | | | 91,251,414.82 | 2.35 |
| EARNST PARTNERS | 117,765,565.71 | 3.00 | | | 115,009,766.20 | 2.96 |
| Total International | 542,007,819.39 | 13.81 | 11.50 | 2.31 | 526,570,438.71 | 13.57 |
| ARIEL | 47,899,632.83 | 1.22 | | | 46,437,783.66 | 1.20 |
| NTAM ACWI IMI | 61,079,484.79 | 1.56 | | | 59,420,098.91 | 1.53 |
| WELLINGTON MGMT | 115,400,814.49 | 2.94 | | | 112,662,767.21 | 2.90 |
| Total Global Equity | 224,379,932.11 | 5.72 | 5.00 | 0.72 | 218,520,649.78 | 5.63 |
| ACADIAN-LVG | 198,360,774.12 | 5.05 | | | 195,071,125.90 | 5.03 |
| BLACKROCK | 190,803,250.04 | 4.86 | | | 186,437,206.97 | 4.80 |
| SANCTIONED ASSET PORTFOL | 79,627.46 | 0.00 | | | 79,627.15 | 0.00 |
| Total Global Low Volatility Equity | 389,243,651.62 | 9.92 | 10.00 | -0.08 | 381,587,960.02 | 9.83 |
| FAIRVIEW CAPITAL | 113,871,507.00 | 2.90 | | | 113,018,079.00 | 2.91 |
| GROSVENOR GCM - CFGI | 155,053,394.00 | 3.95 | | | 156,212,355.00 | 4.02 |
| HAMILTON LANE | 85,520,799.00 | 2.18 | | | 85,520,799.00 | 2.20 |
| Total Private Equity | 354,445,700.00 | 9.03 | 10.00 | -0.97 | 354,751,233.00 | 9.14 |
| Total Equity | 1,966,745,846.24 | 50.12 | 48.50 | 1.62 | 1,925,349,268.11 | 49.60 |
| Fixed Income | | | | | | |
| GARCIA HAMILTON | 199,655,866.72 | 5.09 | | | 196,682,400.42 | 5.07 |
| NTAM AGG BOND INDEX FUND | 204,284,734.68 | 5.21 | | | 201,916,597.91 | 5.20 |
| WELLINGTON-CORE BOND | 209,138,880.39 | 5.33 | | | 207,125,972.10 | 5.34 |
| Total Core Fixed Income | 613,079,481.79 | 15.62 | 17.50 | -1.88 | 605,724,970.43 | 15.61 |
| BLACKROCK-HY | 200,575,125.67 | 5.11 | | | 198,171,537.08 | 5.11 |
| OAKTREE | 204,966,619.82 | 5.22 | | | 202,346,888.67 | 5.21 |
| Total High Yield | 405,541,745.49 | 10.33 | 10.00 | 0.33 | 400,518,425.75 | 10.32 |
| NEUBERGER BERMAN | 173,322,655.81 | 4.42 | | | 171,417,031.68 | 4.42 |
| Total Credit Opportunities | 173,322,655.81 | 4.42 | 4.00 | 0.42 | 171,417,031.68 | 4.42 |
| SILVER POINT - DOIP II | 3,119,512.00 | 0.08 | | | 3,197,863.00 | 0.08 |
| MGG STRUCTURED SOLUTIONS | 5,499,284.00 | 0.14 | | | 4,857,233.00 | 0.13 |
| VISTA CREDIT PARTNERS FUND IV | 2,092,420.00 | 0.05 | | | 2,000,727.00 | 0.05 |
| Total Private Credit | 10,711,216.00 | 0.27 | 2.50 | -2.23 | 10,055,823.00 | 0.26 |
| Total Fixed Income | 1,202,655,099.09 | 30.65 | 34.00 | -3.35 | 1,187,716,250.86 | 30.60 |
| Real Assets | | | | | | |
| ADELANTE CAPITAL | 48,612,157.29 | 1.24 | | | 47,313,611.12 | 1.22 |
| CENTERSQUARE-SL | 49,192,641.41 | 1.25 | | | 47,152,560.15 | 1.21 |
| Total REITS | 97,804,798.70 | 2.49 | 2.50 | -0.01 | 94,466,171.27 | 2.43 |
| ATLANTIC TRUST | 76,761,007.19 | 1.96 | | | 76,659,023.57 | 1.97 |
| HARVEST FUND | 82,386,508.73 | 2.10 | | | 82,191,547.11 | 2.12 |
| COHEN & STEERS | 50,526,021.13 | 1.29 | | | 49,892,839.54 | 1.29 |
| Total Global Listed Infrastructure | 209,673,537.05 | 5.34 | 5.00 | 0.34 | 208,743,410.22 | 5.38 |
| AEW PARTNERS | 42,112,511.00 | 1.07 | | | 50,195,242.00 | 1.29 |
| BRASA CAPITAL MGMT | 19,940,486.00 | 0.51 | | | 19,940,486.00 | 0.51 |
| HEITMAN | 71,482,290.47 | 1.82 | | | 72,750,982.30 | 1.87 |
| INVESCO | 47,419,314.89 | 1.21 | | | 47,419,314.89 | 1.22 |
| INVESCO - SL | 73,605,293.00 | 1.88 | | | 72,807,956.00 | 1.88 |
| LONG WHARF CAPITAL | 10,144,093.00 | 0.26 | | | 10,144,093.00 | 0.26 |
| VIRTUS REAL ESTATE CAP | 51,687,633.00 | 1.32 | | | 50,267,238.00 | 1.30 |
| Total Real Estate | 316,391,621.36 | 8.06 | 7.50 | 0.56 | 323,525,312.19 | 8.33 |
| Total Real Assets | 623,869,957.11 | 15.90 | 15.00 | 0.90 | 626,734,893.68 | 16.15 |
| Diversifying Strategies | | | | | | |
| DAVIDSON KEMPNER INST PTRS | 56,616,230.00 | 1.44 | | | 56,080,779.00 | 1.44 |
| HUDSON BAY CAPITAL | 55,075,729.00 | 1.40 | | | 54,536,680.00 | 1.41 |
| Total Marketable Alternatives | 111,691,959.00 | 2.85 | 2.50 | 0.35 | 110,617,459.00 | 2.85 |
| Total Diversifying Strategies | 111,691,959.00 | 2.85 | 2.50 | 0.35 | 110,617,459.00 | 2.85 |
| Cash | | | | | | |
| | 19,188,612.42 | 0.49 | | | 31,129,652.17 | 0.80 |
| Total Cash Account | 19,188,612.42 | 0.49 | 0.00 | 0.49 | 31,129,652.17 | 0.80 |

| | | | | | | | |
|-------------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|
| TOTAL FUND | \$ | 3,924,151,473.86 | 100.00 | 100.00 | \$ | 3,881,547,523.82 | 100.00 |
|-------------------|-----------|-------------------------|---------------|---------------|-----------|-------------------------|---------------|

Market Value YE 2024

\$3,816,841,092.44

Market Value Variance

| | | |
|--------------------------|----|----------------|
| Change from YE 2024: | \$ | 107,310,381.42 |
| Change from prior month: | \$ | 42,603,950.04 |

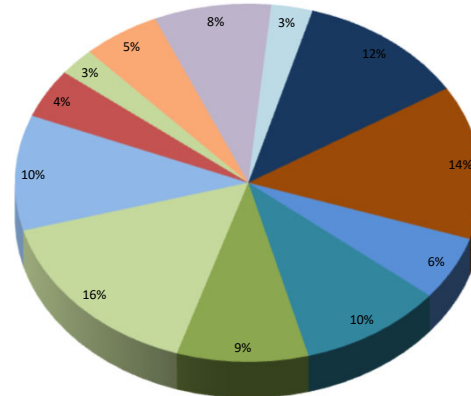
Asset Allocation: Actual vs. Target

AUGUST 31, 2025

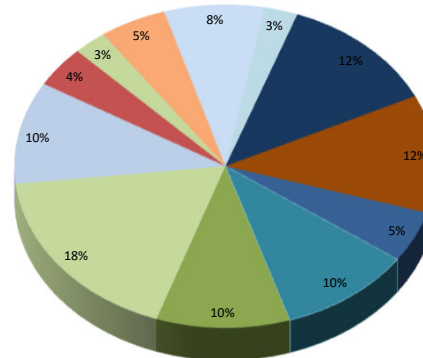
| | Market Value | Gross Actual Allocation | Target Allocation | % Difference from Allocation |
|---|-------------------------|-------------------------|-------------------|------------------------------|
| EQUITY | | | | |
| CHANNING CAPITAL | 35,075,383.96 | 0.89 | | |
| SYSTEMATIC | 59,865,855.03 | 1.53 | | |
| <i>Total Small Cap</i> | 94,941,238.99 | 2.42 | | |
| T. ROWE PRICE | 177,747,022.82 | 4.53 | | |
| <i>Total Domestic/Enhanced equity</i> | 177,747,022.82 | 4.53 | | |
| NTGI S&P 500 EQUITY INDEX | 183,980,481.31 | 4.69 | | |
| <i>Total Index</i> | 183,980,481.31 | 4.69 | | |
| <i>Total Domestic</i> | 456,668,743.12 | 11.64 | 12.00 | -0.36 |
| ACADIAN | 144,267,117.63 | 3.68 | | |
| AQR CAPITAL | 153,332,780.28 | 3.91 | | |
| ATIVO | 33,547,783.97 | 0.85 | | |
| BAILLIE GIFFORD | 93,094,571.80 | 2.37 | | |
| EARNEST PARTNERS | 117,765,565.71 | 3.00 | | |
| <i>Total International</i> | 542,007,819.39 | 13.81 | 11.50 | 2.31 |
| ARIEL | 47,899,632.83 | 1.22 | | |
| NTAM ACWI IMI | 61,079,484.79 | 1.56 | | |
| WELLINGTON MGMT | 115,400,814.49 | 2.94 | | |
| <i>Total Global Equity</i> | 224,379,932.11 | 5.72 | 5.00 | 0.72 |
| ACADIAN-LVG | 198,360,774.12 | 5.05 | | |
| BLACKROCK | 190,803,250.04 | 4.86 | | |
| SANCTIONED ASSET PORTFOL | 79,627.46 | 0.00 | | |
| <i>Total Global Low Volatility Equity</i> | 389,243,651.62 | 9.92 | 10.00 | -0.08 |
| FAIRVIEW CAPITAL | 113,871,507.00 | 2.90 | | |
| GROSVENOR GCM - CFG | 155,053,394.00 | 3.95 | | |
| HAMILTON LANE | 85,520,799.00 | 2.18 | | |
| <i>Total Private Equity</i> | 354,445,700.00 | 9.03 | 10.00 | -0.97 |
| TOTAL EQUITY | 1,966,745,846.24 | 50.12 | 48.50 | 1.62 |
| FIXED INCOME | | | | |
| GARCIA HAMILTON | 199,655,866.72 | 5.09 | | |
| NTAM AGG BOND INDEX FUND | 204,284,734.68 | 5.21 | | |
| WELLINGTON-CORE BOND | 209,138,880.39 | 5.33 | | |
| <i>Total Core Fixed Income</i> | 613,079,481.79 | 15.62 | 17.50 | -1.88 |
| BLACKROCK-HY | 200,575,125.67 | 5.11 | | |
| OAKTREE | 204,966,619.82 | 5.22 | | |
| <i>Total High Yield</i> | 405,541,745.49 | 10.33 | 10.00 | 0.33 |
| NEUBERGER BERMAN | 173,322,655.81 | 4.42 | | |
| <i>Total Credit Opportunistic</i> | 173,322,655.81 | 4.42 | 4.00 | 0.42 |
| SILVER POINT - DOIP II | 3,119,512.00 | 0.08 | | |
| MGG STRUCTURED SOLUTIONS | 5,499,284.00 | 0.14 | | |
| VISTA CREDIT PARTNERS FUND IV | 2,092,420.00 | 0.05 | | |
| <i>Total Private Credit</i> | 10,711,216.00 | 0.27 | 2.50 | -2.23 |
| Total Fixed Income | 1,202,655,099.09 | 30.65 | 34.00 | -3.35 |
| REAL ESTATE | | | | |
| CENTERSQUARE-SL | 49,192,641.41 | 1.25 | | |
| <i>Total REITS</i> | 97,804,798.70 | 2.49 | 2.50 | -0.01 |
| ATLANTIC TRUST | 76,761,007.19 | 1.96 | | |
| HARVEST FUND | 82,386,508.73 | 2.10 | | |
| COHEN & STEERS | 50,526,021.13 | 1.29 | | |
| <i>Total Global Listed Infrastructure</i> | 209,673,537.05 | 5.34 | 5.00 | 0.34 |
| AEW PARTNERS | 42,112,511.00 | 1.07 | | |
| BRASA CAPITAL MGMT | 19,940,486.00 | 0.51 | | |
| HEITMAN | 71,482,290.47 | 1.82 | | |
| INVESCO | 47,419,314.89 | 1.21 | | |
| INVESCO - SL | 73,605,293.00 | 1.88 | | |
| LONG WHARF CAPITAL | 10,144,093.00 | 0.26 | | |
| VIRTUS REAL ESTATE CAP | 51,687,633.00 | 1.32 | | |
| <i>Total Real Estate</i> | 316,391,621.36 | 8.06 | 15.00 | 0.90 |
| Total Real Assets | 623,869,957.11 | 15.90 | 15.00 | 0.90 |
| DAVIDSON KEMPNER INST PTRS | 56,616,230.00 | 1.44 | | |
| HUDSON BAY CAPITAL | 55,075,729.00 | 1.40 | | |
| <i>Total Diversifying Strategies</i> | 111,691,959.00 | 2.85 | 2.50 | 0.35 |
| CASH ACCOUNT | 19,188,612.42 | 0.49 | | |

TOTAL FUND \$ 3,924,151,473.86 \$ 100.00 \$ 100.00 \$ (0.00)

Gross Actual Allocation



Target Allocation



Wilshire

ERF of the City of Dallas

Monthly Investment Summary

June 30, 2025

Monthly Index Performance

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | |
|---|-----------------------------|-------|-----------|------------|------------|-------------|
| | 1 Month | YTD | 1 Year | 3 Years | 5 Years | 10 Years |
| U.S. Equity | | | | | | |
| FT Wilshire 5000 Index | 5.12 | 5.73 | 15.21 | 19.08 | 16.16 | 13.18 |
| S&P 500 Index | 5.09 | 6.20 | 15.16 | 19.71 | 16.64 | 13.65 |
| FT Wilshire 4500 Index | 4.14 | -0.50 | 9.94 | 11.80 | 12.06 | 8.51 |
| MSCI USA Minimum Volatility Index | 0.70 | 6.52 | 13.84 | 12.11 | 11.01 | 10.99 |
| U.S. Equity by Size/Style | | | | | | |
| FT Wilshire U.S. Large Cap Index | 5.25 | 6.64 | 16.00 | 20.17 | 16.74 | 13.87 |
| FT Wilshire US Large Cap Growth Index | 6.61 | 6.96 | 18.12 | 26.99 | 18.53 | 16.86 |
| FT Wilshire US Large Cap Value Index | 3.83 | 6.59 | 14.00 | 13.55 | 14.65 | 10.67 |
| FT Wilshire U.S. Small Cap Index | 3.86 | -0.10 | 10.12 | 12.50 | 12.42 | 8.80 |
| FT Wilshire US Small Cap Growth Index | 3.98 | -0.29 | 10.81 | 13.11 | 9.19 | 8.80 |
| FT Wilshire US Small Cap Value Index | 3.74 | 0.06 | 9.33 | 11.89 | 15.53 | 8.56 |
| FT Wilshire U.S. Micro Cap Index | 6.37 | -3.69 | 8.42 | 6.19 | 9.04 | 6.28 |
| Non-U.S. Equity (USD) | | | | | | |
| MSCI AC World ex USA (Net) | 3.39 | 17.90 | 17.72 | 13.99 | 10.13 | 6.12 |
| MSCI ACWI ex USA Minimum Volatility Index (Net) | 2.14 | 14.65 | 19.90 | 11.15 | 8.03 | 5.79 |
| MSCI EAFE (Net) | 2.20 | 19.45 | 17.73 | 15.97 | 11.16 | 6.51 |
| MSCI Emerging Markets (Net) | 6.01 | 15.27 | 15.29 | 9.70 | 6.81 | 4.81 |
| MSCI AC World ex USA Small Cap (Net) | 4.90 | 17.68 | 18.34 | 13.46 | 10.74 | 6.54 |
| U.S. Fixed Income | | | | | | |
| Blmbg. U.S. Aggregate Index | 1.54 | 4.02 | 6.08 | 2.55 | -0.73 | 1.76 |
| Blmbg. U.S. Treasury: Long | 2.50 | 3.08 | 1.56 | -3.69 | -8.22 | 0.14 |
| Blmbg. U.S. Long Corporate Index | 3.02 | 3.64 | 5.19 | 2.77 | -2.34 | 3.06 |
| Blmbg. U.S. TIPS Index | 0.95 | 4.67 | 5.84 | 2.34 | 1.61 | 2.67 |
| Blmbg. U.S. Credit Index | 1.83 | 4.22 | 6.83 | 4.19 | 0.12 | 2.80 |
| Blmbg. U.S. Corp: High Yield Index | 1.84 | 4.57 | 10.29 | 9.93 | 5.97 | 5.38 |
| Morningstar LSTA U.S. Leveraged Loan | 0.80 | 2.81 | 7.29 | 9.69 | 7.45 | 5.15 |

Asset Allocation & Performance

Dallas Total Fund

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-----------|-------|--------|---------|---------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Global Equity Composite | 4.39 | 10.73 | 10.56 | 16.90 | 15.60 | 12.16 | 9.77 | 9/1/2012 | 218,225,550 | 5.60 |
| Global Low Volatility Composite | 1.36 | 4.99 | 10.80 | 18.32 | 12.42 | 10.19 | 8.32 | 7/1/2015 | 385,926,732 | 9.91 |
| Domestic Equity Composite | 5.09 | 10.14 | 3.84 | 12.09 | 17.13 | 16.36 | 10.60 | 1/1/1990 | 434,645,922 | 11.16 |
| International Equity Composite | 3.67 | 13.60 | 20.62 | 21.24 | 15.90 | 11.96 | 6.08 | 1/1/1990 | 526,062,543 | 13.51 |
| Fixed Income Composite | 1.51 | 0.94 | 4.00 | 5.94 | 2.50 | -0.20 | 4.26 | 10/1/1995 | 607,161,879 | 15.59 |
| High Yield Composite | 1.81 | 3.61 | 4.31 | 9.45 | 9.77 | 6.12 | 6.19 | 1/1/1997 | 398,193,725 | 10.22 |
| Credit Opportunities Composite | 1.53 | 2.56 | 3.88 | 9.25 | 9.56 | 5.34 | 5.40 | 2/1/2016 | 169,872,313 | 4.36 |
| Private Credit Composite | 0.00 | 1.44 | 2.78 | 17.35 | | | 15.91 | 6/1/2024 | 8,055,096 | 0.21 |
| Total Real Estate Composite | -0.11 | 0.86 | 0.72 | 3.56 | 0.35 | 6.44 | 6.36 | 1/1/1990 | 422,318,086 | 10.84 |
| Global Listed Infrastructure Composite | 2.81 | -0.72 | 6.03 | 21.17 | 20.77 | 21.16 | 7.45 | 1/1/2012 | 209,781,814 | 5.39 |
| Private Equity Composite | 1.20 | 1.63 | 1.80 | 3.15 | 1.64 | 11.64 | 12.40 | 6/1/2009 | 354,380,424 | 9.10 |
| Marketable Alternatives Composite | 1.07 | 0.88 | 3.45 | 9.56 | | | 7.40 | 10/1/2022 | 109,526,954 | 2.81 |
| Managed Short Term Composite | 0.58 | 1.29 | 2.33 | 4.94 | 4.66 | 2.83 | 2.89 | 1/1/1990 | 50,821,208 | 1.30 |
| Dallas Total Fund | 2.18 | 4.70 | 6.45 | 11.22 | 9.12 | 9.00 | 8.77 | 1/1/1985 | 3,894,972,247 | 100.00 |
| Policy Index | 1.98 | 4.72 | 6.28 | 12.13 | 10.70 | 9.27 | 9.34 | | | |

Asset Allocation & Performance

Domestic Equity

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Systematic Financial | 4.11 | 5.50 | -3.88 | 2.48 | 9.83 | 13.56 | 10.11 | 8/1/2003 | 55,115,087 | 12.68 |
| Russell 2000 Index | 5.44 | 8.50 | -1.79 | 7.68 | 10.00 | 10.04 | 8.62 | | | |
| Channing Capital | 7.56 | 10.43 | -2.87 | 4.34 | 8.31 | 12.09 | 6.59 | 12/1/2013 | 32,218,428 | 7.41 |
| Russell 2000 Value Index | 4.95 | 4.97 | -3.16 | 5.54 | 7.45 | 12.47 | 6.39 | | | |
| Domestic Equity Small Cap Composite | | | | | | | | 6/1/2003 | 87,333,515 | 20.09 |
| T. Rowe Price | 4.97 | 10.82 | 5.53 | 14.00 | 21.09 | 17.57 | 11.24 | 4/1/2006 | 170,946,706 | 39.33 |
| S&P 500 Index | 5.09 | 10.94 | 6.20 | 15.16 | 19.71 | 16.64 | 10.61 | | | |
| Northern Trust S&P 500 (Lending) | 5.08 | 10.94 | 6.20 | 15.15 | 19.69 | 16.61 | 10.99 | 1/1/1995 | 176,365,701 | 40.58 |
| S&P 500 Index | 5.09 | 10.94 | 6.20 | 15.16 | 19.71 | 16.64 | 10.95 | | | |
| Domestic Equity Composite | 5.09 | 10.14 | 3.84 | 12.09 | 17.13 | 16.36 | 10.60 | 1/1/1990 | 434,645,922 | 100.00 |
| Custom Benchmark ¹ | 5.12 | 11.11 | 5.73 | 15.21 | 19.10 | 16.16 | 10.84 | | | |
| Domestic Equity Blended Benchmark ² | 5.13 | 10.27 | 4.50 | 13.68 | 16.60 | 14.64 | | | | |

¹ Domestic Equity Composite Custom Benchmark: FT Wilshire 5000 (2Q99-Present); S&P 500 (1Q90-1Q99)

² Blended Benchmark is a target-weighted blend of individual manager benchmarks. For comparison purposes only and does not roll into Total Fund Policy.

Asset Allocation & Performance

International Equity

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian International Custom Benchmark ¹ | 4.96 4.90 | 18.52 16.93 | 21.12 17.68 | 22.29 18.34 | 15.26 13.46 | 13.89 10.74 | 8.61 6.15 | 4/1/1989 | 137,469,294 | 26.13 |
| Ativo International MSCI EAFE (Net) | 2.15 2.20 | 11.90 11.78 | 22.46 19.45 | 20.27 17.73 | 15.03 15.97 | 10.24 11.16 | 5.59 6.31 | 1/1/2018 | 32,335,983 | 6.15 |
| AQR Capital Management Custom Benchmark ² | 3.51 3.39 | 10.62 12.03 | 22.40 17.90 | 21.86 17.72 | 17.39 13.99 | 11.99 10.13 | 4.84 4.25 | 4/1/2006 | 148,584,957 | 28.24 |
| Baillie Gifford MSCI AC World ex USA (Net) | 2.22 3.39 | 14.02 12.03 | 17.95 17.90 | 19.07 17.72 | 15.03 13.99 | 6.16 10.13 | 7.45 7.68 | 4/1/2019 | 93,397,763 | 17.75 |
| Earnest Partners MSCI AC World ex USA (Net) | 3.99 3.39 | 12.41 12.03 | 19.10 17.90 | 21.05 17.72 | 15.57 13.99 | 14.90 10.13 | 10.12 7.68 | 4/1/2019 | 114,274,547 | 21.72 |
| International Equity Composite Custom Benchmark ³ | 3.67 3.60 | 13.60 12.71 | 20.62 17.88 | 21.24 17.83 | 15.90 13.92 | 11.96 10.20 | 6.08 5.02 | 1/1/1990 | 526,062,543 | 100.00 |

¹ Acadian Custom Benchmark: MSCI ACWI x-US Small Cap (3Q09-Present); MSCI EAFE Small Cap (4Q99-2Q09); S&P/Citigroup Eur/Pac EMI Index (2Q96-3Q99); MSCI EAFE (2Q89-1Q96)

² AQR Custom Benchmark: MSCI ACWI x-US (2Q10-Present); MSCI EAFE (1Q06-1Q10)

³ International Equity Composite Custom Benchmark: MSCI ACWI x-US IMI (2Q10-Present); MSCI ACWI x-US (1Q99-1Q10); Wilshire Non-US/Non-SA (2Q96-4Q98; MSCI EAFE (4Q89-1Q96)

Asset Allocation & Performance

Global Equity

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---------------------------------|-----------------------------|--------------|--------------|--------------|--------------|--------------|-----------------|------------------|--------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Ariel Global | 4.45 | 7.83 | 14.27 | 18.03 | 11.33 | 10.71 | 8.02 | 1/1/2018 | 47,183,992 | 21.62 |
| MSCI AC World Index (Net) | 4.49 | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 9.96 | | | |
| MSCI AC World Index Value (Net) | 3.81 | 5.84 | 10.88 | 15.62 | 13.14 | 12.99 | 6.72 | | | |
| NT ACWI IMI Fund | 4.55 | 11.65 | 10.08 | | | | 8.80 | 10/1/2024 | 58,637,519 | 26.87 |
| MSCI AC World IMI Index (Net) | 4.53 | 11.62 | 9.82 | | | | 8.47 | | | |
| Wellington | 4.28 | 11.51 | 9.31 | 14.94 | 19.20 | 12.89 | 11.58 | 9/1/2012 | 112,404,039 | 51.51 |
| MSCI AC World Index (Net) | 4.49 | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 10.53 | | | |
| Global Equity Composite | 4.39 | 10.73 | 10.56 | 16.90 | 15.60 | 12.16 | 9.77 | 9/1/2012 | 218,225,550 | 100.00 |
| MSCI AC World Index (Net) | 4.49 | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 10.53 | | | |

Asset Allocation & Performance

Global Low Volatility

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian Global Low Vol. | 1.70 | 7.08 | 12.12 | 20.71 | 14.31 | 11.70 | 8.68 | 7/1/2015 | 196,419,161 | 50.90 |
| MSCI AC World Index (Net) | 4.49 | 11.53 | 10.05 | 16.17 | 17.35 | 13.65 | 9.99 | | | |
| MSCI AC World Minimum Volatility Index (Net) | 0.95 | 2.95 | 9.33 | 15.88 | 10.17 | 8.36 | 7.65 | | | |
| BlackRock Global Low Vol. | 1.02 | 2.92 | 9.50 | 15.96 | 10.53 | 8.69 | 7.94 | 7/1/2015 | 189,507,572 | 49.10 |
| MSCI AC World Minimum Volatility Index (Net) | 0.95 | 2.95 | 9.33 | 15.88 | 10.17 | 8.36 | 7.65 | | | |
| Global Low Volatility Composite | 1.36 | 4.99 | 10.80 | 18.32 | 12.42 | 10.19 | 8.32 | 7/1/2015 | 385,926,732 | 100.00 |
| MSCI AC World Minimum Volatility Index (Net) | 0.95 | 2.95 | 9.33 | 15.88 | 10.17 | 8.36 | 7.65 | | | |

Private Equity Summary

Periods Ended as of June 30, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Hamilton Lane Secondary Fund II | 4,589 | 25,000,000 | 22,058,532 | 31,298,964 | Jul-09 | 13.4% | 1.4 |
| Hamilton Lane Secondary Fund III | 127,461 | 30,000,000 | 23,372,292 | 29,807,176 | Nov-12 | 8.7% | 1.3 |
| Hamilton Lane Secondary Fund IV | 8,743,777 | 30,000,000 | 25,907,343 | 30,952,910 | Mar-17 | 14.1% | 1.5 |
| Hamilton Lane Secondary Fund V | 44,481,558 | 65,000,000 | 43,128,993 | 22,309,049 | Mar-20 | 13.6% | 1.5 |
| Hamilton Lane Secondary Fund VI-A | 12,218,195 | 30,000,000 | 11,211,545 | 2,978,825 | Feb-23 | 32.2% | 1.4 |
| Hamilton Lane Fund VII Composite | 8,305,811 | 50,000,000 | 45,600,834 | 58,414,898 | Jan-10 | 5.1% | 1.5 |
| Hamilton Lane Fund VIII (Global) | 11,602,037 | 30,000,000 | 22,270,594 | 21,603,872 | Nov-12 | 6.1% | 1.5 |
| GCM Grosvenor - Partnership, L.P. | 18,475,560 | 75,000,000 | 95,722,822 | 141,900,528 | Jun-11 | 13.9% | 1.7 |
| GCM Grosvenor - Partnership II, L.P. (2014) | 29,605,434 | 60,000,000 | 73,566,185 | 85,410,872 | Jul-14 | 13.7% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2015) | 62,047,705 | 55,000,000 | 49,450,168 | 16,236,253 | Dec-15 | 13.5% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2017) | 29,714,565 | 30,000,000 | 32,380,286 | 17,644,180 | Jan-18 | 12.0% | 1.5 |
| GCM Grosvenor - Advance Fund, L.P. | 8,486,288 | 10,000,000 | 7,362,810 | 345,493 | Jun-21 | 8.7% | 1.2 |
| GCM Grosvenor - Partnership II, L.P. (2022) | 7,899,365 | 20,000,000 | 7,070,263 | 5,461 | May-22 | 4.2% | 1.1 |
| Fairview Capital - Lone Star Fund I | 48,911,992 | 40,000,000 | 33,903,847 | 21,600,300 | Aug-15 | 12.2% | 2.1 |
| Fairview Capital - Lone Star Fund II | 34,736,482 | 30,000,000 | 23,900,777 | 8,195,837 | Dec-18 | 13.4% | 1.8 |
| Fairview Capital - Lone Star Fund III - A | 20,619,819 | 25,000,000 | 20,016,616 | 1,135,551 | Apr-21 | 2.6% | 1.1 |
| Fairview Capital - Lone Star Fund III - B | 3,701,699 | 20,000,000 | 4,173,406 | - | Dec-22 | -25.5% | 0.9 |
| Fairview Capital - Private Markets Fund VI | 4,698,087 | 10,000,000 | 4,886,841 | 210,556 | Apr-22 | 0.4% | 1.0 |
| Total Private Equity Composite | 354,380,424 | 635,000,000 | 545,984,153 | 490,050,725 | Jul-09 | 12.1% | 1.5 |

Public Market Equivalent (PME) ²

694,101,085

17.3%

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly S&P 500 index returns, plus a 300 BPs annual hurdle rate.

Private Real Estate Summary

Periods Ended as of June 30, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Invesco II | 72,856,948 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |
| Total Direct Private Real Estate | 72,856,948 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|---------------------------------------|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| Heitman America Real Estate Trust | 72,255,385 | 75,000,000 | 88,210,161 | 113,377,125 | Dec-10 | 6.3% | 2.1 |
| Invesco Core Real Estate USA | 51,063,174 | 75,000,000 | 76,921,500 | 111,521,839 | Oct-10 | 9.8% | 2.1 |
| Total Core Private Real Estate | 123,318,560 | 150,000,000 | 165,131,661 | 224,898,964 | Oct-10 | 8.2% | 2.1 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|--|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| AEW Partners Real Estate Fund IX | 41,201,935 | 45,000,000 | 38,222,222 | 4,627,758 | Mar-21 | 6.7% | 1.2 |
| AEW PIX MM Co-Invest | 4,469,074 | 10,000,000 | 5,422,642 | 965,657 | Nov-21 | 0.9% | 1.0 |
| AEW PIX Oakland Park Co-Invest | 4,524,233 | 5,000,000 | 5,000,000 | 764,960 | Feb-22 | 1.2% | 1.1 |
| Virtus Real Estate Capital III | 50,267,238 | 43,281,585 | 44,340,405 | 5,459,897 | Jan-21 | 7.7% | 1.3 |
| Brasa Real Estate Fund II | 19,940,486 | 20,000,000 | 19,681,894 | 1,133,526 | Jul-22 | 3.6% | 1.1 |
| Long Wharf Real Estate Partners VII | 10,144,093 | 20,000,000 | 13,310,272 | 3,191,283 | Mar-23 | -2.2% | 1.0 |
| Total Value-Add Private Real Estate | 130,547,059 | 143,281,585 | 125,977,435 | 16,143,081 | Jan-21 | 6.0% | 1.2 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

Private Credit Summary

Periods Ended as of June 30, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---------------------------------------|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Silver Point DOF II | 3,197,863 | 20,000,000 | 2,702,822 | 96,002 | May-24 | 32.7% | 1.2 |
| MGG Structured Solutions | 4,857,233 | 20,000,000 | 4,920,262 | 273,483 | Jul-24 | 5.0% | 1.0 |
| Total Private Credit Composite | 8,055,096 | 40,000,000 | 7,623,084 | 369,485 | May-24 | 14.2% | 1.1 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = *(market value + distributions) / capital called*

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly S&P 500 index returns, plus a 300 BPs annual hurdle rate.

Asset Allocation & Performance

Real Estate

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-----------|-------|--------|---------|---------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Adelante Capital Management | -0.33 | -0.55 | 2.37 | 12.48 | 6.46 | 9.53 | 9.04 | 10/1/2001 | 48,131,940 | 50.35 |
| Adelante Blended Policy ¹ | -0.54 | -1.16 | -0.25 | 9.07 | 5.76 | 8.71 | 8.99 | | | |
| CenterSquare | -0.66 | -1.01 | -0.51 | 10.37 | 5.79 | 9.28 | 7.23 | 6/1/2018 | 47,463,580 | 49.65 |
| CenterSquare Blended Policy ¹ | -0.54 | -1.16 | -0.25 | 9.07 | 5.76 | 8.71 | 6.23 | | | |
| REIT Composite | -0.49 | -0.78 | 0.92 | 11.42 | 6.13 | 9.40 | 9.10 | 10/1/2001 | 95,595,520 | 100.00 |
| REIT Composite Blended Policy ¹ | -0.54 | -1.16 | -0.25 | 9.07 | 5.76 | 8.71 | 8.99 | | | |

¹ Blended Policy: Wilshire U.S. Real Estate Securities Index (Inception-4Q24); FTSE NAREIT Equity REIT Index (1Q25-Present)

Asset Allocation & Performance

Global Listed Infrastructure

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|-------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| CIBC | 3.48 | -2.86 | 4.39 | 24.78 | 28.80 | 29.17 | 10.10 | 1/1/2012 | 76,915,833 | 36.66 |
| CIBC Policy ¹ | 2.51 | -1.19 | 5.08 | 30.79 | 33.30 | 32.29 | 7.15 | | | |
| Harvest Fund Advisors MLP | 3.26 | -1.00 | 6.09 | 23.37 | 28.14 | 30.27 | 10.07 | 1/1/2012 | 83,205,051 | 39.66 |
| Harvest Policy ² | 2.51 | -1.19 | 5.08 | 30.79 | 33.30 | 32.29 | 7.15 | | | |
| C&S Global Listed Infrastructure | 1.06 | 3.30 | 8.57 | 15.96 | 7.47 | | 8.22 | 10/1/2020 | 49,660,930 | 23.67 |
| FTSE Global Core Infrastructure 50/50 (Net) | 0.90 | 4.29 | 9.30 | 17.03 | 6.66 | | 8.14 | | | |
| Global Listed Infrastructure Composite | 2.81 | -0.72 | 6.03 | 21.17 | 20.77 | 21.16 | 7.45 | 1/1/2012 | 209,781,814 | 100.00 |
| Global Listed Infrastructure Benchmark ³ | 2.11 | 0.21 | 6.18 | 27.51 | 26.40 | 25.28 | 5.01 | | | |

¹ CIBC Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

² Harvest Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

³ Global Listed Infrastructure Benchmark: 75% Alerian Midstream Energy Index / 25% FTSE Global Core Infrastructure 50/50 (5/24-Present)
75% Alerian MLP / 25% FTSE Global Core Infrastructure 50/50 (4Q20-4/24); Alerian MLP (1Q12-3Q20)

Asset Allocation & Performance

Fixed Income

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--------------------------------|-----------------------------|--------------|-------------|-------------|-------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Garcia Hamilton | 1.82 | 1.12 | 4.69 | 6.26 | 2.03 | -0.64 | 2.11 | 11/1/2013 | 197,880,546 | 32.59 |
| Blmbg. U.S. Aggregate Index | 1.54 | 1.21 | 4.02 | 6.08 | 2.55 | -0.73 | 1.92 | | | |
| NT Aggregate Bond Index | 1.55 | 1.22 | 4.03 | | | | 0.87 | 10/1/2024 | 202,430,088 | 33.34 |
| Blmbg. U.S. Aggregate Index | 1.54 | 1.21 | 4.02 | | | | 0.84 | | | |
| Wellington Core Bond | 1.17 | 0.51 | 3.37 | 5.61 | 2.97 | | 2.97 | 7/1/2022 | 206,851,203 | 34.07 |
| Blmbg. U.S. Aggregate Index | 1.54 | 1.21 | 4.02 | 6.08 | 2.55 | | 2.55 | | | |
| Fixed Income Composite | 1.51 | 0.94 | 4.00 | 5.94 | 2.50 | -0.20 | 4.26 | 10/1/1995 | 607,161,879 | 100.00 |
| Blmbg. U.S. Aggregate Index | 1.54 | 1.21 | 4.02 | 6.08 | 2.55 | -0.73 | 4.29 | | | |

Asset Allocation & Performance

Opportunistic Credit

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|---|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Neuberger Berman | 1.53 | 2.56 | 3.88 | 9.25 | 9.56 | 5.34 | 5.40 | 2/1/2016 | 169,872,313 | |
| Custom Benchmark ¹ | 1.69 | 3.07 | 4.33 | 9.18 | 9.53 | 5.13 | 5.51 | | | |

¹ Custom Benchmark: 33% Morningstar LSTA U.S. Leveraged Loan Index / 33% ICE BofA U.S. High Yield Constrained Index / 33% JPM EMBI Global Diversified

Asset Allocation & Performance

High Yield

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-----------------------------------|-----------------------------|--------------|-------------|-------------|--------------|-------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Oaktree Capital Management | 1.78 | 3.31 | 4.00 | 9.26 | 9.55 | 6.10 | 6.32 | 2/1/1997 | 201,056,602 | 50.49 |
| FTSE High Yield Cash Pay | 1.79 | 3.61 | 4.62 | 10.44 | 9.99 | 6.15 | 6.47 | | | |
| BlackRock | 1.85 | 3.92 | 4.64 | 9.65 | 10.01 | 6.13 | 6.03 | 10/1/2006 | 197,137,123 | 49.51 |
| FTSE High Yield Cash Pay | 1.79 | 3.61 | 4.62 | 10.44 | 9.99 | 6.15 | 6.33 | | | |
| High Yield Composite | 1.81 | 3.61 | 4.31 | 9.45 | 9.77 | 6.12 | 6.19 | 1/1/1997 | 398,193,725 | 100.00 |
| FTSE High Yield Cash Pay | 1.79 | 3.61 | 4.62 | 10.44 | 9.99 | 6.15 | 6.48 | | | |

Asset Allocation & Performance

Marketable Alternatives

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|-------------|--------------|------------|------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Davidson Kempner | 1.07 | 1.39 | 4.42 | 10.62 | | | 7.93 | 10/1/2022 | 55,511,837 | 50.68 |
| HFRI Event-Driven Total Index | 2.73 | 1.17 | 1.65 | 8.94 | | | 9.23 | | | |
| Hudson Bay Capital | 1.07 | 0.37 | 2.47 | 8.50 | | | 6.87 | 10/1/2022 | 54,015,117 | 49.32 |
| HFRI Relative Value Total Index | 0.81 | 0.64 | 2.67 | 7.65 | | | 7.11 | | | |
| Marketable Alternatives Composite | 1.07 | 0.88 | 3.45 | 9.56 | | | 7.40 | 10/1/2022 | 109,526,954 | 100.00 |
| Marketable Alternatives Policy ¹ | 1.77 | 0.91 | 2.16 | 8.31 | | | 8.19 | | | |

¹ Marketable Alternatives Policy: 50% HFRI Event-Driven Total Index / 50% HFRI Relative Value Total Index

Asset Allocation & Performance

Cash

Periods Ended June 30, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Cash Account | 0.33 | 1.04 | 2.07 | 4.68 | 4.57 | 2.77 | 3.19 | 1/1/1988 | 50,821,208 | 100.00 |
| Managed Short Term Composite | 0.58 | 1.29 | 2.33 | 4.94 | 4.66 | 2.83 | 2.89 | 1/1/1990 | 50,821,208 | 100.00 |

Wilshire

ERF of the City of Dallas

Monthly Investment Summary

July 31, 2025

Monthly Index Performance

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | |
|---|-----------------------------|-------|-----------|------------|------------|-------------|
| | 1 Month | YTD | 1 Year | 3 Years | 5 Years | 10 Years |
| U.S. Equity | | | | | | |
| FT Wilshire 5000 Index | 2.25 | 8.12 | 15.67 | 16.38 | 15.40 | 13.23 |
| S&P 500 Index | 2.24 | 8.59 | 16.33 | 17.10 | 15.88 | 13.66 |
| FT Wilshire 4500 Index | 1.75 | 1.24 | 4.38 | 8.80 | 11.52 | 8.77 |
| MSCI USA Minimum Volatility Index | -1.30 | 5.14 | 8.31 | 9.78 | 9.75 | 10.41 |
| U.S. Equity by Size/Style | | | | | | |
| FT Wilshire U.S. Large Cap Index | 2.32 | 9.12 | 17.35 | 17.52 | 15.95 | 13.89 |
| FT Wilshire US Large Cap Growth Index | 4.38 | 11.65 | 25.39 | 23.83 | 17.85 | 16.97 |
| FT Wilshire US Large Cap Value Index | 0.10 | 6.70 | 9.49 | 11.21 | 13.76 | 10.57 |
| FT Wilshire U.S. Small Cap Index | 1.74 | 1.63 | 5.11 | 9.45 | 11.82 | 9.02 |
| FT Wilshire US Small Cap Growth Index | 2.09 | 1.79 | 7.66 | 9.95 | 8.38 | 9.04 |
| FT Wilshire US Small Cap Value Index | 1.41 | 1.46 | 2.58 | 8.95 | 15.21 | 8.78 |
| FT Wilshire U.S. Micro Cap Index | 1.81 | -1.95 | -1.31 | 3.56 | 8.87 | 6.78 |
| Non-U.S. Equity (USD) | | | | | | |
| MSCI AC World ex USA (Net) | -0.29 | 17.56 | 14.73 | 12.61 | 9.11 | 6.12 |
| MSCI ACWI ex USA Minimum Volatility Index (Net) | -1.27 | 13.20 | 12.89 | 9.81 | 7.18 | 5.55 |
| MSCI EAFE (Net) | -1.40 | 17.77 | 12.77 | 13.57 | 10.34 | 6.14 |
| MSCI Emerging Markets (Net) | 1.95 | 17.51 | 17.18 | 10.50 | 5.40 | 5.77 |
| MSCI AC World ex USA Small Cap (Net) | 0.16 | 17.87 | 14.19 | 11.42 | 9.70 | 6.76 |
| U.S. Fixed Income | | | | | | |
| Blmbg. U.S. Aggregate Index | -0.26 | 3.75 | 3.38 | 1.64 | -1.07 | 1.66 |
| Blmbg. U.S. Treasury: Long | -0.90 | 2.15 | -2.83 | -4.82 | -9.14 | -0.30 |
| Blmbg. U.S. Long Corporate Index | -0.07 | 3.57 | 1.89 | 1.15 | -3.52 | 2.89 |
| Blmbg. U.S. TIPS Index | 0.12 | 4.79 | 4.12 | 0.94 | 1.17 | 2.66 |
| Blmbg. U.S. Credit Index | 0.05 | 4.28 | 4.43 | 3.17 | -0.47 | 2.74 |
| Blmbg. U.S. Corp: High Yield Index | 0.45 | 5.04 | 8.67 | 8.01 | 5.09 | 5.49 |
| Morningstar LSTA U.S. Leveraged Loan | 0.88 | 3.71 | 7.50 | 9.24 | 7.22 | 5.24 |

Asset Allocation & Performance

Dallas Total Fund

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-----------|-------|--------|---------|---------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Global Equity Composite | 0.14 | 9.83 | 10.71 | 15.40 | 14.37 | 11.24 | 9.71 | 9/1/2012 | 218,520,588 | 5.63 |
| Global Low Volatility Composite | -1.15 | 2.50 | 9.53 | 12.48 | 10.82 | 9.11 | 8.13 | 7/1/2015 | 381,554,739 | 9.83 |
| Domestic Equity Composite | 2.13 | 13.94 | 6.06 | 11.48 | 14.56 | 15.64 | 10.64 | 1/1/1990 | 443,918,987 | 11.43 |
| International Equity Composite | 0.06 | 9.97 | 20.73 | 19.14 | 14.20 | 10.78 | 6.07 | 1/1/1990 | 526,596,567 | 13.56 |
| Fixed Income Composite | -0.33 | 0.39 | 3.82 | 2.81 | 1.47 | -0.65 | 4.23 | 10/1/1995 | 606,142,280 | 15.61 |
| High Yield Composite | 0.58 | 3.90 | 4.92 | 8.12 | 7.83 | 5.23 | 6.19 | 1/1/1997 | 400,518,395 | 10.32 |
| Credit Opportunities Composite | 0.57 | 3.67 | 4.82 | 8.57 | 9.12 | 4.69 | 5.45 | 2/1/2016 | 171,416,966 | 4.42 |
| Private Credit Composite | 0.00 | 1.44 | 2.78 | 17.34 | | | 14.70 | 6/1/2024 | 10,055,823 | 0.26 |
| Total Real Estate Composite | -0.07 | 0.66 | 0.61 | 2.63 | -0.91 | 6.12 | 6.34 | 1/1/1990 | 418,040,475 | 10.77 |
| Global Listed Infrastructure Composite | -0.49 | 3.97 | 5.50 | 15.97 | 17.01 | 21.36 | 7.36 | 1/1/2012 | 208,743,410 | 5.38 |
| Private Equity Composite | -0.04 | 0.88 | 1.77 | 3.15 | 0.69 | 11.83 | 12.33 | 6/1/2009 | 354,980,026 | 9.14 |
| Marketable Alternatives Composite | 1.00 | 2.08 | 4.48 | 10.00 | | | 7.55 | 10/1/2022 | 110,617,459 | 2.85 |
| Managed Short Term Composite | 0.35 | 1.04 | 2.43 | 4.57 | 4.68 | 2.84 | 2.89 | 1/1/1990 | 31,129,652 | 0.80 |
| Dallas Total Fund | 0.15 | 4.53 | 6.66 | 9.11 | 7.50 | 8.33 | 8.75 | 1/1/1985 | 3,882,235,367 | 100.00 |
| Policy Index | 0.29 | 4.55 | 6.59 | 10.43 | 9.11 | 8.54 | 9.33 | | | |

Asset Allocation & Performance

Domestic Equity

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Systematic Financial | 1.33 | 10.80 | -2.59 | -5.23 | 7.29 | 13.16 | 10.13 | 8/1/2003 | 55,850,597 | 12.58 |
| Russell 2000 Index | 1.73 | 12.99 | -0.08 | -0.55 | 7.03 | 9.81 | 8.67 | | | |
| Channing Capital | 2.22 | 18.17 | -0.71 | -2.19 | 6.93 | 11.62 | 6.74 | 12/1/2013 | 32,934,523 | 7.42 |
| Russell 2000 Value Index | 1.77 | 11.29 | -1.45 | -4.27 | 4.80 | 12.41 | 6.50 | | | |
| Domestic Equity Small Cap Composite | | | | | | | | 6/1/2003 | 88,785,120 | 20.00 |
| T. Rowe Price | 2.26 | 13.94 | 7.92 | 15.80 | 18.33 | 16.65 | 11.32 | 4/1/2006 | 174,812,534 | 39.38 |
| S&P 500 Index | 2.24 | 14.21 | 8.59 | 16.33 | 17.10 | 15.88 | 10.69 | | | |
| Northern Trust S&P 500 (Lending) | 2.24 | 14.20 | 8.58 | 16.32 | 17.09 | 15.85 | 11.04 | 1/1/1995 | 180,321,332 | 40.62 |
| S&P 500 Index | 2.24 | 14.21 | 8.59 | 16.33 | 17.10 | 15.88 | 11.00 | | | |
| Domestic Equity Composite | 2.13 | 13.94 | 6.06 | 11.48 | 14.56 | 15.64 | 10.64 | 1/1/1990 | 443,918,987 | 100.00 |
| Custom Benchmark ¹ | 2.25 | 14.36 | 8.12 | 15.67 | 16.39 | 15.40 | 10.88 | | | |
| Domestic Equity Blended Benchmark ² | 2.14 | 13.88 | 6.74 | 12.62 | 13.88 | 14.04 | | | | |

¹ Domestic Equity Composite Custom Benchmark: FT Wilshire 5000 (2Q99-Present); S&P 500 (1Q90-1Q99)

² Blended Benchmark is a target-weighted blend of individual manager benchmarks. For comparison purposes only and does not roll into Total Fund Policy.

Asset Allocation & Performance

International Equity

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|----------------|----------------|----------------|----------------|---------------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian International Custom Benchmark ¹ | 1.05 0.16 | 13.70 11.87 | 22.39 17.87 | 20.44 14.19 | 13.51 11.42 | 12.85 9.70 | 8.62 6.14 | 4/1/1989 | 138,907,849 | 26.38 |
| Ativo International MSCI EAFE (Net) | -0.85 -1.40 | 5.21 5.38 | 21.42 17.77 | 15.66 12.77 | 12.56 13.57 | 8.93 10.34 | 5.41 6.04 | 1/1/2018 | 32,060,301 | 6.09 |
| AQR Capital Management Custom Benchmark ² | 0.38 -0.29 | 9.77 7.82 | 23.02 17.56 | 21.24 14.73 | 16.61 12.61 | 11.15 9.11 | 4.84 4.21 | 4/1/2006 | 149,340,305 | 28.36 |
| Baillie Gifford MSCI AC World ex USA (Net) | -2.30 -0.29 | 5.52 7.82 | 15.24 17.56 | 14.37 14.73 | 11.68 12.61 | 4.28 9.11 | 6.95 7.53 | 4/1/2019 | 91,251,415 | 17.33 |
| Baillie Gifford - Sanctioned Assets | | | | | | | | | 33,179 | 0.01 |
| Earnest Partners MSCI AC World ex USA (Net) | 0.64 -0.29 | 10.96 7.82 | 19.86 17.56 | 19.50 14.73 | 14.32 12.61 | 13.87 9.11 | 10.09 7.53 | 4/1/2019 | 115,003,518 | 21.84 |
| International Equity Composite Custom Benchmark ³ | 0.06 -0.22 | 9.97 8.38 | 20.73 17.62 | 19.14 14.67 | 14.20 12.45 | 10.78 9.18 | 6.07 5.00 | 1/1/1990 | 526,596,567 | 100.00 |

¹ Acadian Custom Benchmark: MSCI ACWI x-US Small Cap (3Q09-Present); MSCI EAFE Small Cap (4Q99-2Q09); S&P/Citigroup Eur/Pac EMI Index (2Q96-3Q99); MSCI EAFE (2Q89-1Q96)

² AQR Custom Benchmark: MSCI ACWI x-US (2Q10-Present); MSCI EAFE (1Q06-1Q10)

³ International Equity Composite Custom Benchmark: MSCI ACWI x-US IMI (2Q10-Present); MSCI ACWI x-US (1Q99-1Q10); Wilshire Non-US/Non-SA (2Q96-4Q98; MSCI EAFE (4Q89-1Q96)

Asset Allocation & Performance

Global Equity

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---------------------------------|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Ariel Global | -1.58 | 6.54 | 12.46 | 12.92 | 10.70 | 10.22 | 7.70 | 1/1/2018 | 46,437,721 | 21.25 |
| MSCI AC World Index (Net) | 1.36 | 11.99 | 11.54 | 15.87 | 15.25 | 12.79 | 10.04 | | | |
| MSCI AC World Index Value (Net) | 0.54 | 7.67 | 11.48 | 11.40 | 11.88 | 12.44 | 6.72 | | | |
| NT ACWI IMI Fund | 1.33 | 12.12 | 11.55 | | | | 10.25 | 10/1/2024 | 59,420,099 | 27.19 |
| MSCI AC World IMI Index (Net) | 1.33 | 12.05 | 11.29 | | | | 9.91 | | | |
| Wellington | 0.23 | 10.05 | 9.56 | 14.95 | 16.80 | 11.35 | 11.52 | 9/1/2012 | 112,662,767 | 51.56 |
| MSCI AC World Index (Net) | 1.36 | 11.99 | 11.54 | 15.87 | 15.25 | 12.79 | 10.57 | | | |
| Global Equity Composite | 0.14 | 9.83 | 10.71 | 15.40 | 14.37 | 11.24 | 9.71 | 9/1/2012 | 218,520,588 | 100.00 |
| MSCI AC World Index (Net) | 1.36 | 11.99 | 11.54 | 15.87 | 15.25 | 12.79 | 10.57 | | | |

Asset Allocation & Performance

Global Low Volatility

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian Global Low Vol. | -0.69 | 4.38 | 11.36 | 15.19 | 12.80 | 10.70 | 8.53 | 7/1/2015 | 195,071,126 | 51.13 |
| MSCI AC World Index (Net) | 1.36 | 11.99 | 11.54 | 15.87 | 15.25 | 12.79 | 10.05 | | | |
| MSCI AC World Minimum Volatility Index (Net) | -1.67 | 0.50 | 7.50 | 9.56 | 8.47 | 7.17 | 7.40 | | | |
| Acadian Global Low Vol - Sanctioned Assets | | | | | | | | | 46,406 | 0.01 |
| BlackRock Global Low Vol. | -1.63 | 0.61 | 7.71 | 9.79 | 8.84 | 7.52 | 7.70 | 7/1/2015 | 186,437,207 | 48.86 |
| MSCI AC World Minimum Volatility Index (Net) | -1.67 | 0.50 | 7.50 | 9.56 | 8.47 | 7.17 | 7.40 | | | |
| Global Low Volatility Composite | -1.15 | 2.50 | 9.53 | 12.48 | 10.82 | 9.11 | 8.13 | 7/1/2015 | 381,554,739 | 100.00 |
| MSCI AC World Minimum Volatility Index (Net) | -1.67 | 0.50 | 7.50 | 9.56 | 8.47 | 7.17 | 7.40 | | | |

Private Equity Summary

Periods Ended as of July 31, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Hamilton Lane Secondary Fund II | 4,589 | 25,000,000 | 22,058,532 | 31,298,964 | Jul-09 | 13.4% | 1.4 |
| Hamilton Lane Secondary Fund III | 164,832 | 30,000,000 | 23,372,292 | 29,807,176 | Nov-12 | 8.7% | 1.3 |
| Hamilton Lane Secondary Fund IV | 8,743,777 | 30,000,000 | 25,907,343 | 30,952,910 | Mar-17 | 14.1% | 1.5 |
| Hamilton Lane Secondary Fund V | 44,481,558 | 65,000,000 | 43,128,993 | 22,309,049 | Mar-20 | 13.4% | 1.5 |
| Hamilton Lane Secondary Fund VI-A | 12,218,195 | 30,000,000 | 11,211,545 | 2,978,825 | Feb-23 | 30.2% | 1.4 |
| Hamilton Lane Fund VII Composite | 8,305,811 | 50,000,000 | 45,600,834 | 58,414,898 | Jan-10 | 5.1% | 1.5 |
| Hamilton Lane Fund VIII (Global) | 11,602,037 | 30,000,000 | 22,270,594 | 21,603,872 | Nov-12 | 6.1% | 1.5 |
| GCM Grosvenor - Partnership, L.P. | 18,475,560 | 75,000,000 | 95,722,822 | 141,900,528 | Jun-11 | 13.9% | 1.7 |
| GCM Grosvenor - Partnership II, L.P. (2014) | 29,605,434 | 60,000,000 | 73,566,185 | 85,410,872 | Jul-14 | 13.7% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2015) | 62,047,705 | 55,000,000 | 49,450,168 | 16,236,253 | Dec-15 | 13.5% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2017) | 29,714,565 | 30,000,000 | 32,380,286 | 17,644,180 | Jan-18 | 12.0% | 1.5 |
| GCM Grosvenor - Advance Fund, L.P. | 8,698,519 | 10,000,000 | 7,575,041 | 345,493 | Jun-21 | 8.7% | 1.2 |
| GCM Grosvenor - Partnership II, L.P. (2022) | 7,899,365 | 20,000,000 | 7,070,263 | 5,461 | May-22 | 4.2% | 1.1 |
| Fairview Capital - Lone Star Fund I | 48,911,992 | 40,000,000 | 33,903,847 | 21,600,300 | Aug-15 | 12.1% | 2.1 |
| Fairview Capital - Lone Star Fund II | 34,736,482 | 30,000,000 | 23,900,777 | 8,195,837 | Dec-18 | 13.2% | 1.8 |
| Fairview Capital - Lone Star Fund III - A | 20,619,819 | 25,000,000 | 20,016,616 | 1,135,551 | Apr-21 | 2.5% | 1.1 |
| Fairview Capital - Lone Star Fund III - B | 3,701,699 | 20,000,000 | 4,173,406 | - | Dec-22 | -23.8% | 0.9 |
| Fairview Capital - Private Markets Fund VI | 5,048,087 | 10,000,000 | 5,236,841 | 210,556 | Apr-22 | 0.4% | 1.0 |
| Total Private Equity Composite | 354,980,026 | 635,000,000 | 546,546,384 | 490,050,725 | Jul-09 | 12.1% | 1.5 |

Public Market Equivalent (PME) ²

712,015,843

17.4%

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly Wilshire 5000 index returns, plus a 300 BPs annual hurdle rate.

Private Real Estate Summary

Periods Ended as of July 31, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Invesco II | 72,856,948 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |
| Total Direct Private Real Estate | 72,856,948 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|---------------------------------------|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| Heitman America Real Estate Trust | 72,750,982 | 75,000,000 | 88,210,161 | 113,968,716 | Dec-10 | 6.4% | 2.1 |
| Invesco Core Real Estate USA | 47,419,315 | 75,000,000 | 76,921,500 | 114,913,039 | Oct-10 | 9.7% | 2.1 |
| Total Core Private Real Estate | 120,170,297 | 150,000,000 | 165,131,661 | 228,881,755 | Oct-10 | 8.2% | 2.1 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|--|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| AEW Partners Real Estate Fund IX | 41,201,935 | 45,000,000 | 38,222,222 | 4,627,758 | Mar-21 | 6.6% | 1.2 |
| AEW PIX MM Co-Invest | 4,469,074 | 10,000,000 | 5,422,642 | 965,657 | Nov-21 | 0.8% | 1.0 |
| AEW PIX Oakland Park Co-Invest | 4,524,233 | 5,000,000 | 5,000,000 | 764,960 | Feb-22 | 1.2% | 1.1 |
| Virtus Real Estate Capital III | 50,267,238 | 43,281,585 | 44,340,405 | 5,459,897 | Jan-21 | 7.5% | 1.3 |
| Brasa Real Estate Fund II | 19,940,486 | 20,000,000 | 19,681,894 | 1,133,526 | Jul-22 | 3.5% | 1.1 |
| Long Wharf Real Estate Partners VII | 10,144,093 | 20,000,000 | 13,310,272 | 3,191,283 | Mar-23 | -2.1% | 1.0 |
| Total Value-Add Private Real Estate | 130,547,059 | 143,281,585 | 125,977,435 | 16,143,081 | Jan-21 | 5.8% | 1.2 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

Private Credit Summary

Periods Ended as of July 31, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---------------------------------------|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Silver Point DOF II | 3,197,863 | 20,000,000 | 2,702,822 | 96,002 | May-24 | 28.9% | 1.2 |
| MGG Structured Solutions | 4,857,233 | 20,000,000 | 4,920,262 | 273,483 | Jul-24 | 4.9% | 1.0 |
| Vista Credit Partners Fund IV | 2,000,727 | 20,000,000 | 2,000,727 | | Jul-25 | - | 1.0 |
| Total Private Credit Composite | 8,055,096 | 40,000,000 | 7,623,084 | 369,485 | May-24 | 12.7% | 1.1 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = *(market value + distributions) / capital called*

Asset Allocation & Performance

Real Estate

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|--------------|--------------|-------------|-------------|-------------|-----------------|------------------|-------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Adelante Capital Management | -1.70 | -1.19 | 0.63 | 5.42 | 3.02 | 8.20 | 8.93 | 10/1/2001 | 47,313,611 | 50.09 |
| Adelante Blended Policy ¹ | -0.76 | 0.79 | -1.02 | 2.70 | 2.59 | 7.63 | 8.93 | | | |
| CenterSquare | -0.66 | 0.54 | -1.16 | 2.88 | 2.53 | 8.29 | 7.05 | 6/1/2018 | 47,152,560 | 49.91 |
| CenterSquare Blended Policy ¹ | -0.76 | 0.79 | -1.02 | 2.70 | 2.59 | 7.63 | 6.05 | | | |
| REIT Composite | -1.18 | -0.33 | -0.27 | 4.13 | 2.77 | 8.25 | 9.01 | 10/1/2001 | 94,466,171 | 100.00 |
| REIT Composite Blended Policy ¹ | -0.76 | 0.79 | -1.02 | 2.70 | 2.59 | 7.63 | 8.93 | | | |

¹ Blended Policy: Wilshire U.S. Real Estate Securities Index (Inception-4Q24); FTSE NAREIT Equity REIT Index (1Q25-Present)

Asset Allocation & Performance

Global Listed Infrastructure

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| CIBC | -0.33 | 4.58 | 4.04 | 20.75 | 24.30 | 29.64 | 10.01 | 1/1/2012 | 76,659,024 | 36.72 |
| CIBC Policy ¹ | -1.28 | 3.33 | 3.73 | 24.41 | 27.62 | 32.91 | 7.00 | | | |
| Harvest Fund Advisors MLP | -1.22 | 4.08 | 4.79 | 18.96 | 22.90 | 30.08 | 9.91 | 1/1/2012 | 82,191,547 | 39.37 |
| Harvest Policy ² | -1.28 | 3.33 | 3.73 | 24.41 | 27.62 | 32.91 | 7.00 | | | |
| C&S Global Listed Infrastructure | 0.47 | 2.87 | 9.08 | 9.28 | 5.91 | | 8.17 | 10/1/2020 | 49,892,840 | 23.90 |
| FTSE Global Core Infrastructure 50/50 (Net) | 0.31 | 2.90 | 9.64 | 10.35 | 5.15 | | 8.07 | | | |
| Global Listed Infrastructure Composite | -0.49 | 3.97 | 5.50 | 15.97 | 17.01 | 21.36 | 7.36 | 1/1/2012 | 208,743,410 | 100.00 |
| Global Listed Infrastructure Benchmark ³ | -0.88 | 3.23 | 5.25 | 21.02 | 21.89 | 25.96 | 4.91 | | | |

¹ CIBC Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

² Harvest Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

³ Global Listed Infrastructure Benchmark: 75% Alerian Midstream Energy Index / 25% FTSE Global Core Infrastructure 50/50 (5/24-Present)
75% Alerian MLP / 25% FTSE Global Core Infrastructure 50/50 (4Q20-4/24); Alerian MLP (1Q12-3Q20)

Asset Allocation & Performance

Fixed Income

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Garcia Hamilton | -0.61 | -0.19 | 4.06 | 2.64 | 0.97 | -1.00 | 2.05 | 11/1/2013 | 196,682,400 | 32.45 |
| Blmbg. U.S. Aggregate Index | -0.26 | 0.54 | 3.75 | 3.38 | 1.64 | -1.07 | 1.88 | | | |
| NT Aggregate Bond Index | -0.25 | 0.56 | 3.77 | | | | 0.62 | 10/1/2024 | 201,916,598 | 33.31 |
| Blmbg. U.S. Aggregate Index | -0.26 | 0.54 | 3.75 | | | | 0.57 | | | |
| Wellington Core Bond | -0.13 | 0.78 | 3.71 | 3.41 | 2.16 | | 3.00 | 7/1/2022 | 207,543,240 | 34.24 |
| Blmbg. U.S. Aggregate Index | -0.26 | 0.54 | 3.75 | 3.38 | 1.64 | | 2.39 | | | |
| Fixed Income Composite | -0.33 | 0.39 | 3.82 | 2.81 | 1.47 | -0.65 | 4.23 | 10/1/1995 | 606,142,280 | 100.00 |
| Blmbg. U.S. Aggregate Index | -0.26 | 0.54 | 3.75 | 3.38 | 1.64 | -1.07 | 4.27 | | | |

Asset Allocation & Performance

Opportunistic Credit

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|---|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Neuberger Berman | 0.57 | 3.67 | 4.82 | 8.57 | 9.12 | 4.69 | 5.45 | 2/1/2016 | 171,416,966 | |
| Custom Benchmark ¹ | 0.85 | 4.04 | 5.22 | 8.48 | 8.52 | 4.59 | 5.55 | | | |

¹ Custom Benchmark: 33% Morningstar LSTA U.S. Leveraged Loan Index / 33% ICE BofA U.S. High Yield Constrained Index / 33% JPM EMBI Global Diversified

Asset Allocation & Performance

High Yield

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-----------------------------------|-----------------------------|--------------|-------------|-------------|-------------|-------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Oaktree Capital Management | 0.64 | 3.83 | 4.66 | 7.89 | 7.61 | 5.25 | 6.33 | 2/1/1997 | 202,346,889 | 50.52 |
| FTSE High Yield Cash Pay | 0.39 | 3.98 | 5.03 | 8.71 | 7.99 | 5.21 | 6.46 | | | |
| BlackRock | 0.52 | 3.96 | 5.19 | 8.37 | 8.06 | 5.20 | 6.04 | 10/1/2006 | 198,171,507 | 49.48 |
| FTSE High Yield Cash Pay | 0.39 | 3.98 | 5.03 | 8.71 | 7.99 | 5.21 | 6.32 | | | |
| High Yield Composite | 0.58 | 3.90 | 4.92 | 8.12 | 7.83 | 5.23 | 6.19 | 1/1/1997 | 400,518,395 | 100.00 |
| FTSE High Yield Cash Pay | 0.39 | 3.98 | 5.03 | 8.71 | 7.99 | 5.21 | 6.47 | | | |

Asset Allocation & Performance

Marketable Alternatives

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|-------------|--------------|------------|------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Davidson Kempner | 1.02 | 2.15 | 5.49 | 11.12 | | | 8.08 | 10/1/2022 | 56,080,779 | 50.70 |
| HFRI Event-Driven Total Index | 2.27 | 5.01 | 3.95 | 11.31 | | | 9.82 | | | |
| Hudson Bay Capital | 0.97 | 2.01 | 3.46 | 8.87 | | | 7.02 | 10/1/2022 | 54,536,680 | 49.30 |
| HFRI Relative Value Total Index | 0.93 | 1.61 | 3.62 | 8.01 | | | 7.24 | | | |
| Marketable Alternatives Composite | 1.00 | 2.08 | 4.48 | 10.00 | | | 7.55 | 10/1/2022 | 110,617,459 | 100.00 |
| Marketable Alternatives Policy ¹ | 1.60 | 3.30 | 3.80 | 9.67 | | | 8.54 | | | |

¹ Marketable Alternatives Policy: 50% HFRI Event-Driven Total Index / 50% HFRI Relative Value Total Index

Asset Allocation & Performance

Cash

Periods Ended July 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Cash Account | 0.35 | 1.04 | 2.43 | 4.57 | 4.68 | 2.84 | 3.20 | 1/1/1988 | 31,129,652 | 100.00 |
| Managed Short Term Composite | 0.35 | 1.04 | 2.43 | 4.57 | 4.68 | 2.84 | 2.89 | 1/1/1990 | 31,129,652 | 100.00 |

Wilshire

ERF of the City of Dallas

Monthly Investment Summary

August 31, 2025

Monthly Index Performance

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | |
|---|-----------------------------|-------|-----------|------------|------------|-------------|
| | 1 Month | YTD | 1 Year | 3 Years | 5 Years | 10 Years |
| U.S. Equity | | | | | | |
| FT Wilshire 5000 Index | 2.32 | 10.63 | 15.85 | 18.79 | 14.30 | 14.19 |
| S&P 500 Index | 2.03 | 10.79 | 15.88 | 19.54 | 14.74 | 14.60 |
| FT Wilshire 4500 Index | 4.93 | 6.23 | 9.52 | 11.51 | 11.69 | 9.96 |
| MSCI USA Minimum Volatility Index | 1.71 | 6.94 | 4.97 | 11.55 | 9.50 | 11.11 |
| U.S. Equity by Size/Style | | | | | | |
| FT Wilshire U.S. Large Cap Index | 1.97 | 11.27 | 16.78 | 19.89 | 14.68 | 14.81 |
| FT Wilshire US Large Cap Growth Index | 0.83 | 12.57 | 23.76 | 26.46 | 15.85 | 17.76 |
| FT Wilshire US Large Cap Value Index | 3.25 | 10.17 | 9.98 | 13.41 | 13.31 | 11.64 |
| FT Wilshire U.S. Small Cap Index | 4.38 | 6.09 | 9.47 | 12.06 | 11.89 | 10.17 |
| FT Wilshire US Small Cap Growth Index | 3.73 | 5.59 | 11.02 | 12.48 | 8.51 | 10.24 |
| FT Wilshire US Small Cap Value Index | 5.06 | 6.60 | 7.91 | 11.64 | 15.20 | 9.87 |
| FT Wilshire U.S. Micro Cap Index | 9.18 | 7.05 | 9.56 | 7.05 | 9.76 | 8.28 |
| Non-U.S. Equity (USD) | | | | | | |
| MSCI AC World ex USA (Net) | 3.47 | 21.64 | 15.42 | 15.15 | 8.94 | 7.33 |
| MSCI ACWI ex USA Minimum Volatility Index (Net) | 2.07 | 15.54 | 10.79 | 11.60 | 7.16 | 6.45 |
| MSCI EAFE (Net) | 4.26 | 22.79 | 13.87 | 17.04 | 10.15 | 7.40 |
| MSCI Emerging Markets (Net) | 1.28 | 19.02 | 16.80 | 10.82 | 5.21 | 6.92 |
| MSCI AC World ex USA Small Cap (Net) | 4.27 | 22.90 | 16.91 | 13.98 | 9.22 | 7.83 |
| U.S. Fixed Income | | | | | | |
| Blmbg. U.S. Aggregate Index | 1.20 | 4.99 | 3.14 | 3.02 | -0.68 | 1.80 |
| Blmbg. U.S. Treasury: Long | 0.32 | 2.48 | -4.46 | -3.27 | -8.28 | -0.26 |
| Blmbg. U.S. Long Corporate Index | 0.67 | 4.26 | 0.44 | 2.94 | -2.68 | 3.09 |
| Blmbg. U.S. TIPS Index | 1.54 | 6.41 | 4.89 | 2.37 | 1.26 | 2.90 |
| Blmbg. U.S. Credit Index | 1.06 | 5.38 | 3.92 | 4.53 | -0.01 | 2.91 |
| Blmbg. U.S. Corp: High Yield Index | 1.25 | 6.35 | 8.26 | 9.30 | 5.16 | 5.80 |
| Morningstar LSTA U.S. Leveraged Loan | 0.45 | 4.17 | 7.30 | 8.86 | 7.00 | 5.36 |

Asset Allocation & Performance

Dallas Total Fund

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-----------|-------|--------|---------|---------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Global Equity Composite | 2.68 | 7.33 | 13.67 | 16.30 | 16.64 | 10.66 | 9.87 | 9/1/2012 | 224,379,932 | 5.72 |
| Global Low Volatility Composite | 2.01 | 2.21 | 11.73 | 10.17 | 12.56 | 9.02 | 8.27 | 7/1/2015 | 389,210,430 | 9.92 |
| Domestic Equity Composite | 2.87 | 10.42 | 9.10 | 13.12 | 17.09 | 14.98 | 10.70 | 1/1/1990 | 456,668,743 | 11.64 |
| International Equity Composite | 2.93 | 6.81 | 24.27 | 20.04 | 16.69 | 10.44 | 6.14 | 1/1/1990 | 542,038,336 | 13.81 |
| Fixed Income Composite | 1.18 | 2.50 | 5.01 | 2.51 | 2.89 | -0.33 | 4.26 | 10/1/1995 | 613,079,525 | 15.62 |
| High Yield Composite | 1.26 | 3.70 | 6.24 | 7.72 | 9.12 | 5.30 | 6.22 | 1/1/1997 | 405,546,730 | 10.33 |
| Credit Opportunities Composite | 1.04 | 3.59 | 5.99 | 8.72 | 9.31 | 4.67 | 5.53 | 2/1/2016 | 173,322,656 | 4.42 |
| Private Credit Composite | 0.12 | 1.32 | 4.14 | 11.37 | | | 14.85 | 6/1/2024 | 10,711,216 | 0.27 |
| Total Real Estate Composite | 1.17 | 0.96 | 1.79 | 1.80 | -0.22 | 6.27 | 6.36 | 1/1/1990 | 414,196,420 | 10.56 |
| Global Listed Infrastructure Composite | 0.45 | 2.76 | 5.97 | 12.99 | 16.72 | 21.14 | 7.35 | 1/1/2012 | 209,673,537 | 5.34 |
| Private Equity Composite | -0.02 | 1.19 | 1.80 | 3.88 | 0.97 | 12.36 | 12.27 | 6/1/2009 | 354,445,700 | 9.03 |
| Marketable Alternatives Composite | 0.97 | 3.07 | 5.50 | 10.02 | | | 7.68 | 10/1/2022 | 111,691,959 | 2.85 |
| Managed Short Term Composite | 0.39 | 1.10 | 2.85 | 4.51 | 4.77 | 2.93 | 2.89 | 1/1/1990 | 19,188,612 | 0.49 |
| Dallas Total Fund | 1.61 | 4.03 | 8.38 | 8.97 | 8.86 | 8.24 | 8.77 | 1/1/1985 | 3,924,153,796 | 100.00 |
| Policy Index | 2.07 | 4.40 | 8.80 | 9.96 | 10.72 | 8.38 | 9.36 | | | |

Asset Allocation & Performance

Domestic Equity

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|------------------------|------------------------|-------------------------|-------------------------|-------------------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Systematic Financial Russell 2000 Index | 7.19 7.14 | 13.08 14.93 | 4.41 7.06 | 4.14 8.17 | 11.34 10.28 | 14.16 10.13 | 10.44 8.98 | 8/1/2003 | 59,865,855 | 13.11 |
| Channing Capital Russell 2000 Value Index | 6.50 8.47 | 17.10 15.85 | 5.74 6.90 | 5.75 5.83 | 10.56 8.84 | 12.44 13.06 | 7.27 7.20 | 12/1/2013 | 35,075,384 | 7.68 |
| Domestic Equity Small Cap Composite | 6.93 | 14.53 | 4.90 | 4.73 | 9.93 | 11.10 | 9.22 | 6/1/2003 | 94,941,239 | 20.79 |
| T. Rowe Price S&P 500 Index | 1.68 2.03 | 9.14 9.62 | 9.73 10.79 | 15.06 15.88 | 20.73 19.54 | 15.41 14.74 | 11.36 10.76 | 4/1/2006 | 177,747,023 | 38.92 |
| Northern Trust S&P 500 (Lending) S&P 500 Index | 2.03 2.03 | 9.62 9.62 | 10.78 10.79 | 15.87 15.88 | 19.52 19.54 | 14.71 14.74 | 11.08 11.04 | 1/1/1995 | 183,980,481 | 40.29 |
| Domestic Equity Composite Custom Benchmark ¹ Domestic Equity Blended Benchmark ² | 2.87 2.32 3.12 | 10.42 9.98 10.73 | 9.10 10.63 10.07 | 13.12 15.85 14.27 | 17.09 18.80 16.40 | 14.98 14.31 13.35 | 10.70 10.92 | 1/1/1990 | 456,668,743 | 100.00 |

¹ Domestic Equity Composite Custom Benchmark: FT Wilshire 5000 (2Q99-Present); S&P 500 (1Q90-1Q99)

² Blended Benchmark is a target-weighted blend of individual manager benchmarks. For comparison purposes only and does not roll into Total Fund Policy.

Asset Allocation & Performance

International Equity

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|--------------|--------------|--------------|--------------|--------------|-----------------|-----------------|--------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian International | 3.86 | 10.15 | 27.11 | 23.61 | 16.08 | 12.79 | 8.71 | 4/1/1989 | 144,267,118 | 26.62 |
| Custom Benchmark ¹ | 4.27 | 9.55 | 22.90 | 16.91 | 13.98 | 9.22 | 6.25 | | | |
| Ativo International | 4.64 | 5.98 | 27.05 | 17.51 | 16.62 | 9.04 | 5.98 | 1/1/2018 | 33,547,819 | 6.19 |
| MSCI EAFE (Net) | 4.26 | 5.06 | 22.79 | 13.87 | 17.04 | 10.15 | 6.56 | | | |
| AQR Capital Management | 2.67 | 6.81 | 26.31 | 21.66 | 18.73 | 10.80 | 4.97 | 4/1/2006 | 153,332,780 | 28.29 |
| Custom Benchmark ² | 3.47 | 6.67 | 21.64 | 15.42 | 15.15 | 8.94 | 4.38 | | | |
| Baillie Gifford | 2.02 | 1.89 | 17.57 | 12.77 | 14.30 | 3.61 | 7.19 | 4/1/2019 | 93,094,572 | 17.17 |
| MSCI AC World ex USA (Net) | 3.47 | 6.67 | 21.64 | 15.42 | 15.15 | 8.94 | 8.00 | | | |
| Baillie Gifford - Sanctioned Assets | | | | | | | | | 33,179 | 0.01 |
| Earnest Partners | 2.40 | 7.16 | 22.74 | 20.24 | 16.47 | 13.38 | 10.36 | 4/1/2019 | 117,762,868 | 21.73 |
| MSCI AC World ex USA (Net) | 3.47 | 6.67 | 21.64 | 15.42 | 15.15 | 8.94 | 8.00 | | | |
| International Equity Composite | 2.93 | 6.81 | 24.27 | 20.04 | 16.69 | 10.44 | 6.14 | 1/1/1990 | 542,038,336 | 100.00 |
| Custom Benchmark ³ | 3.58 | 7.08 | 21.84 | 15.65 | 14.99 | 8.98 | 5.09 | | | |

¹ Acadian Custom Benchmark: MSCI ACWI x-US Small Cap (3Q09-Present); MSCI EAFE Small Cap (4Q99-2Q09); S&P/Citigroup Eur/Pac EMI Index (2Q96-3Q99); MSCI EAFE (2Q89-1Q96)

² AQR Custom Benchmark: MSCI ACWI x-US (2Q10-Present); MSCI EAFE (1Q06-1Q10)

³ International Equity Composite Custom Benchmark: MSCI ACWI x-US IMI (2Q10-Present); MSCI ACWI x-US (1Q99-1Q10); Wilshire Non-US/Non-SA (2Q96-4Q98; MSCI EAFE (4Q89-1Q96)

Asset Allocation & Performance

Global Equity

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---------------------------------|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Ariel Global | 3.15 | 6.04 | 16.00 | 15.78 | 13.05 | 10.00 | 8.05 | 1/1/2018 | 47,899,633 | 21.35 |
| MSCI AC World Index (Net) | 2.47 | 8.52 | 14.30 | 15.79 | 17.66 | 12.00 | 10.28 | | | |
| MSCI AC World Index Value (Net) | 3.24 | 7.75 | 15.09 | 11.97 | 14.13 | 12.24 | 7.08 | | | |
| NT ACWI IMI Fund | 2.78 | 8.89 | 14.65 | | | | 13.32 | 10/1/2024 | 61,079,485 | 27.22 |
| MSCI AC World IMI Index (Net) | 2.72 | 8.81 | 14.31 | | | | 12.90 | | | |
| Wellington | 2.43 | 7.06 | 12.23 | 14.32 | 19.02 | 10.54 | 11.65 | 9/1/2012 | 115,400,814 | 51.43 |
| MSCI AC World Index (Net) | 2.47 | 8.52 | 14.30 | 15.79 | 17.66 | 12.00 | 10.71 | | | |
| Global Equity Composite | 2.68 | 7.33 | 13.67 | 16.30 | 16.64 | 10.66 | 9.87 | 9/1/2012 | 224,379,932 | 100.00 |
| MSCI AC World Index (Net) | 2.47 | 8.52 | 14.30 | 15.79 | 17.66 | 12.00 | 10.71 | | | |

Asset Allocation & Performance

Global Low Volatility

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Acadian Global Low Vol. | 1.69 | 2.70 | 13.23 | 12.90 | 14.60 | 10.50 | 8.64 | 7/1/2015 | 198,360,774 | 50.96 |
| MSCI AC World Index (Net) | 2.47 | 8.52 | 14.30 | 15.79 | 17.66 | 12.00 | 10.23 | | | |
| MSCI AC World Minimum Volatility Index (Net) | 2.29 | 1.53 | 9.96 | 7.17 | 10.10 | 7.19 | 7.58 | | | |
| Acadian Global Low Vol - Sanctioned Assets | | | | | | | | | 46,406 | 0.01 |
| BlackRock Global Low Vol. | 2.34 | 1.70 | 10.24 | 7.47 | 10.52 | 7.53 | 7.88 | 7/1/2015 | 190,803,250 | 49.02 |
| MSCI AC World Minimum Volatility Index (Net) | 2.29 | 1.53 | 9.96 | 7.17 | 10.10 | 7.19 | 7.58 | | | |
| Global Low Volatility Composite | 2.01 | 2.21 | 11.73 | 10.17 | 12.56 | 9.02 | 8.27 | 7/1/2015 | 389,210,430 | 100.00 |
| MSCI AC World Minimum Volatility Index (Net) | 2.29 | 1.53 | 9.96 | 7.17 | 10.10 | 7.19 | 7.58 | | | |

Private Equity Summary

Periods Ended as of August 31, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Hamilton Lane Secondary Fund II | 4,589 | 25,000,000 | 22,058,532 | 31,298,964 | Jul-09 | 13.4% | 1.4 |
| Hamilton Lane Secondary Fund III | 164,832 | 30,000,000 | 23,372,292 | 29,807,176 | Nov-12 | 8.7% | 1.3 |
| Hamilton Lane Secondary Fund IV | 8,743,777 | 30,000,000 | 25,907,343 | 30,952,910 | Mar-17 | 14.0% | 1.5 |
| Hamilton Lane Secondary Fund V | 44,481,558 | 65,000,000 | 43,128,993 | 22,309,049 | Mar-20 | 13.2% | 1.5 |
| Hamilton Lane Secondary Fund VI-A | 12,218,195 | 30,000,000 | 11,211,545 | 2,978,825 | Feb-23 | 28.4% | 1.4 |
| Hamilton Lane Fund VII Composite | 8,305,811 | 50,000,000 | 45,600,834 | 58,414,898 | Jan-10 | 5.1% | 1.5 |
| Hamilton Lane Fund VIII (Global) | 11,602,037 | 30,000,000 | 22,270,594 | 21,603,872 | Nov-12 | 6.1% | 1.5 |
| GCM Grosvenor - Partnership, L.P. | 18,167,470 | 75,000,000 | 95,722,822 | 141,900,528 | Jun-11 | 13.9% | 1.7 |
| GCM Grosvenor - Partnership II, L.P. (2014) | 28,217,512 | 60,000,000 | 73,566,185 | 85,410,872 | Jul-14 | 13.7% | 1.5 |
| GCM Grosvenor - Partnership II, L.P. (2015) | 62,047,705 | 55,000,000 | 49,450,168 | 16,236,253 | Dec-15 | 13.5% | 1.6 |
| GCM Grosvenor - Partnership II, L.P. (2017) | 30,022,823 | 30,000,000 | 32,380,286 | 17,644,180 | Jan-18 | 12.0% | 1.5 |
| GCM Grosvenor - Advance Fund, L.P. | 8,698,519 | 10,000,000 | 7,575,041 | 345,493 | Jun-21 | 8.7% | 1.2 |
| GCM Grosvenor - Partnership II, L.P. (2022) | 7,899,365 | 20,000,000 | 7,070,263 | 5,461 | May-22 | 4.2% | 1.1 |
| Fairview Capital - Lone Star Fund I | 48,911,992 | 40,000,000 | 33,903,847 | 21,600,300 | Aug-15 | 12.0% | 2.1 |
| Fairview Capital - Lone Star Fund II | 34,736,482 | 30,000,000 | 23,900,777 | 8,195,837 | Dec-18 | 12.9% | 1.8 |
| Fairview Capital - Lone Star Fund III - A | 21,473,247 | 25,000,000 | 20,511,666 | 1,135,551 | Apr-21 | 3.1% | 1.1 |
| Fairview Capital - Lone Star Fund III - B | 3,701,699 | 20,000,000 | 4,173,406 | - | Dec-22 | -21.7% | 0.9 |
| Fairview Capital - Private Markets Fund VI | 5,048,087 | 10,000,000 | 5,236,841 | 210,556 | Apr-22 | 0.4% | 1.0 |
| Total Private Equity Composite | 354,445,700 | 635,000,000 | 547,041,433 | 490,050,725 | Jul-09 | 12.0% | 1.5 |

Public Market Equivalent (PME) ²

729,656,122

17.5%

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly Wilshire 5000 index returns, plus a 300 BPs annual hurdle rate.

Private Real Estate Summary

Periods Ended as of August 31, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Invesco II | 73,605,293 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |
| Total Direct Private Real Estate | 73,605,293 | 65,188,333 | 65,188,333 | 19,614,151 | Jan-14 | 4.4% | 1.4 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|---------------------------------------|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| Heitman America Real Estate Trust | 71,482,290 | 75,000,000 | 88,210,161 | 113,968,716 | Dec-10 | 6.3% | 2.1 |
| Invesco Core Real Estate USA | 47,419,315 | 75,000,000 | 76,921,500 | 114,913,039 | Oct-10 | 9.7% | 2.1 |
| Total Core Private Real Estate | 118,901,605 | 150,000,000 | 165,131,661 | 228,881,755 | Oct-10 | 8.2% | 2.1 |

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple |
|--|------------------------|--------------------|--------------------|--------------------|----------------|---------------------|---------------|
| AEW Partners Real Estate Fund IX | 33,108,540 | 45,000,000 | 38,222,222 | 11,627,758 | Mar-21 | 5.5% | 1.2 |
| AEW PIX MM Co-Invest | 4,479,738 | 10,000,000 | 5,422,642 | 1,373,064 | Nov-21 | 3.6% | 1.1 |
| AEW PIX Oakland Park Co-Invest | 4,524,233 | 5,000,000 | 5,000,000 | 764,960 | Feb-22 | 1.1% | 1.1 |
| Virtus Real Estate Capital III | 51,687,633 | 43,281,585 | 44,340,405 | 5,459,897 | Jan-21 | 8.2% | 1.3 |
| Brasa Real Estate Fund II | 19,940,486 | 20,000,000 | 19,681,894 | 1,133,526 | Jul-22 | 3.3% | 1.1 |
| Long Wharf Real Estate Partners VII | 10,144,093 | 20,000,000 | 13,310,272 | 3,191,283 | Mar-23 | -1.9% | 1.0 |
| Total Value-Add Private Real Estate | 123,884,723 | 143,281,585 | 125,977,435 | 23,550,488 | Jan-21 | 5.8% | 1.2 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = (market value + distributions) / capital called

Private Credit Summary

Periods Ended as of August 31, 2025

| | Month-End Market Value | Commitment Value | Drawn Down Capital | Cash Distributions | Inception Date | IRR Since Inception | TVPI Multiple ¹ |
|---------------------------------------|------------------------|-------------------|--------------------|--------------------|----------------|---------------------|----------------------------|
| Silver Point DOF II | 3,119,512 | 20,000,000 | 2,702,822 | 96,002 | May-24 | 22.4% | 1.2 |
| MGG Structured Solutions | 5,499,284 | 20,000,000 | 5,466,008 | 273,483 | Jul-24 | 6.5% | 1.1 |
| Vista Credit Partners Fund IV | 2,092,420 | 20,000,000 | 2,000,727 | | Jul-25 | 4.6% | 1.0 |
| Total Private Credit Composite | 8,618,796 | 40,000,000 | 8,168,830 | 369,485 | May-24 | 12.7% | 1.1 |

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = *(market value + distributions) / capital called*

Asset Allocation & Performance

Real Estate

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--|-----------------------------|-----------|------|--------|---------|---------|-----------------|----------------|-----------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Adelante Capital Management | 2.74 | 0.67 | 3.39 | 1.47 | 6.05 | 8.64 | 9.02 | 10/1/2001 | 48,612,157 | 49.70 |
| Adelante Blended Policy ¹ | 4.41 | 3.05 | 3.35 | 0.79 | 6.20 | 8.48 | 9.09 | | | |
| CenterSquare | 4.33 | 2.96 | 3.11 | 0.56 | 6.26 | 9.11 | 7.59 | 6/1/2018 | 49,192,641 | 50.30 |
| CenterSquare Blended Policy ¹ | 4.41 | 3.05 | 3.35 | 0.79 | 6.20 | 8.48 | 6.61 | | | |
| REIT Composite | 3.53 | 1.81 | 3.25 | 1.01 | 6.16 | 8.88 | 9.14 | 10/1/2001 | 97,804,799 | 100.00 |
| REIT Composite Blended Policy ¹ | 4.41 | 3.05 | 3.35 | 0.79 | 6.20 | 8.48 | 9.09 | | | |

¹ Blended Policy: Wilshire U.S. Real Estate Securities Index (Inception-4Q24); FTSE NAREIT Equity REIT Index (1Q25-Present)

Asset Allocation & Performance

Global Listed Infrastructure

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| CIBC | 0.13 | 3.27 | 4.18 | 17.14 | 23.17 | 29.45 | 9.95 | 1/1/2012 | 76,761,007 | 36.61 |
| CIBC Policy ¹ | 1.01 | 2.22 | 4.78 | 19.64 | 26.40 | 33.04 | 7.04 | | | |
| Harvest Fund Advisors MLP | 0.24 | 2.24 | 5.04 | 16.74 | 22.01 | 29.66 | 9.87 | 1/1/2012 | 82,386,509 | 39.29 |
| Harvest Policy ² | 1.01 | 2.22 | 4.78 | 19.64 | 26.40 | 33.04 | 7.04 | | | |
| C&S Global Listed Infrastructure | 1.27 | 2.83 | 10.46 | 6.46 | 7.17 | | 8.31 | 10/1/2020 | 50,526,021 | 24.10 |
| FTSE Global Core Infrastructure 50/50 (Net) | 1.49 | 2.72 | 11.28 | 7.78 | 6.22 | | 8.25 | | | |
| Global Listed Infrastructure Composite | 0.45 | 2.76 | 5.97 | 12.99 | 16.72 | 21.14 | 7.35 | 1/1/2012 | 209,673,537 | 100.00 |
| Global Listed Infrastructure Benchmark ³ | 1.13 | 2.35 | 6.43 | 16.83 | 21.30 | 26.12 | 4.96 | | | |

¹ CIBC Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

² Harvest Policy: Alerian Midstream Energy Index (5/24-Present); Alerian MLP Index (1Q12-4/24)

³ Global Listed Infrastructure Benchmark: 75% Alerian Midstream Energy Index / 25% FTSE Global Core Infrastructure 50/50 (5/24-Present)
75% Alerian MLP / 25% FTSE Global Core Infrastructure 50/50 (4Q20-4/24); Alerian MLP (1Q12-3Q20)

Asset Allocation & Performance

Fixed Income

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|--------------------------------|-----------------------------|--------------|-------------|-------------|-------------|--------------|--------------------|-------------------|-----------------------|---------------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Garcia Hamilton | 1.51 | 2.73 | 5.63 | 2.46 | 2.54 | -0.63 | 2.16 | 11/1/2013 | 199,655,867 | 32.57 |
| Blmbg. U.S. Aggregate Index | 1.20 | 2.48 | 4.99 | 3.14 | 3.02 | -0.68 | 1.97 | | | |
| NT Aggregate Bond Index | 1.17 | 2.48 | 4.98 | | | | 1.79 | 10/1/2024 | 204,284,735 | 33.32 |
| Blmbg. U.S. Aggregate Index | 1.20 | 2.48 | 4.99 | | | | 1.77 | | | |
| Wellington Core Bond | 0.87 | 2.29 | 4.51 | 2.89 | 3.43 | | 3.17 | 7/1/2022 | 209,138,880 | 34.11 |
| Blmbg. U.S. Aggregate Index | 1.20 | 2.48 | 4.99 | 3.14 | 3.02 | | 2.71 | | | |
| Fixed Income Composite | 1.18 | 2.50 | 5.01 | 2.51 | 2.89 | -0.33 | 4.26 | 10/1/1995 | 613,079,525 | 100.00 |
| Blmbg. U.S. Aggregate Index | 1.20 | 2.48 | 4.99 | 3.14 | 3.02 | -0.68 | 4.30 | | | |

Asset Allocation & Performance

Opportunistic Credit

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|---|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Neuberger Berman | 1.04 | 3.59 | 5.99 | 8.72 | 9.31 | 4.67 | 5.53 | 2/1/2016 | 173,322,656 | |
| Custom Benchmark ¹ | 1.10 | 3.68 | 6.37 | 8.03 | 9.14 | 4.61 | 5.62 | | | |

¹ Custom Benchmark: 33% Morningstar LSTA U.S. Leveraged Loan Index / 33% ICE BofA U.S. High Yield Constrained Index / 33% JPM EMBI Global Diversified

Asset Allocation & Performance

High Yield

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|-----------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Oaktree Capital Management | 1.30 | 3.76 | 6.02 | 7.49 | 8.90 | 5.32 | 6.36 | 2/1/1997 | 204,966,620 | 50.54 |
| FTSE High Yield Cash Pay | 1.22 | 3.44 | 6.31 | 8.30 | 9.27 | 5.26 | 6.49 | | | |
| BlackRock | 1.22 | 3.63 | 6.47 | 7.95 | 9.35 | 5.28 | 6.08 | 10/1/2006 | 200,580,110 | 49.46 |
| FTSE High Yield Cash Pay | 1.22 | 3.44 | 6.31 | 8.30 | 9.27 | 5.26 | 6.36 | | | |
| High Yield Composite | 1.26 | 3.70 | 6.24 | 7.72 | 9.12 | 5.30 | 6.22 | 1/1/1997 | 405,546,730 | 100.00 |
| FTSE High Yield Cash Pay | 1.22 | 3.44 | 6.31 | 8.30 | 9.27 | 5.26 | 6.50 | | | |

Asset Allocation & Performance

Marketable Alternatives

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|---|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Davidson Kempner | 0.95 | 3.09 | 6.50 | 11.11 | | | 8.19 | 10/1/2022 | 56,616,230 | 50.69 |
| HFRI Event-Driven Total Index | 1.52 | 6.66 | 5.53 | 10.13 | | | 10.09 | | | |
| Hudson Bay Capital | 0.99 | 3.05 | 4.49 | 8.92 | | | 7.17 | 10/1/2022 | 55,075,729 | 49.31 |
| HFRI Relative Value Total Index | 0.74 | 2.49 | 4.38 | 7.80 | | | 7.29 | | | |
| Marketable Alternatives Composite | 0.97 | 3.07 | 5.50 | 10.02 | | | 7.68 | 10/1/2022 | 111,691,959 | 100.00 |
| Marketable Alternatives Policy ¹ | 1.13 | 4.56 | 4.97 | 8.98 | | | 8.70 | | | |

¹ Marketable Alternatives Policy: 50% HFRI Event-Driven Total Index / 50% HFRI Relative Value Total Index

Asset Allocation & Performance

Cash

Periods Ended August 31, 2025

| | Performance (%) Net of Fees | | | | | | | | Allocation | |
|------------------------------|-----------------------------|--------------|------|-----------|------------|------------|--------------------|-------------------|-----------------------|--------|
| | 1 Month | 1 Quarter | YTD | 1 Year | 3 Years | 5 Years | Since Inception | Inception Date | Market Value \$ | % |
| Cash Account | 0.39 | 1.10 | 2.85 | 4.51 | 4.77 | 2.93 | 3.20 | 1/1/1988 | 19,188,612 | 100.00 |
| Managed Short Term Composite | 0.39 | 1.10 | 2.85 | 4.51 | 4.77 | 2.93 | 2.89 | 1/1/1990 | 19,188,612 | 100.00 |

At A Glance

For period ended June 30, 2025

| | 2024 | | 2025 | |
|-------------------------------|------------------|-------------------|------------------|-------------------|
| | This Month | YTD | This Month | YTD |
| Retirements | | | | |
| Age | 16 | 99 | 16 | 85 |
| Service | 2 | 10 | 1 | 5 |
| Rule of 78 | 8 | 54 | 12 | 51 |
| QDRO | 1 | 1 | 2 | 7 |
| Total | 27 | 164 | 31 | 148 |
| Disability Retirements | | | | |
| Service | 0 | 0 | 0 | 0 |
| Non-service | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |
| Benefits Paid | \$ 29,418,447.10 | \$ 174,440,701.84 | \$ 29,810,856.71 | \$ 178,367,334.06 |
| Refunds | \$ 883,730.90 | \$ 6,093,803.76 | \$ 1,078,486.44 | \$ 7,249,380.28 |
| Number of refunds | 75 | 485 | 73 | 394 |
| *Contributions | \$ 12,182,319.18 | \$ 76,792,717.37 | \$ 12,457,442.71 | \$ 80,011,871.09 |

| Members on record at month end | | | | | |
|--------------------------------|--------------------------|--------------|---------|----------------|----------------|
| | Retirees & beneficiaries | Disabilities | Actives | Tier A Actives | Tier B Actives |
| Jan | 8,022 | 118 | 8,113 | 3,077 | 5,036 |
| Feb | 8,033 | 117 | 8,160 | 3,046 | 5,114 |
| Mar | 8,049 | 117 | 8,190 | 3,036 | 5,154 |
| April | 8,062 | 117 | 8,185 | 2,988 | 5,197 |
| May | 8,078 | 117 | 8,143 | 2,963 | 5,180 |
| June | 8,086 | 117 | 8,206 | 2,936 | 5,270 |
| July | | | | | |
| Aug | | | | | |
| Sep | | | | | |
| Oct | | | | | |
| Nov | | | | | |
| Dec | | | | | |

At A Glance

For period ended July 31, 2025

| | 2024 | | 2025 | |
|-------------------------------|------------------|-------------------|------------------|-------------------|
| | This Month | YTD | This Month | YTD |
| Retirements | | | | |
| Age | 17 | 116 | 19 | 104 |
| Service | 0 | 10 | 1 | 6 |
| Rule of 78 | 6 | 60 | 7 | 58 |
| QDRO | 0 | 1 | 0 | 7 |
| Total | 23 | 187 | 27 | 175 |
| Disability Retirements | | | | |
| Service | 0 | 0 | 0 | 0 |
| Non-service | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |
| Benefits Paid | \$ 28,670,764.99 | \$ 203,111,466.83 | \$ 30,013,870.63 | \$ 208,381,204.69 |
| Refunds | \$ 728,487.64 | \$ 6,822,291.40 | \$ 1,165,992.92 | \$ 8,415,373.20 |
| Number of refunds | 76 | 561 | 70 | 464 |
| *Contributions | \$ 11,908,187.45 | \$ 88,700,904.82 | \$ 12,368,257.04 | \$ 92,380,128.13 |

| Members on record at month end | | | | | |
|--------------------------------|--------------------------|--------------|---------|----------------|----------------|
| | Retirees & beneficiaries | Disabilities | Actives | Tier A Actives | Tier B Actives |
| Jan | 8,022 | 118 | 8,113 | 3,077 | 5,036 |
| Feb | 8,033 | 117 | 8,160 | 3,046 | 5,114 |
| Mar | 8,049 | 117 | 8,190 | 3,036 | 5,154 |
| April | 8,062 | 117 | 8,185 | 2,988 | 5,197 |
| May | 8,078 | 117 | 8,143 | 2,963 | 5,180 |
| June | 8,086 | 117 | 8,206 | 2,936 | 5,270 |
| July | 8,092 | 117 | 8,220 | 2,904 | 5,316 |
| Aug | | | | | |
| Sep | | | | | |
| Oct | | | | | |
| Nov | | | | | |
| Dec | | | | | |

At A Glance

For period ended August 31, 2025

| | 2024 | | 2025 | |
|-------------------------------|------------------|-------------------|------------------|-------------------|
| | This Month | YTD | This Month | YTD |
| Retirements | | | | |
| Age | 18 | 134 | 20 | 124 |
| Service | 1 | 11 | 1 | 7 |
| Rule of 78 | 6 | 66 | 5 | 63 |
| QDRO | 0 | 1 | 0 | 7 |
| Total | 25 | 212 | 26 | 201 |
| Disability Retirements | | | | |
| Service | 0 | 0 | 0 | 0 |
| Non-service | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |
| Benefits Paid | \$ 29,537,193.48 | \$ 232,648,660.31 | \$ 29,784,186.36 | \$ 238,165,391.05 |
| Refunds | \$ 1,429,089.15 | \$ 8,251,380.55 | \$ 1,745,121.51 | \$ 10,160,494.71 |
| Number of refunds | 111 | 672 | 94 | 558 |
| *Contributions | \$ 11,861,100.56 | \$ 100,562,005.38 | \$ 12,395,109.42 | \$ 104,775,237.55 |

| Members on record at month end | | | | | |
|--------------------------------|--------------------------|--------------|---------|----------------|----------------|
| | Retirees & beneficiaries | Disabilities | Actives | Tier A Actives | Tier B Actives |
| Jan | 8,022 | 118 | 8,113 | 3,077 | 5,036 |
| Feb | 8,033 | 117 | 8,160 | 3,046 | 5,114 |
| Mar | 8,049 | 117 | 8,190 | 3,036 | 5,154 |
| April | 8,062 | 117 | 8,185 | 2,988 | 5,197 |
| May | 8,078 | 117 | 8,143 | 2,963 | 5,180 |
| June | 8,086 | 117 | 8,206 | 2,936 | 5,270 |
| July | 8,092 | 117 | 8,220 | 2,904 | 5,316 |
| Aug | 8,094 | 117 | 8,234 | 2,882 | 5,352 |
| Sep | | | | | |
| Oct | | | | | |
| Nov | | | | | |
| Dec | | | | | |

August 18, 2025

Ms. Cheryl Alston
Executive Director & Chief Investment Officer
Dallas Employees' Retirement Fund
1920 McKinney Ave.
Dallas, TX 75201

Dear Cheryl,

It is my pleasure to inform you of your selection to receive the National Association of Investment Companies 2025 **Hall of Fame Award**, presented at our upcoming Amplifying Alternatives Forum, taking place October 1st-2nd, 2025, in Los Angeles, California.

This award honors industry veterans within the alternative investments space who have demonstrated exceptional professional achievement while championing the advancement of underrepresented talent in finance. These exemplary individuals have expanded access to alternative investment opportunities while strengthening the industry's foundation for sustainable, inclusive growth.

We are honored to present you with this award at the Amplifying Alternatives Forum, taking place October 1st - 2nd, 2025, at the UCLA Luskin Center in Los Angeles, California. We will be in touch with additional details regarding the presentation ceremony, including timing and logistics for the event. In the meantime, please ensure that you are registered for the conference, which can be done [here](#), or notify us if you are unable to attend.

We look forward to celebrating your achievements and continued success at the Amplifying Alternatives Forum.

Congratulations on this well-earned recognition.

Best regards,



Robert L. Greene
President and CEO
202-215-3449
rgreene@naicpe.com

MarketsGroup

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Decision-Making in Disruptive Times

Cheryl Alston

Executive Director,
Chief Investment Officer

**Dallas Employees'
Retirement Fund**



OCTOBER 15 - 16, 2025

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MarketsGroup

12th Annual Texas Institutional Forum

An Annual Event for the Regional Institutional Investor Community Held on Wednesday, October 15th & Thursday, October 16th, 2025
Omni Austin Downtown, 700 San Jacinto At 8th Street, Austin, TX 78701

Designed For:

Pensions, Endowments, Foundations, Hospital Plans, Insurance Companies & Investment Consultants
The forum provides insight into selected areas of interest within the Texas regional institutional investment community.

Confirmed Speakers Include:

Cheryl Alston, *Executive Director, Chief Investment Officer, Dallas Employees' Retirement Fund*
Derrick Dagnan, *Chief Investment Officer, Fort Worth Employees' Retirement Fund*
David Stafford, *Chief Investment Officer, City of Austin Employees' Retirement System*
Brad Davis, *Head of Public Fixed Income, Texas Treasury Safekeeping Trust Company*
Isidora Stankovic, *Director of Private Equity, Texas Municipal Retirement System (TMRS)*
Kyle Schmit, *Investment Officer, Dallas Police and Fire Pension System*
James Nield, *Chief Risk Officer, Teacher Retirement System of Texas*
Vernon Lewis, *Treasurer, City of Houston*
Benjamin Bayles, *Private Equity & Venture Capital, Teacher Retirement System of Texas*
Linda Riley Mitchell, *Chief Financial Officer, Treasurer, The Episcopal Diocese of Texas*
Clare Maxwell, *Investment Officer, M.J. Murdock Charitable Trust*
Jewel Chen, *Private Equity Portfolio Manager, Texas Permanent School Fund Corporation*
Pawel Krasowski, *Director of Investments, Pacific Life Insurance*
Eugene Han, *Portfolio Manager, Texas Municipal Retirement System*
Miriam Smith, *Executive Director, Vice Chancellor, Austin Community College Foundation*
Jon McCarry, *Executive Director, University of North Texas*
John Hall, *Investment Manager, Public Markets, Teacher Retirement System of Texas*
Justin Holm, *Senior Director - Operational Due Diligence, UTIMCO*
Carl Spansk, *Investment Associate, Teacher Retirement System of Texas*
Abhishek Rane, *Associate Director of Strategy and Risk Management, Ascension Investment Management*
Jordan Herman, *Operational Due Diligence, UTIMCO*
Rodrigo Dominguez, *Senior Operational Due Diligence Analyst, Texas Treasury Safekeeping Trust Company*
William Beck, *Senior Vice President, Wilshire*
Claudia Schloss, *Senior Consultant, Verus*
Chris Schelling, *Managing Director, Aksia*
Jeffrey Covell, *Executive Vice President, Gallagher Fiduciary Advisors*
Brady O'Connell, *Managing Director, Cliffwater*
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Day 1 – Wednesday, October 15th, 2025

1:45 Welcome Registration

2:20 Welcome Remarks

Organizer: **Mike Martinez**, *Director, Co-Head of Institutional Program Management & Investor Relations, Markets Group*
Chairperson: **Matt Drasser**, *Senior Director, U.S. Business Development, SLC Management*

2:30 Interview: A Developing Alternative Asset Class: Investor Claims and Recoveries as a Portfolio Asset Class

This discussion will explore the practical tools and resources that trustees, fiduciaries and fund managers can deploy to identify, analyze, and make strategic decisions regarding investor claims and recoveries from the perspective of a seasoned investment professional and an expert investor claims and recoveries practitioner.

Interviewer:

J.R. Morgan, *Assistant General Counsel, Senior Counsel, Investments and Head of Securities Litigation, Teacher Retirement System of Texas*

Interviewee:

Speaker, *Managing Director, DiCello Levitt*

3:00 Interview: Powering the Future: Energy, Metals & the AI-Driven Investment Landscape

As global energy systems undergo rapid transformation, institutional investors face a dynamic and complex opportunity set across the energy and natural resources spectrum. This panel brings together energy investors and allocators to explore the factors reshaping the investment outlook. Key questions the panel will address include:

- How are traditional and transitional energy markets—oil, gas, and renewables—being repriced amid macro and geopolitical shifts?
- What role are strategic metals like gold, copper, lithium, and rare earths play in powering both industrial applications and the global push towards electrification.
- How is AI's growing power demand transforming infrastructure, mining, and commodity dynamics?
- How are institutional investors positioning portfolios to manage risk and capture value in this rapidly shifting ecosystem?

Interviewer:

Benjamin Bayles, *Private Equity & Venture Capital, Teacher Retirement System of Texas*

Interviewee:

George Cheveley, *Portfolio Manager, Ninety One*

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3:30 Panel Discussion: A Systematic Approach to High Yield

Systematic fixed income strategies have entered the mainstream, having seen their assets more than double over the last year. They are poised to grow further as innovative trading techniques and abundance of structured data provide opportunities to lower transaction costs and generate diversified alpha streams in less liquid asset classes such as high yield. As fixed income is entering a potential golden age given historically high yields, we will discuss how a systematic approach to credit and innovation in credit portfolio trading can help with generating trading efficiencies and targeting differentiated alpha drivers in high yield.

Moderator:

Kyle Schmit, *Investment Officer, Dallas Police and Fire Pension System*

Panelists:

Brad Davis, *Head of Public Fixed Income, Texas Treasury Safekeeping Trust Company*

Paul Benson, *CFA, CAIA, Head of Systematic Fixed Income, Insight Investment*

4:00 Strategy Achievement Award Celebration (Recipient TBD)

Hosted by Britt Harris, Former CIO, Texas Permanent School Fund, CEO, On Eagles Wings Advisors

5:30 Networking Cocktail Reception *Hosted by: Los Angeles Capital*

6:30 Welcome Dinner - *Hosted By: SLC Management*

Day 2 – Thursday, October 16th, 2025

7:30 Registration, Networking & Welcome Coffee

8:00 Breakfast Workshop: Exploring the benefits of timberland in institutional portfolios

Many institutional investors have come to value the wide range of benefits that timberland can bring to an investment portfolio. In addition to environmental benefits, the asset class can offer meaningful portfolio level benefits, such as an attractive risk-adjusted return, powerful diversification potential and a reliable hedge against inflation. This workshop explores the benefits of timberland in institutional portfolios.

Speaker:

Gwen Busby, *Ph.D., Head of Research and Strategy, Nuveen Natural Capital*

8:30 Welcome Remarks

Organizer: **Mike Martinez**, *Director, Co-Head of Institutional Program Management & Investor Relations, Markets Group*

Chairperson: **Matt Drasser**, *Senior Director, U.S. Business Development, SLC Management*

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8:40 Panel Discussion: Navigating Markets in 2025: Investment Strategies and Macroeconomic Outlook

Investors are faced with the imperative challenge to construct resilient portfolios in the face of economic shifts and market volatility. The panel will shed light on the current macroeconomic landscape, providing insights into global economic trends and their potential impact on various asset classes. From equities and fixed income to alternative investments, our experts will share their perspectives on where opportunities lie and the potential pitfalls to avoid in the pursuit of optimal asset allocation.

Moderator:

Pawel Krasowski, *Director of Investments, Pacific Life Insurance*

Panelists:

James Nield, *Chief Risk Officer, Teacher Retirement System of Texas*

Brandon Matz, *Director, Artisan Partners*

9:15 Keynote Interview: Fixed Income: Investment Grade Credit in Today's Market

Tight corporate spreads are causing investors to consider how they are allocating within investment grade fixed income buckets. Are investors just looking at public markets or are they also looking at private placements? Where does IG private credit fit in a diversified fixed income portfolio? How does it compare to IG public credit? How are investors balancing the liquidity and credit risk inherent to some of the more esoteric sub asset classes? The panel examines new and sometimes unexpected ways of sourcing spread premiums across investment grade credit.

Interviewer:

William Beck, *Senior Vice President, Wilshire*

Interviewee:

Andrew Kleeman, *Senior Managing Director, Co-Head of Private Fixed Income, SLC Management*

9:45 Interview: Bank Inefficiencies & Retrenchment: Structuring Transactions to Capitalize

In an era marked by evolving financial landscapes and bank retrenchment, institutional investors face unique challenges and opportunities. This session will explore the impact of banking inefficiencies on the credit markets and how structured credit transactions can be strategically leveraged to capitalize on these shifts. We'll examine how bank retrenchment has created gaps in the market, presenting opportunities for investors to pursue asymmetric risk returns aimed at enhancing portfolio diversification and providing a resilient response to prevailing market uncertainties.

Interviewer:

Chris Schelling, *Managing Director, Aksia*

Interviewee:

Tim Beresford, *Principal, Credit Strategy Specialist & Client Portfolio Manager, ArrowMark Partners*

10:15 Morning Coffee & Networking Break – Hosted by: State Street Investment Management

MarketsGroup

10:45 Panel Discussion: Private Equity's Resilience During Major Crises of the Last 25 Years

Private equity has consistently outperformed listed equities during the five most significant crises of the past 25 years, with outperformance being twice as high during crises compared to stable periods. We will explore the reasons behind this resilience and how private equity has performed in terms of volatility and distributions during crises and over time. We will discuss the lessons investors can learn from these historical patterns for future private equity allocations. We will also share what analyzing which private equity strategies performed best and worst during crises tells investors about the importance of diversification and maintaining a steady investment pace for successful private equity investing.

Moderator:

Jeffrey Covell, *Executive Vice President, Gallagher Fiduciary Advisors*

Panelists:

Isidora Stankovic, *Director of Private Equity, Texas Municipal Retirement System*

Jon McCarry, *Executive Director, University of North Texas*

David DiPietro, *Head of Private Equity, T. Rowe Price*

11:20 Panel Discussion: The Equity Equation: Evaluating Impact on Portfolios

The equities market faces substantial influence from earnings expectations, elections and policy considerations, sector bets, slowing economies and interest rates. Will the rally continue? This panel will endeavor to answer how institutional allocators can build an all-weather equity portfolio and answer the following questions:

- What is the best approach to market breadth and the Magnificent 7?
- Do cap weighted Indices cause us to buy high and sell low, or worse buy the winners and sell the cheap stocks?
- Will macro conditions continue to drive Value vs Growth?
- What is the best play for deciding Active vs. passive management?
- Will large cap hold up better than small cap? Should investors pay more attention to economic conditions or starting valuation?
- Does US exceptionalism still apply or are international stocks (and currencies) too cheap to ignore?

Moderator:

Eugene Han, *Portfolio Manager, Texas Municipal Retirement System*

Panelists:

Speaker, *Managing Director, Nikko Asset Management*

11:55 Panel Discussion: Alternatives – Time to Shine

In 2023, interest rates stayed high as central banks around the world continued to fight inflation. Which alternatives offer the most meaningful diversification and how can the best managers be sourced? This panel will aim to answer several key questions including:

- How are institutional investors eyeing expected returns across the alternative's spectrum?
- Which alternatives will generate meaningful risk-adjusted returns?
- How are investors instilling crisis management and downside risk?

Moderator:

Justin Holm, *Director of Operational Due Diligence, UTIMCO*

Panelists:

John Hall, *Investment Manager, Public Markets, Teacher Retirement System of Texas*

Jewel Chen, *Private Equity Portfolio Manager, Texas Permanent School Fund Corporation*

Jon Segal, *Managing Director, Co-Chief Investment Officer, Highbridge Capital Management*

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12:30 Networking Luncheon & Breakout Discussions – hosted by American Century Investments and Avantis Investors

In the format of roundtables, small discussion groups are formed by topic. This is your opportunity to interact with some of our speakers and guests of the day, ask questions, and make connections.

Table 1: Fixed Income: Investment Grade Credit in Today's Market *Hosted By: SLC Management*

Table 2: Bank Inefficiencies & Retrenchment: Structuring Transactions to Capitalize *Hosted By: Arrowmark*

Table 3: Private Equity's Resilience During Major Crises of the Last 25 Years *Hosted By: T. Rowe Price*

Table 4: The Equity Equation: Evaluating Impact on Portfolios *Hosted By: Nikko Asset Management*

Table 5: Alternatives – Time to Shine *Hosted By: J.P. Morgan Asset Management*

Table 6: Navigating Markets in 2025: Investment Strategies and Macroeconomic Outlook *Hosted By: Artisan Partners*

Table 7: Unveiling the Dynamics of Passive vs. Active Management *Hosted By: PineBridge Investments*

Table 8: Impact of Concentration on Factor Strategies *Hosted By: Scientific Beta*

Table 9: Emerging Markets: An Overview of Equity and Debt *Hosted By: Lazard Asset Management*

Table 10: Private Market Investments – Time to Shine *Hosted By: Barings*

Table 11: Exploring The Benefits of Natural Capital on Institutional Portfolios *Hosted By: Nuveen*

Table 12: A Developing Alternative Asset Class: Investor Claims and Recoveries as a Portfolio Asset Class
Hosted By: Dicello Levitt

Table 13: A Systematic Approach to High Yield *Hosted By: Insight Investment*

Table 14: Powering the Future: Energy, Metals & the AI-Driven Investment Landscape *Hosted By: Ninety One*

1:30 Fireside Chat: Impact of Concentration on Factor Strategies

This fireside chat will focus on concentration risk and its impact on the two pillars of diversified factor strategies, namely rewarded factors and diversification. The concentration of performance in the largest cap affects both the performance of diversified strategies and the performance of rewarded factors. Investors should be aware of these impacts in order to address this risk if needed. In this session, we will explore potential solutions tailored to investors' investment objectives for addressing concentration risk in the design of factor strategies.

Speakers:

Claudia Schloss, *Senior Consultant, Verus*

Marianne Piquere, *Head of North America & Continental Europe, Scientific Beta*

2:00 Panel Discussion: Private Market Investments – Time to Shine

As investors search for additional sources of revenue and methods for portfolio diversification in the volatile and changing environment, alternatives stand out as an area of opportunities. The panel brings together leading alternatives investors and allocators to share the role private equity, private debt, venture capital and commodities plays in their portfolios and what they look for in managers to meet their objectives in these asset classes. Panelists will address risks and opportunities across capital structures, expected returns across the alternatives' spectrum and the operational requirements for managing the unique complexities in alternatives and private markets.

Moderator:

Brady O'Connell, *Managing Director, Cliffwater*

Panelists:

Clare Maxwell, *Investment Officer, M.J. Murdock Charitable Trust*

Carl Spansk, *Investment Associate, Teacher Retirement System of Texas*

Julianne Rusie, *Managing Director, Client Portfolio Manager, Private Credit, Barings*

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2:35 Panel Discussion: Emerging Markets: An Overview of Equity and Debt

Few would argue with the attractiveness of emerging markets investments from economic growth, demographic and socioeconomic standpoints. However, the volatility of emerging market stocks over the past two decades may have sparked questions regarding the perceived risks of this important asset class. The opportunity set and challenges seem to be ever-changing. What factors should institutional investors consider when debating whether to allocate to or diversify within the asset class?

Moderator:

Jordan Herman, *Operational Due Diligence*, **UTIMCO**

Panelists:

Vernon Lewis, *Treasurer*, **City of Houston**

Arif Joshi, *Managing Director*, **Lazard Asset Management**

3:10 Afternoon Coffee & Networking Break

3:30 Panel Discussion: Beyond Beta: New Frontiers in Public Equity Allocation

Equity investing is evolving. Institutions today demand more control, more clarity, and more adaptability. Join this panel to explore how new tools—ranging from option-based frameworks that shape risk profiles to concentrated stock selection driven by company lifecycle research—are driving differentiated outcomes in institutional portfolios.

Moderator:

Rodrigo Dominguez, *Senior Operational Due Diligence Analyst*, **Texas Treasury Safekeeping Trust Company**

Panelists:

Burke Ashenden, *Capital Markets & Institutional Strategy*, **Innovator ETFs**

Rob Hinchliffe, *Portfolio Manager, Global Focus Equity, Head of Global Sector Cluster Research*, **PineBridge Investments**

4:05 Institutional Leadership Roundtable: Decision-Making in Disruptive Times

Leading institutional investors shed light on the most pressing investment and management issues facing their organizations. Under Chatham House Rules, they will vet tactics on global, social, market and environmental disruptions in the current environment. They will discuss topics that are strategically important to boards in today's climate. They will explore how global, social, market and environmental priorities have shifted. They will debate reasonable expectations for investment returns this year. This is an opportunity to hear best practices from institutional leadership peers and to develop strategies for opportunities and challenges to come.

Moderator:

Miriam Smith, *Executive Director, Vice Chancellor*, **Austin Community College Foundation**

Panelists:

Cheryl Alston, *Executive Director, Chief Investment Officer*, **Dallas Employees' Retirement Fund**

Derrick Dagnan, *Chief Investment Officer*, **Fort Worth Employees' Retirement Fund**

Linda Riley Mitchell, *Chief Financial Officer, Treasurer*, **The Episcopal Diocese of Texas**

4:35 Lifetime Achievement Award Celebration: Cheryl Alston, Chief Investment Officer, Dallas Employees' Retirement Fund

5:05 Closing Remarks

Organizer: **Mike Martinez**, *Director, Co-Head of Institutional Program Management & Investor Relations*, **Markets Group**

Chairperson: **Matt Drasser**, *Senior Director, U.S. Business Development*, **SLC Management**

5:10 Networking Cocktail Reception – Hosted by: Acadian Asset Management

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