

INVESTMENT RETURNS AND ASSUMPTIONS REPORT

PRB-1000

Retirement System Profile

Dallas Police & Fire Pension System	214-638-3863
System Name	Phone Number: (xxx) xxx-xxxx
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Report Contact Name (Please Print)	E-mail Address

Actual Rate of Return

(Most Recent 10 Fiscal Years)

Fiscal Year End (MM/DD/YYYY)	Net Return (Percent)	Gross Return (Percent)	Gross Return Methodology	
			Not Net of Admin Expenses	Net of Admin Expenses
12/31/2018	-1.5	1.2	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2017	5.1	5.3	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2016	3.2	3.6	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2015	-12.6	-12.3	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2014	4.0	4.3	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2013	4.4	5	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2012	11.4	12.0	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2011	-1.1	-0.5	<input checked="" type="radio"/>	<input type="radio"/>
12/13/2010	10.2	10.5	<input checked="" type="radio"/>	<input type="radio"/>
12/13/2009	12.0	12.5	<input checked="" type="radio"/>	<input type="radio"/>

Gross Return Methodology - In the last column, please indicate the methodology used to calculate each gross return presented as either: The Gross Return is not net of administrative expenses or the Gross Return is net of administrative expenses.

Actuarial Assumed Rate of Return

(Most Recent 10 Actuarial Valuations)

Valuation Date (MM/DD/YYYY)	Assumed Return (Percent)	Assumed Return Methodology		
		Net All Expenses	Net Investment Fees Only	Other
01/01/2019	7.25	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2018	7.25	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2017	7.25	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2016	7.25	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2015	7.25	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2014	8.5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2013	8.5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2012	8.5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2011	8.5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
01/01/2010	8.5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Assumed Return Methodology - In the last column, please indicate the methodology underlying each assumed rate of return as either: The return is net of all expenses; the return is net of investment fees; or, "Other". If "Other", please describe methodology used in **Additional Comments** section.

LONG-TERM RATES OF RETURN **PRB-1000**

Annualized Rolling Rate of Return Information

Please check the appropriate box for the methodology used to calculate the rates of return requested in the following section:

- Arithmetic Mean Geometric Mean (Time-Weighted Return) Internal Rate of Return

Most Recent	1-Year Period	3-Year Period	10-Year Period	30-Year or Since Inception Period
Rolling Gross	1.2%	2.5%	3.8%	N/A
Rolling Net	-1.5%	2.2%	3.3%	5.7%

*If the system’s inception date is less than 30 years from the report date, please enter the inception date:

Date of Inception (MM/DD/YYYY)	01/01/1996
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RETURNS AND ASSUMPTIONS – ADDITIONAL COMMENTS

Please use this text box to provide any additional information or commentary that may help clarify information provided in the previous form.

Prior to 01/01/2016, the actuarial assumed rate was net of administrative expenses. As of 01/01/2016, per the external actuary’s recommendation, the methodology was adjusted to have an explicit assumption for administrative expenses. Therefore, the assumed return is net of investment expenses only. Investment expenses include manager fees and other investment related costs such as consultant and custodian fees, legal fees, and due diligence costs and tax and valuation services related to investments.

The returns reported above were calculated by Mekela, DFPF’s investment consultant, using a time-weighted rate of return.

Starting in fiscal year 2014, DFPF transitioned the performance calculation methodology to a ‘lagged with cash flow adjustments’ platform. The change was based on DFPF’s prior consultant recommendation, which was founded upon improving the timeliness of reports and implementing industry best practices. This cash-adjusted valuation process accurately represents the best available statement of each account’s value at a specific point in time. Under this methodology, the consultant uses the most recent quarterly statement in receipt from each private investment manager and adjusts the ending market value by any capital activity that occurred from the date of the private investment statement through the end of the period. Capital calls are added and distributions deducted from the most recent statement’s market value to calculate a current estimate of the market value.

