

**Dallas Police and Fire Pension System
Investment Advisory Committee
Telephone Conference
Thursday, March 24, 2022
10:00 a.m.**

Investment Advisory Committee, Gilbert Garcia, Chairman, presiding:

ROLL CALL

Committee Members

Present: Gilbert A. Garcia, Ryan Bailey, Rakesh Dahiya, Scott Freeman, Kenneth Haben, Nancy Rocha, Tom Tull

Absent: Michael Brown, Robert Jones

Staff Ryan Wagner, Kelly Gottschalk, Brenda Barnes, Gregory Irlbeck, Michael Yan, Akshay Patel, John Holt, Milissa Romero

Others Leandro Festino, Aaron Lally, Scott Cheskiewicz (by phone), Colin Kowalski (by phone)

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The meeting was called to order at 10:07 a.m. and the meeting was adjourned at 11:42 a.m.

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DISCUSSION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Approval of Minutes

Investment Advisory Committee Meeting of September 23, 2021

After discussion, Mr. Haben made a motion to approve the minutes of the Investment Advisory Committee (IAC) meeting of September 23, 2021. Ms. Rocha seconded the motion, which was unanimously approved by the Committee.

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2. Portfolio Update

Staff reviewed the investment portfolio including asset allocation, performance, recent activity and observations, and current or planned initiatives.

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3. Global Alpha Contract

The Board approved a new investment with Global Alpha International Small Cap at the January 2022 meeting. Upon legal review, DPFPP realized that the Limited Partnership Agreement (LPA) for the commingled fund disclaimed the GP's fiduciary duty to the maximum extent allowed by Delaware law. The Investment Policy Statement (IPS) requires all Public Commingled Fund managers to be a fiduciary to the fund. Staff discussed options with the IAC, who recommended no changes to the IPS and to proceed with the investment with Global Alpha assuming they agree to fiduciary language that meets the current language in the DPFPP IPS.

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4. Safety Reserve

Staff reviewed the Safety Reserve with the IAC, including notification of draw down mode, current level of the Safety Reserve and forward cash outflow assumptions. The Committee recommended that any near-term private asset proceeds be used first to replenish the Safety Reserve back to the 9% target.

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5. ESG Education

Meketa provided an overview presentation covering trends in the ESG investment market, what other institutional investors are doing and how Meketa incorporates ESG into their process.

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6. Ashmore Manager Review and EM Debt Search Process

Staff provided a review of Ashmore's recent underperformance and discussed a planned EM Debt search process, which would compare Ashmore's Blended EM Debt product to the universe of Blended EM Debt Products. Staff solicited advice from the IAC regarding the investment manager search process. The Committee recommended launching the search immediately and following the typical search timeline.

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7. Investment Policy Statement Concentration Limits

At the February 2022 Board meeting, the Board approved an amendment to the Investment Policy Statement which added a 5% asset class concentration limit to any single issuer in both the Public Equity and Public Fixed Income portfolios. Each asset class will be treated separately for purposes of the 5% limit. Staff will calculate the Public Equity and Fixed Income concentration levels on a quarterly basis and report to the Investment Advisory Committee if exposure to any single issuer exceeds the 5% limit and discuss with the IAC possible courses of action.

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8. Fourth Quarter 2021 Investment Performance Analysis and Third Quarter 2021 Private Markets & Real Assets Review

The Fourth Quarter 2021 Investment Performance Analysis and Third Quarter 2021 Private Markets & Real Assets Review reports were provided to the Committee Members.

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/s/ Gilbert Andrew Garcia

Gilbert Andrew Garcia
Chairman

ATTEST:

/s/ Ryan P. Wagner

Ryan P. Wagner
Chief Investment Officer

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