

Item 5.c.iii.

Capital Call Pacing Model

Private Equity Pacing Study
September 2023

Delray Beach Police





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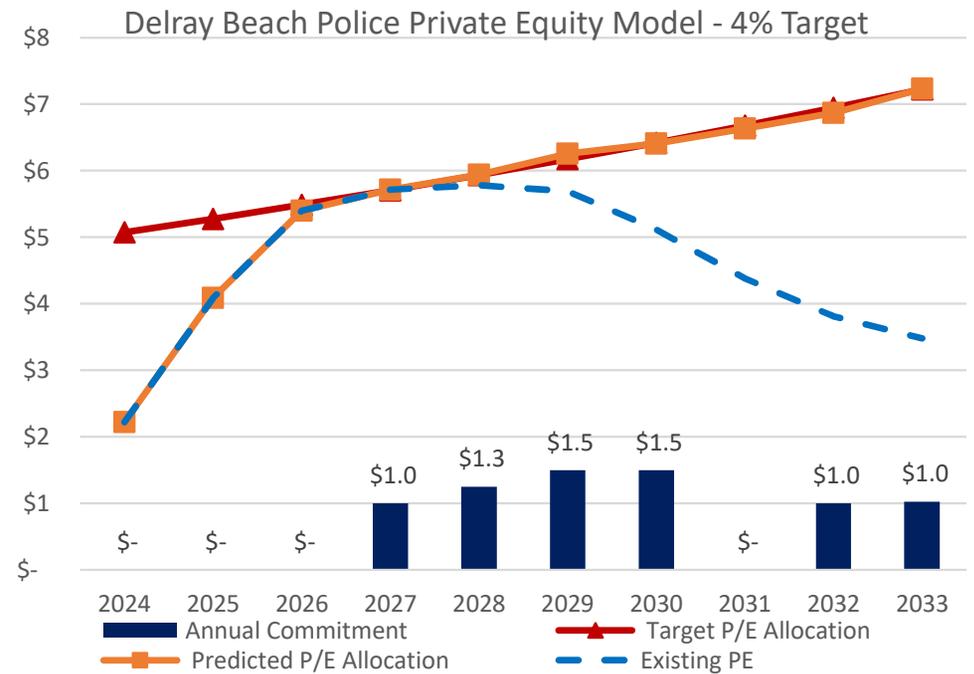
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Private Equity Commitment Model – Delray Beach Police

- The commitment model attempts to predict how much capital will be in Private Equity funds at a given point in time.
 - Estimates the commitments needed to reach/maintain the allocation target.
 - Diversifies the portfolio by vintage year to reduce risk.
- AndCo monitors and adjusts the commitment model annually.
- The commitment model is based on the following assumptions:
 - \$121.9M of plan assets based on the average of the last four quarters ending June 30, 2023:
 - Q3 2022: \$109.8M
 - Q4 2022: \$122.9M
 - Q1 2023: \$126.0M
 - Q2 2023: \$128.9M
 - Assumes a 4.0% annual growth rate net of estimated beneficiary payments.
 - \$2.2M market value of Private Equity holdings as of June 30, 2023.
 - 4% target Private Equity allocation.
 - Goal of reaching Private Equity target by roughly 2026.
- Based on the model, AndCo recommends no Private Equity commitment for 2024.



PE Commitment Schedule (in millions)				
Year	Annual Commitments	Cumulative commitments	Projected NAV	PE Target (4% of total assets)
2023	\$0.0	\$8.0	\$2.2	\$5.1
2024	\$0.0	\$8.0	\$4.1	\$5.3
2025	\$0.0	\$8.0	\$5.4	\$5.5
2026	\$1.0	\$9.0	\$5.7	\$5.7
2027	\$1.3	\$10.3	\$5.9	\$5.9
2028	\$1.5	\$11.8	\$6.3	\$6.2
2029	\$1.5	\$13.3	\$6.4	\$6.4
2030	\$0.0	\$13.3	\$6.6	\$6.7
2031	\$1.0	\$14.3	\$6.9	\$6.9
2032	\$1.0	\$15.3	\$7.2	\$7.2



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