

AGENDA



Date: October 1, 2026

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, October 8, 2026, in the Second Floor Board Room at 4100 Harry Hines Boulevard, Dallas, Texas** and via online Zoom meeting for audio and visual <https://us02web.zoom.us/j/87016110261?pwd=X5Bl7ZPfbAJ9e7dkj6bbwtsdEXgskX.1> (Meeting ID: 870 1611 0261, Passcode: 455566), or participants may join the meeting audio via telephone by calling 1-719-359-4580. Items of the following agenda will be presented to the Board:

A. MOMENT OF SILENCE

B. APPROVAL OF MINUTES

Regular meeting of September 10, 2026

C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Initial Reading and Discussion of the 2027 Budget

- 2. Executive Director Approved Pension Ministerial Actions**
- 3. Board Approval of Trustee Education and Travel**
- 4. Future Board Meeting Agenda Planning**
- 5. Portfolio Update**
- 6. Potential Private Equity Investment**
- 7. Private Markets Approval Process**
- 8. Public Credit Asset Class Structure**
- 9. Fixed Income & Defensive Asset Class Structure**
- 10. Legal issues - In accordance with Section 551.071 of the Texas Government Code, the Board will meet in executive session to seek and receive the advice of its attorneys about pending or contemplated litigation or any other legal matter in which the duty of the attorneys to DPFP and the Board under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Texas Open Meeting laws.**
- 11. Lone Star Investment Advisors**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

D. BRIEFING ITEMS

1. Public Comment

2. Executive Director's Report

a. Associations' newsletters

- [NCPERS Monitor October 2026](#)

b. Open Records

c. Employee Service Award

The term "possible action" in the wording of any Agenda item contained herein serves as notice that the Board may, as permitted by the Texas Government Code, Section 551, in its discretion, dispose of any item by any action in the following non-exclusive list: approval, disapproval, deferral, table, take no action, and receive and file. At the discretion of the Board, items on this agenda may be considered at times other than in the order indicated in this agenda.

At any point during the consideration of the above items, the Board may go into Closed Executive Session as per Texas Government Code, Section 551.071 for consultation with attorneys, Section 551.072 for real estate matters, Section 551.074 for personnel matters, Section 551.076 for deliberation regarding security devices or security audits, and Section 551.078 for review of medical records.



MOMENT OF SILENCE

In memory of our Members and Pensioners who recently passed away

NAME	ACTIVE/ RETIRED	DEPARTMENT	DATE OF DEATH
Jack S. Thrasher	Retired	Fire	Sep. 02, 2026
Ray C. Cunningham	Active	Police	Sep. 11, 2026
Sandra D. Caro	Retired	Police	Sep. 13, 2026
John P. Gross	Retired	Fire	Sep. 19, 2026
Don G. Stoy	Retired	Fire	Sep. 27, 2026
Andrew J. Scogin, Jr.	Retired	Police	Sep. 28, 2026

Regular Board Meeting –Thursday, October 8, 2026

Dallas Police and Fire Pension System
Thursday, September 10, 2026
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, TX

Regular meeting, Michael Taglienti, Chairman, presiding:

ROLL CALL

Board Members

Present at 8:34 a.m. Michael Taglienti, Tom Tull, Tina Hernandez Patterson, Matthew Shomer, Joe Colonna, David Kelly, Yvette Duenas, Rob Walters, Scott Letier

Virtual at 8:34 a.m. Steve Idoux

Absent Anthony Scavuzzo

Staff

Kelly Gottschalk, Sherrelle Evans-Jones, Ryan Wagner, Divyesh Shah, Kyle Schmit, Luis Solorzano Trejo, Nien Nguyen, Milissa Romero

Virtual Joshua Mond, Lydia LoSasso, Jami Allen, Kait Gensler, Sasha Sigman, Cynthia Thomas, Patricia Wiley, Malaya Samuel

Others

None

Virtual Aaron Lally, Trevor Lowman, David Elliston, Kevin Balaod, Ben Casey, Nancy Avelar, Nate Weinstein

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The meeting was called to order at 8:34 a.m.

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A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officer Terry J. Vice, and retired firefighters Billy W. Ford, Willie J. Brown, Jim R. Hancock, Charles E. Houser, and B. J. Pritchett.

No motion was made.

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**Regular Board Meeting
Thursday, September 10, 2026**

B. APPROVAL OF MINUTES

Regular meeting of August 13, 2026

After discussion, Mr. Walters made a motion to approve the minutes of the Regular meeting of August 13, 2026. Mr. Tull seconded the motion, which was unanimously approved by the Board.

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**C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR
INDIVIDUAL CONSIDERATION**

1. Executive Director Approved Pension Ministerial Actions

The Executive Director reported on the September pension ministerial actions.

No motion was made.

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2. Board Approval of Trustee Education and Travel

The Board and staff discussed future Trustee education. There was no future Trustee education or travel scheduled.

No motion was made.

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3. Future Board Meeting Agenda Planning

Staff provided a list of anticipated agenda items for the next 3 months for Board meeting planning purposes.

No motion was made.

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4. Portfolio Update

Investment Staff briefed the Board on recent events and current developments with respect to the investment portfolio.

No motion was made.

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**Regular Board Meeting
Thursday, September 10, 2026**

5. Asset Allocation Interim Ranges

The Board and staff discussed an interim adjustment to asset class and manager ranges to allow rebalancing activity outside of the current asset class and manager ranges, until the new asset allocation is incorporated into the Investment Policy Statement (IPS).

After discussion, Ms. Hernandez Patterson made a motion to authorize temporarily, until a revised Investment Policy Statement is approved by the Board, rebalancing activity that is outside of current asset class and manager ranges but is consistent with the new Asset Class targets and ranges approved at the August 2026 Board meeting. Mr. Colonna seconded the motion, which was unanimously approved by the Board.

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6. Second Quarter 2026 Investment Performance Analysis

Aaron Lally, Managing Principal of Meketa Investment Group reviewed the Second Quarter 2026 Investment Performance Analysis report.

No motion was made.

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Mr. Walters left the meeting at 9:19 a.m.

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7. First Quarter 2026 Private Markets Review

Staff reviewed the First Quarter 2026 Private Markets Review report.

No motion was made.

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8. Closed Session - Board serving as Medical Committee

Discussion of the following will be closed to the public under the terms of Section 551.078 of the Texas Government Code:

- a. Disability application 2026-1D
- b. Disability application 2026-4D

The Board went into closed executive session – Medical at 9:31 a.m.

The meeting reopened at 10:17 a.m.

**Regular Board Meeting
Thursday, September 10, 2026**

8. Closed Session - Board serving as Medical Committee (continued)

Staff presented two applications for disability retirement in accordance with Section 6.03 of Article 6243a-1 for consideration by the Board.

- a. No motion was made regarding disability application 2026-1D.
- b. After discussion, Mr. Shomer made a motion to deny the disability retirement application 2026-4D in accordance with Section 6.03 of Article 6243a-1. Mr. Colonna seconded the motion, which was unanimously approved by the Board.

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9. Legal issues - In accordance with Section 551.071 of the Texas Government Code, the Board will meet in executive session to seek and receive the advice of its attorneys about pending or contemplated litigation or any other legal matter in which the duty of the attorneys to DPFP and the Board under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Texas Open Meeting laws.

No discussion was held, and no motion was made regarding legal issues.

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10. Lone Star Investment Advisors

No discussion was held.

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D. BRIEFING ITEMS

1. Public Comment

Prior to commencing items for Board discussion and deliberation, the Chairman extended an opportunity for public comment. No one requested to speak to the Board.

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**Regular Board Meeting
Thursday, September 10, 2026**

2. Executive Director's Report

- a.** Associations' newsletters
 - NCPERS Monitor September 2026
- b.** Open Records

The Executive Director's report was presented.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Shomer and a second by Mr. Colonna, the meeting was adjourned at 10:18 a.m.

Michael Taglienti,
Chairman

ATTEST:

Kelly Gottschalk,
Secretary



DISCUSSION SHEET

ITEM #C1

Topic: Initial Reading and Discussion of the 2027 Budget

Discussion: Attached is the budget proposal for Calendar Year 2027.

The budget has been prepared in total for both the Combined Pension Plan and the Supplemental Plan. Total expenses are then allocated to the Supplemental Plan based upon the Group Trust allocation reported by Bank of New York.

Significant changes from the prior year budget and the projected 2026 actual expenses are explained in the comments accompanying the proposed budget.

Staff

Recommendation: **Direct** staff to revise the proposed budget based on the direction of the Board and bring the revised proposed budget to the Board at the November 2026 Board meeting for consideration for adoption. **Authorize** forwarding the 2027 proposed budget to the City of Dallas for comment and the posting of the proposed budget to www.dpfp.org for member review prior to the November Board meeting.

Regular Board Meeting – Thursday, October 8, 2026



DALLAS POLICE AND FIRE PENSION SYSTEM

2027 PROPOSED BUDGET REVIEW

October 8, 2026





2027 BUDGET PROCESS

For the Fiscal Year ending December 31, 2027

1

October

Proposed budget
presented to the Board

Authorize the Proposed
Budget (including any
Amendments from the
Board) to be posted to
the website and send to
the City of Dallas for
comment

2

November

Members may comment on
budget

Board may amend or approve
budget. The Board may also
request additional information
for consideration in December

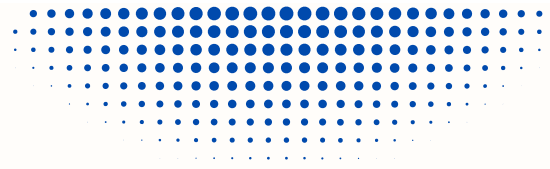
Compensation Committee
recommendations considered

Any comments received from
the City of Dallas considered

3

December

If necessary, the
revised budget returns
to the Board for final
approval



2027 BUDGET AT A GLANCE

Expense Type	2026 Budget	2026 Projected Actual	2027 Proposed Budget	Variances			
				2027 Proposed Budget vs. 2026 Budget		2027 Proposed Budget vs. 2026 Projected Actual	
Administrative Expenses	\$ 6,903,596	\$ 6,413,297	\$ 7,206,263	\$ 302,667	4.4%	\$ 792,966	12.4%
Investment Management Fees	9,927,000	9,758,708	12,249,000	2,322,000	23.4%	2,490,292	25.5%
Other Investment Expenses	2,058,167	1,855,728	2,406,215	348,048	16.9%	550,487	29.7%
Total Investment Expenses	11,985,167	11,614,436	14,655,215	2,670,048	22.3%	3,040,779	26.2%
Professional Expenses	1,924,725	989,483	1,467,000	(457,725)	(23.8%)	477,517	48.3%
Total	\$ 20,813,488	\$ 19,017,216	\$ 23,328,478	\$ 2,514,990	12.1%	\$ 4,311,262	22.7%



2027 BUDGET AT A GLANCE (CONTINUED)

\$23.3M

Total Proposed Budget

Administrative - \$7.2M

Salaries & Benefits - \$4.6M
increase of \$338K or 7.9% over 2026 Budget

Consists of a variety of expenses including Building expenses (\$544K), IT Projects (\$410K), and Liability Insurance (\$569K)

Total Administrative Expenses increased by \$303K or 4.4% from the 2026 Budget

Investment - \$14.7M

Management Fees - \$12.2M
increase of \$2.3M or 23% over 2026 Budget

Portfolio Operating Expenses - \$1.2M
increase of \$170K or 16% over 2026 Budget (this includes legal, valuation and tax expenses)

Consultant & Reporting Fees - \$890K
increase of \$191K or 27% over 2026 Budget

All Other Investment Expenses - \$278K
decrease of \$12K or 4.7% from 2026 Budget

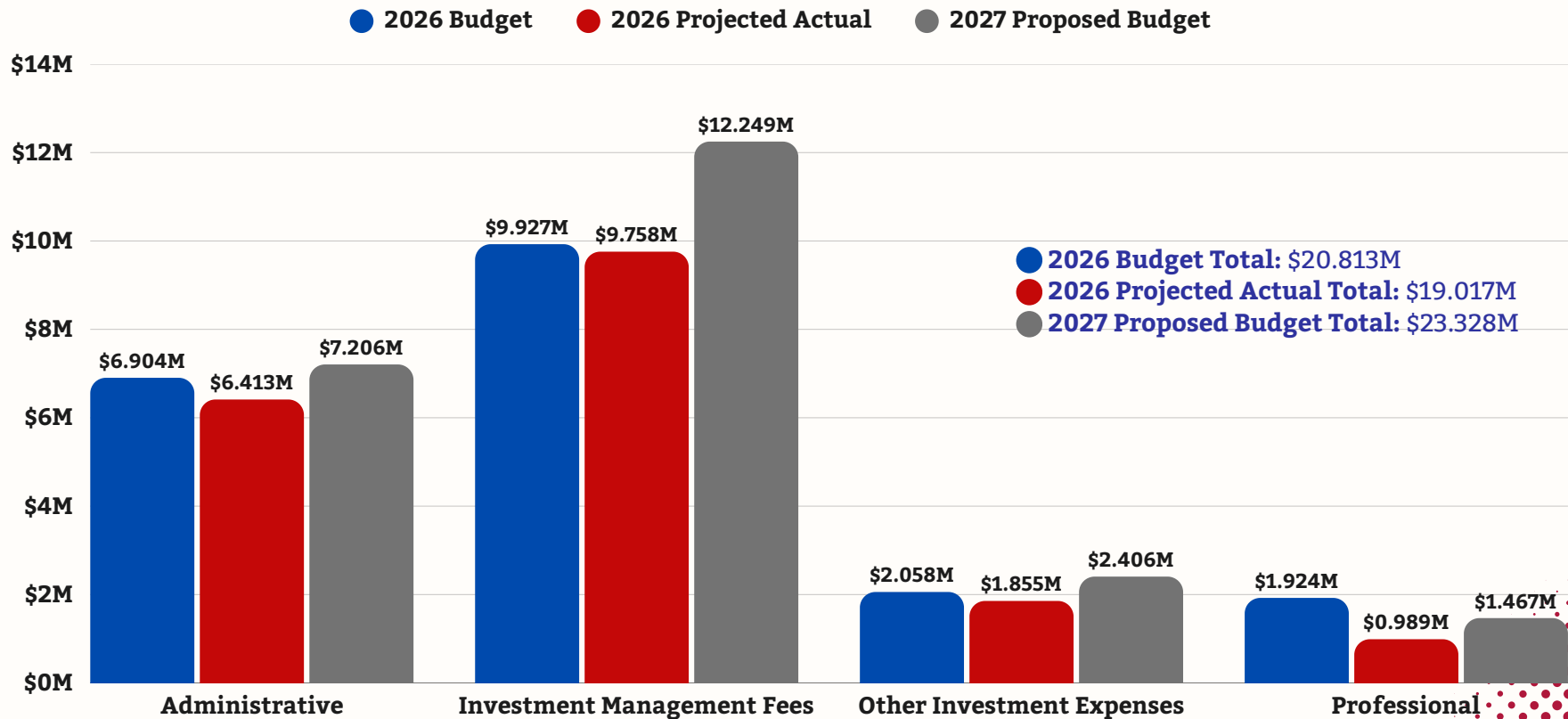
Professional - \$1.4M

This area consists of a variety of fees including Actuarial and Accounting Services, Legal (non-Investment), External Audit, Pension Administration Software, Network Security Monitoring

Total Professional Expenses decreased by \$457K or 24%, largely due to a reduction in non-investment legal fees pertaining to resolved legal cases.

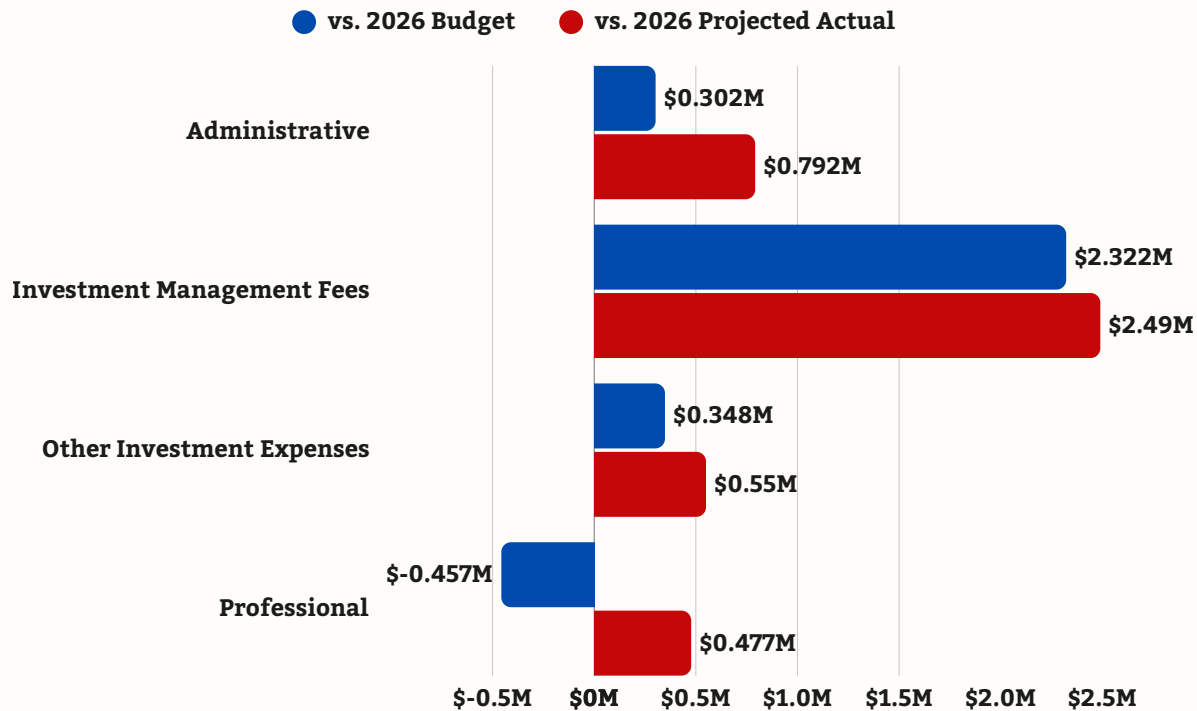


2027 BUDGET SUMMARY





2027 BUDGET VARIANCES



● 2027 Proposed Budget vs. 2026 Budget

- Administrative Expenses: 4.4% increase
- Investment Management Fees: 23.4% increase
- Other Investment Expenses: 16.9% increase
- Professional Expenses: 23.8% decrease
- **Total (\$): \$2.514M**
- **Total (%): 12.1% increase**

● 2027 Proposed Budget vs. 2026 Projected Actual

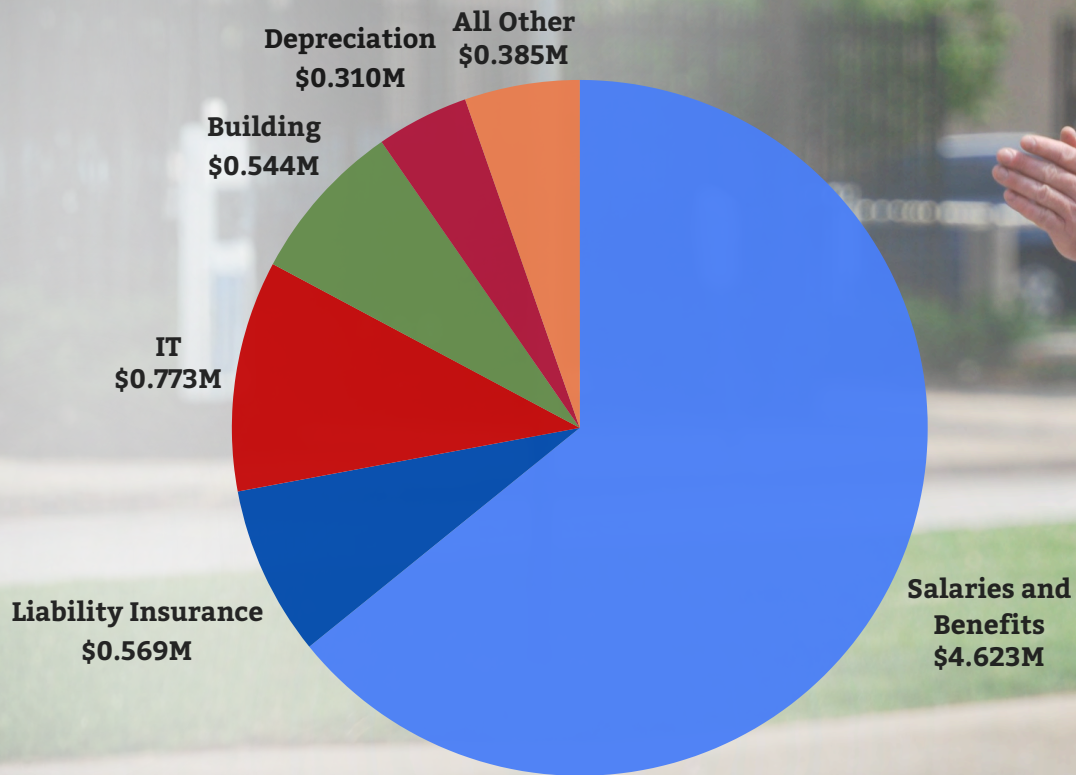
- Administrative Expenses: 12.4% increase
- Investment Management Fees: 25.5% increase
- Other Investment Expenses: 29.7% increase
- Professional Expenses: 48.3% increase
- **Total (\$): \$4.311M**
- **Total (%): 22.7% increase**



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POLICE & FIRE
PENSION SYSTEM



2027 PROPOSED BUDGET ADMINISTRATIVE EXPENSES - \$7.2M





ADMINISTRATIVE EXPENSES: SALARY AND BENEFITS - \$4.6M

- The Administrative Expenses area of the 2027 Proposed Budget includes \$4.6M of Salaries and Benefit costs.
- Current staff level is 25 – no change budgeted for 2027.
- Per DPFP Compensation policy, CBIZ, a compensation consulting expert, submitted their annual salary letter. The 2027 Proposed Budget includes a 4% salary increase.
- The Compensation Policy calls for a compensation study to be completed every five years. CBIZ has been retained to complete the study. Based on preliminary work a placeholder of \$135K has been added to the salary budget. The next step in the process is to review preliminary study recommendations with the Compensation Committee. Adjustments will be made to the budget based on the Committee's recommendations.



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ADMINISTRATIVE EXPENSES: SALARIES AND BENEFITS - \$4.6M (CONTINUED)

- For the 2026 year, health insurance premiums were quoted at a single-year rate which is not anticipated to continue into 2027. Accordingly health insurance estimates for the 2027 budget were estimated using a higher 2025 rate.
- Other benefit insurance costs (LTD, STD, and Dental, Vision) are projected with increases of 4-5% for next year.
- Life and LTC are projected with no increases for 2027.
- Neither DPFP nor its employees pay into Social Security.



IT PLANS & EXPENSES

- The IT Operating Budget is included in several Expense Classes within the budget:
 - Administrative IT Expenses - \$773K - Includes annual IT projects and Cyber security software. IT annual projects total \$410K which include a Storage Array Upgrade, Training Room AV Refresh and Data Backup related projects.
 - Professional IT Expenses - \$619K - Includes contracts with third-party professionals to provide services such as virtual cyber-intrusion testing.
- Pension Administration Software (PAS) Project
 - Pre-Engagement with LRS underway, expected to be complete by year-end
 - LRS will then provide a fixed-price quote and timeline for delivering PensionGold V4, including customizations, workflows, and ongoing maintenance and support
 - Not yet approved: no PAS implementation (LRS or other vendor) has been approved; Board decision expected in 2027
 - Capital Budget figures are illustrative only and will be amended once the Board determines the path forward on the PAS and more is known about pricing and timing



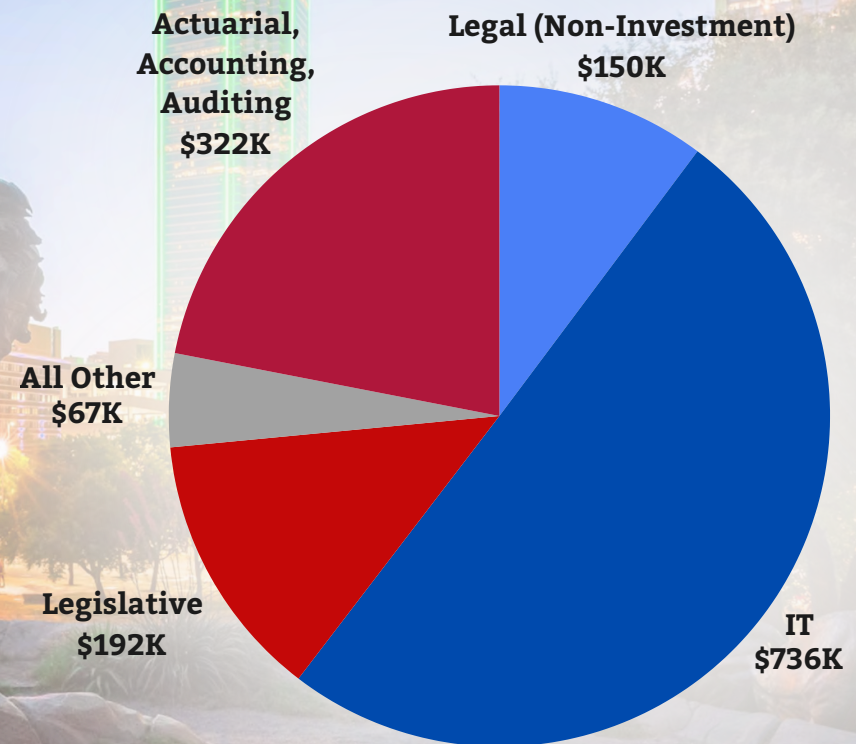


ADMINISTRATION EXPENSES: HARRY HINES BUILDING - \$544K

- The expenses for the Harry Hines building of \$544,474 are included in the 2027 Administration budget. Building expenses have decreased by \$4K when compared to 2026 Budget.
- Currently have one tenant on the 4th floor. Leasing efforts underway for the 3rd floor. When the building is fully leased 100% of building expenses are offset by lease revenue.
- Lease revenue expected in 2026 is \$145K and will offset 15% of the cash building expenses.
- Building HVAC is being addressed in a 2026 Budget. This update includes significant investment in HVAC systems operating the 1st, 3rd, and 4th floor. The 2nd floor was addressed in 2026; next update for 2nd floor anticipated in 2028.
- Roof replacement for the building is planned for 2029 in the Capital Budget.



2027 PROPOSED BUDGET PROFESSIONAL EXPENSES - \$1.4M





2027 PROPOSED BUDGET PROFESSIONAL EXPENSES - \$1.4M

- 2027 Budgeted Actuary and Accounting services of **\$322K** are lower by \$35K or 9.8%, when compared to the 2026 Budget. DPFP began work with a new Actuary firm in 2026. 2026 included non-recurring actuarial costs related to the funding plan. A RFP for financial audit services is anticipated in 2026.
- Legislative Consulting expenses are higher in years when the legislature is in session. The 2027 budget of **\$192K** is a \$66K or 52% over 2026 Budget. The Legislative Consultant has not increased their fees since 2017.
- Budgeted legal fees of **\$150K** are lower than the 2026 budget by \$480K or 76%. Planned legal fees for the Pension Administration Software were budgeted in 2026, but will not be expended until 2027.
- IT related expenses of **\$736K** included estimates of spending related to Network Security Monitoring, Pension Software maintenance and Business Continuity services. These expenses are expected to increase by \$59K or 8.7% from 2026 Budget.



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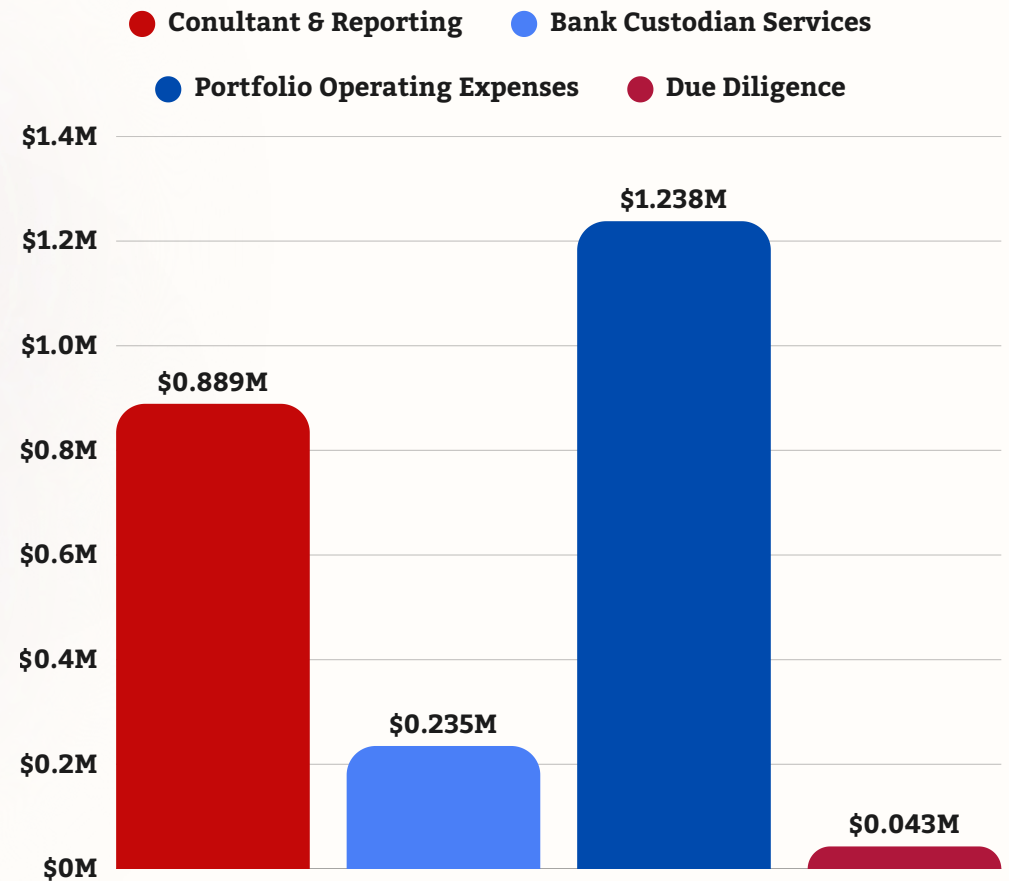




OTHER INVESTMENT
EXPENSES - \$2.406M

MANAGEMENT FEES -
\$12.249M

2027 Proposed Budget





INVESTMENT MANAGEMENT FEE EXPENSES

Investment Management Fee Expenses are estimated to increase by \$2.3M or 23.4% from 2026 Budget due to increased market value in plan assets (a \$280.5M increase).

Management Fee Budget Comparison - 2027 & 2026

Asset Category	Asset Class	2026 Budget	2026 Estimated Average Market Value	2026 Fee as a % of Market Value	2027 Management Fee Budget*	2027 Estimated Average Market Value	2027 Fee as a % of Market Value
Equity	Public Equity	4,551,000	1,264,000,000	0.36%	4,559,000	1,270,000,000	0.36%
	Private Equity	1,136,000	174,000,000	0.65%	2,649,000	73,500,000	3.60%
Credit	Public Credit	1,019,000	242,000,000	0.42%	1,538,000	375,000,000	0.41%
	Private Credit	565,000	37,000,000	1.53%	667,000	40,000,000	1.67%
Real Assets	Infrastructure & Other Real Estate Assets	920,000	67,000,000	1.37%	1,146,000	70,000,000	1.64%
	Real Estate	1,363,000	110,000,000	1.24%	1,136,000	112,000,000	1.01%
Fixed Income & Defensive		373,000	286,000,000	0.13%	554,000	520,000,000	0.11%
TOTAL		\$ 9,927,000	\$ 2,180,000,000	0.46%	\$ 12,249,000	\$ 2,460,500,000	0.50%

* - The budget includes management fees, performance/incentive fees, carried interest & disposition fees paid to the fiduciary investment managers. It does not include any commingled or private equity fund operating expenses.

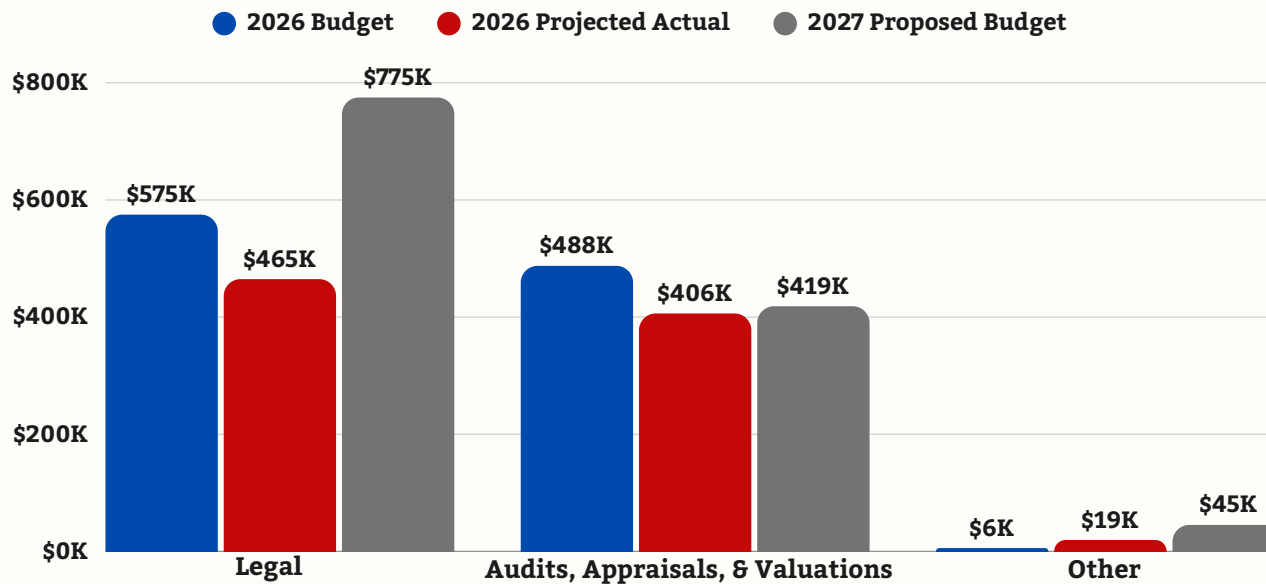


PORTFOLIO OPERATING EXPENSES

\$1.2M

2027 Portfolio Operating
Expense Budget

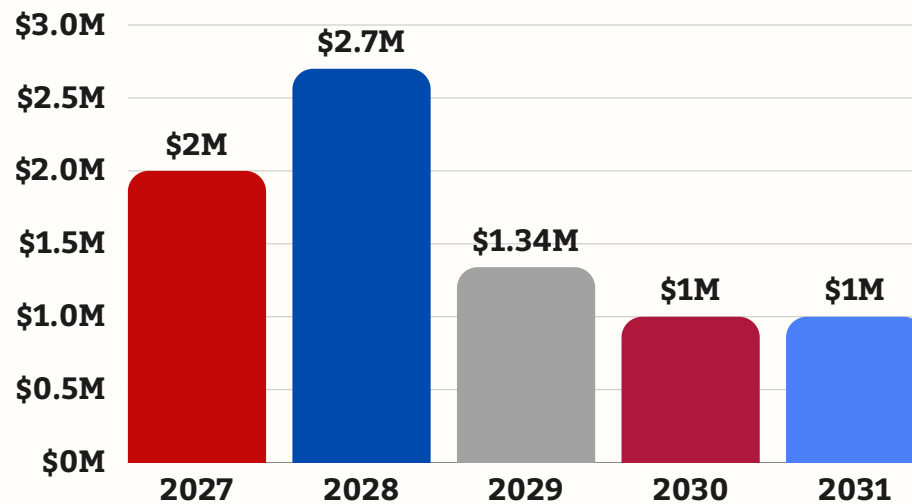
**+7.8% vs. 2026
Adopted Budget**



Investment Portfolio Operating Expenses are expected to increase in 2027, primarily related to legal expenses for private equity legacy funds.



CAPITAL BUDGET



Budget Totals

Building

- Total Roofing & HVAC: \$490K

Pension Admin System / Imaging

- Total PAS & Imaging: \$7.550M

Pension Administration System Notes:

1. Preliminary Project Phase - Expense items such as define system requirements, formulate a plan, evaluating alternatives & technology, vendors.
2. Application Development Phase - Capitalize items such as design, coding, hardware, installation, testing.
3. Post-implementation Phase - Expense items such as training, routine maintenance.
4. Upgrade & Enhancements - Capitalize or expense items such as changes beyond routine maintenance.



ANY QUESTIONS?





Description	2026 Budget	2026 Projected Actual*	2027 Proposed Budget	\$ Change 2027 Prop. Bud. vs. 2026 Bud.	% Change 2027 Prop. Bud. vs. 2026 Bud.	\$ Change 2027 Prop. Bud. vs. 2026 Proj. Actual	% Change 2027 Prop. Bud. vs. 2026 Proj. Actual
Administrative Expenses							
1 Salaries and benefits	4,285,600	4,196,930	4,623,634	338,034	7.9%	426,704	10.2%
2 Employment Expense	27,535	28,173	32,500	4,965	18.0%	4,327	15.4%
3 Memberships and dues	20,383	20,513	25,514	5,131	25.2%	5,001	24.4%
4 Staff meetings	600	151	600	-	0.0%	449	297.4%
5 Employee service recognition	4,000	1,858	6,000	2,000	50.0%	4,142	222.9%
6 Member educational programs	6,000	4,062	8,500	2,500	41.7%	4,438	109.3%
7 Board meetings	4,900	4,042	5,900	1,000	20.4%	1,858	46.0%
8 Conference registration/materials - Board	18,500	4,640	15,000	(3,500)	(18.9%)	10,360	223.3%
9 Travel - Board	22,000	12,713	22,000	-	0.0%	9,287	73.1%
10 Conference/training registration/materials - Staff	29,830	22,219	37,150	7,320	24.5%	14,931	67.2%
11 Travel - Staff	56,950	63,494	72,450	15,500	27.2%	8,956	14.1%
12 Liability insurance	569,916	545,377	569,200	(716)	(0.1%)	23,823	4.4%
13 Communications (phone/internet)	32,444	28,772	35,980	3,536	10.9%	7,208	25.1%
14 Information technology projects	519,000	329,763	410,000	(109,000)	(21.0%)	80,237	24.3%
15 IT subscriptions/services/licenses	214,910	147,310	195,800	(19,110)	(8.9%)	48,490	32.9%
16 IT software/hardware	25,000	15,860	25,000	-	0.0%	9,140	57.6%
17 Building expenses	554,662	487,029	544,474	(10,188)	(1.8%)	57,445	11.8%
18 Repairs and maintenance	100,001	132,135	142,251	42,250	42.2%	10,116	7.7%
19 Office supplies	27,125	16,787	23,900	(3,225)	(11.9%)	7,113	42.4%
20 Leased equipment	23,000	25,492	26,000	3,000	13.0%	508	2.0%
21 Postage	25,700	26,166	30,975	5,275	20.5%	4,809	18.4%
22 Printing	6,350	7,729	8,700	2,350	37.0%	971	12.6%
23 Subscriptions	1,535	1,198	1,635	100	6.5%	437	36.5%
24 Records storage	3,925	3,733	4,100	175	4.5%	367	9.8%
25 Administrative contingency reserve	12,000	583	12,000	-	0.0%	11,417	1958.3%
27 Depreciation Expense	298,730	270,252	310,000	11,270	3.8%	39,748	14.7%
28 Bank fees	13,000	16,210	17,000	4,000	30.8%	790	4.9%



Description	2026 Budget	2026 Projected Actual*	2027 Proposed Budget	\$ Change 2027 Prop. Bud. vs. 2026 Bud.	% Change 2027 Prop. Bud. vs. 2026 Bud.	\$ Change 2027 Prop. Bud. vs. 2026 Proj. Actual	% Change 2027 Prop. Bud. vs. 2026 Proj. Actual
Investment Expenses							
29 Investment management fees	9,927,000	9,758,708	12,249,000	2,322,000	23.4%	2,490,292	25.5%
30 Investment consultant and reporting	699,167	681,944	889,667	190,500	27.2%	207,723	30.5%
31 Bank custodian services	215,000	225,807	235,000	20,000	9.3%	9,193	4.1%
32 Other portfolio operating expenses (legal, valuation, tax)	1,068,000	890,282	1,238,500	170,500	16.0%	348,218	39.1%
33 Investment due diligence	76,000	57,695	43,048	(32,952)	(43.4%)	(14,647)	(25.4%)
Professional Services Expenses							
34 Actuarial services	150,000	145,000	110,000	(40,000)	(26.7%)	(35,000)	(24.1%)
35 Accounting services	61,950	59,000	62,000	50	0.1%	3,000	5.1%
36 Independent audit	145,000	141,750	150,000	5,000	3.4%	8,250	5.8%
37 Legal fees	630,000	(240,276)	150,000	(480,000)	(76.2%)	390,276	(162.4%)
38 Legislative consultants	126,000	126,000	192,000	66,000	52.4%	66,000	52.4%
39 Public relations	50,000	-	-	(50,000)	(100.0%)	-	100.0%
40 Pension administration software & WMS	344,000	286,106	349,000	5,000	1.5%	62,894	22.0%
41 Business continuity	73,000	112,693	117,000	44,000	60.3%	4,307	3.8%
42 Network security monitoring	260,000	260,867	270,000	10,000	3.8%	9,133	3.5%
43 Disability medical evaluations	5,500	6,000	7,000	1,500	27.3%	1,000	16.7%
44 Elections	14,500	10,911	-	(14,500)	(100.0%)	(10,911)	(100.0%)
45 Miscellaneous professional services	64,775	81,432	60,000	(4,775)	(7.4%)	(21,432)	(26.3%)
Total Budget	20,813,488	19,017,110	23,328,478	2,514,990	12.1%	4,311,368	22.7%
Less: Investment management fees	9,927,000	9,758,708	12,249,000	2,322,000	23.4%	2,490,292	25.5%
Adjusted Budget Total	10,886,488	9,258,402	11,079,478	192,990	1.8%	1,821,076	19.7%
SUPPLEMENTAL BUDGET							
Total Budget (from above)	20,813,488	19,017,110	23,328,478	2,514,990	12.1%	4,311,368	22.7%
Less: Allocation to Supplemental Plan Budget**	193,996	174,957	214,622	20,626	10.6%	39,665	22.7%
Total Combined Pension Plan Budget	20,619,492	18,842,153	23,113,856	2,494,364	12.1%	4,271,703	22.7%

* Projected based on 6/30/26 YTD annualized or estimated

** Allocation to Supplemental is based on BNY allocation between accounts as of 8/31/26 of .00920%



DISCUSSION SHEET

ITEM #C2

Topic: Executive Director Approved Pension Ministerial Actions

Discussion: The Executive Director approved ministerial membership actions according to the Retirement and Payments Approval Policy. Membership actions approved are summarized in the provided report.

Regular Board Meeting – Thursday, October 8, 2026

Membership Actions -2026

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	9	24	14	20	7	18	16	34	9	19			170
DROP - Join	0	1	0	2	1	1	2	0	0	1			8
Estate Payments	3	7	5	8	4	3	8	4	7	6			55
Survivor Benefits	2	6	5	6	4	3	5	5	5	4			45
Retirements	7	20	5	7	13	9	7	14	11	16			109
Alternate Payees	1	0	0	4	2	1	1	1	1	1			12
Spouse Wed After Retirement	0	0	0	0	0	0	0	1	0	0			1
Service Purchases	0	1	0	0	2	2	1	0	3	0			9
Earnings Test	0	0	0	0	0	0	10	0	0	0			10
Stipend Payments	0	0	4,937	0	0	0	4,937	0	0	0			9,874

Membership Actions -2025

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	38	27	16	15	10	13	12	21	13	4	18	11	198
DROP - Join	2	2	0	0	0	0	0	0	0	4	1	0	9
Estate Payments	6	7	8	9	3	4	3	9	6	9	4	4	72
Survivor Benefits	4	11	4	9	3	4	1	5	3	7	3	2	56
Retirements	7	10	8	9	10	7	11	13	8	9	9	5	106
Alternate Payees	0	0	2	1	2	1	2	1	2	4	1	0	16
Spouse Wed After Retirement	0	0	0	1	0	0	0	0	0	0	0	0	1
Service Purchases	1	1	0	0	2	2	1	1	2	1	1	2	14
Earnings Test	0	0	0	0	0	0	11	0	0	0	0	0	11

Membership Actions -2024

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	23	22	21	26	16	21	13	19	37	18	20	32	268
DROP - Join	1	1	2	0	5	1	1	1	0	1	0	0	13
Estate Payments	2	1	3	5	3	1	4	5	10	7	7	9	57
Survivor Benefits	4	6	3	8	5	4	6	5	3	4	5	3	56
Retirements	10	10	16	9	13	10	9	11	7	5	8	6	114
Alternate Payees	2	0	2	1	1	1	0	0	0	1	0	0	8
Spouse Wed After Retirement	0	0	0	0	0	0	0	0	1	0	0	0	1
Service Purchases	0	2	0	1	7	2	1	2	1	2	5	1	24
Earnings Test*	0	0	0	0	0	0	10	0	0	0	0	0	10

Membership Actions -2023

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	26	19	12	13	17	14	23	13	57	53	18	21	286
DROP - Join	3	3	0	2	2	2	0	0	3	0	3	0	18
Estate Payments	0	5	7	5	1	2	4	92	5	3	5	9	138
Survivor Benefits	1	6	8	6	4	3	5	6	6	2	3	6	56
Retirements	12	16	11	14	11	12	10	13	10	17	6	12	144
Alternate Payees	0	2	1	0	2	3	1	3	2	0	0	1	15
Spouse Wed After Retirement	1	0	0	0	0	0	0	0	1	1	1	0	4
Service Purchases	2	0	0	1	0	2	0	1	0	0	2	0	8
Earnings Test	0	0	0	0	0	9	0	0	0	0	0	0	9

Data is based on Agenda/Executive Approval Date

Service purchases include Military, DROP Revocation, and Previously Withdrawn Contributions

The increase in Refunds in September 2023 and October 2023 is due to the Refund Project

87 of the Estate Payments in August 2023 are approvals for the Pending Death Project

Stipend A was paid 2/27/2026, reported at the March 2026 Board Meeting. Stipend B was paid 6/30/2026, reported at the July 2026 Board Meeting.



DISCUSSION SHEET

ITEM #C3

Topic: **Board Approval of Trustee Education and Travel**

Discussion: Per the Education and Travel Policy and Procedure, planned Trustee education and travel requires Board approval prior to attendance.

Attached is a listing of requested future education and travel noting approval status.

Regular Board Meeting – Thursday, October 8, 2026

Future Education and Travel Regular Board Meeting – October 8, 2026

REQUESTED APPROVED

1. **Conference:** **NCPERS Fiduciary in Focus Workshop 2026 (Formerly PATS)**
 Dates: **October 24 – 25, 2026**
 Location: **Nashville, TN**
 Est Cost: **\$930**

2. **Conference:** **NCPERS Public Safety Conference 2026**
 Dates: **October 25 – 28, 2026**
 Location: **Nashville, TN**
 Est Cost: **\$800**

3. **Conference:** **TEXPERS Legislative Workshop 2026**
 Dates: **October 27 – 28, 2026**
 Location: **Austin, TX**
 Est Cost: **\$150**



DISCUSSION SHEET

ITEM #C4

Topic: Future Board Meeting Agenda Planning

Discussion: Article 6243a-1 of Vernon's Revised Civil Statutes requires the DPFP Board meetings to be held every month. Staff will provide a list of anticipated agenda items for the next 3 months for Board meeting planning purposes.

Regular Board Meeting – Thursday, October 8, 2026

Future Board Meeting Agenda Planning (Subject to Change)

November 12, 2026

1	Required Public Meeting 2
2	Compensation Study
3	Report on the Compensation Committee Meeting
4	Second Reading and discussion of the 2027 Budget
5	Report on the Professional Service Committee Meeting (Jackson Walker, Meketa)
6	Required Training Manual Delivery & Ethics Policy Certification
7	Investment Policy Statement Amendments
8	Potential Private Equity Investment
9	Report on Investment Advisory Committee Meeting
10	Quarterly Financial Reports
11	Approval of the Minutes
12	Portfolio Update
13	Executive Director Approved Pension Ministerial Actions
14	Board Approval of Trustee Education and Travel
15	Future Agenda Planning
16	Legal issues
17	Executive Directors Report
18	Supplemental Meeting

Future Board Meeting Agenda Planning (Subject to Change)

December 10, 2026

- | | |
|----|--|
| 1 | Second Reading and discussion of the 2027 Budget, if necessary |
| 2 | Milliman 1-1-2026 Actuarial Valuation Replication Report |
| 3 | Investment Policy Statement Amendments |
| 4 | Report from the Compensation Committee |
| 5 | Public Equity Asset Class Structure |
| 6 | Executive Director Performance Evaluation |
| 7 | Third Quarter 2026 Investment Performance Analysis (Meketa) |
| 8 | Second Quarter 2026 Private Markets Review (Albourne) |
| 9 | Approval of the Minutes |
| 10 | Portfolio Update |
| 11 | Executive Director Approved Pension Ministerial Actions |
| 12 | Board Approval of Trustee Education and Travel |
| 13 | Future Agenda Planning |
| 14 | Legal issues |
| 15 | Executive Directors Report |
| 16 | Supplemental Meeting |

January 14, 2027

- | | |
|----|---|
| 1 | Private Equity Pacing Plan |
| 2 | Private Credit Pacing Plan |
| 3 | Approval of the Minutes |
| 4 | Portfolio Update |
| 5 | Executive Director Approved Pension Ministerial Actions |
| 6 | Board Approval of Trustee Education and Travel |
| 7 | Future Agenda Planning |
| 8 | Legal issues |
| 9 | Executive Directors Report |
| 10 | Supplemental Meeting |



DISCUSSION SHEET

ITEM #C5

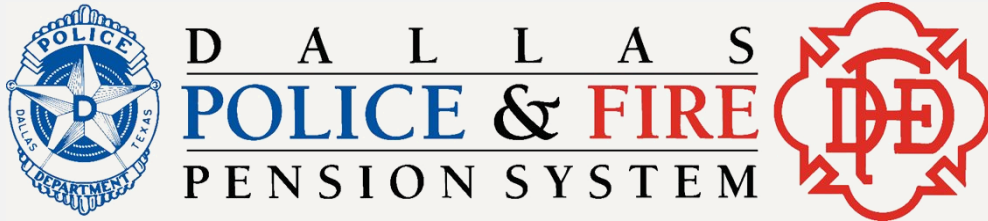
Topic: Portfolio Update

Discussion: Investment Staff will brief the Board on recent events and current developments with respect to the investment portfolio.

Regular Board Meeting – Thursday, October 8, 2026

DALLAS POLICE & FIRE PENSION SYSTEM

Portfolio Update



Serving those who protect the Dallas community.

MEETING DETAILS

October 8, 2026

Board Meeting

PERIOD ENDING

September 30, 2026



Executive Summary

6.3%

DPFP Portfolio Preliminary YTD

September 30, 2026

7.3%

Public Portfolio Preliminary YTD

September 30, 2026

89.3%

Public Portfolio Share

Of Total Fund Assets

Investment Activity

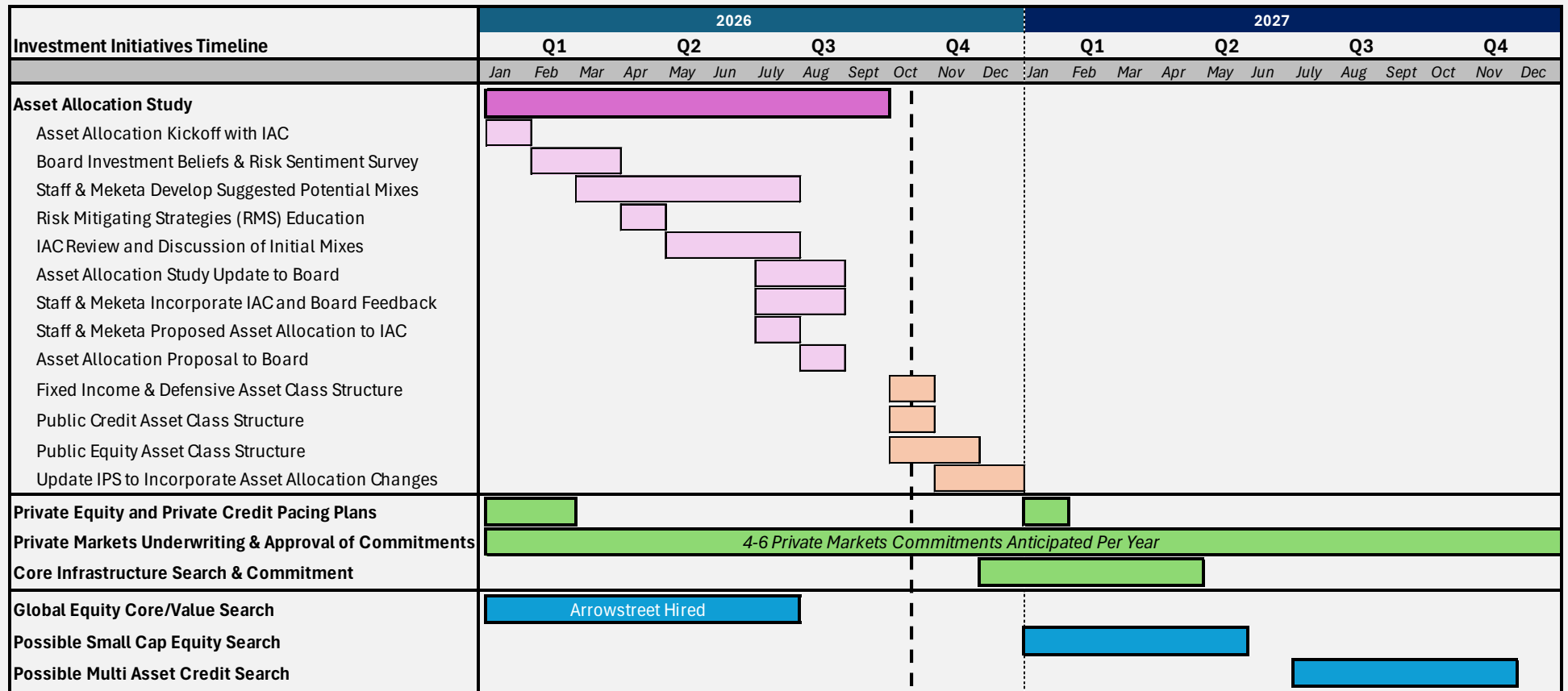
- Staff has completed the liquidation of the Manulife Global Quality Value strategy and used proceeds to fund the Arrowstreet ACWI Long-Only and Extension Strategies.
- Staff rebalanced \$105M (4.4% of DPFP) from the Public Equity portfolio to Credit and Fixed Income & Defensive Assets, consistent with the asset allocation changes approved by the Board last month.
- Following the Board's approval of the new private markets target allocation, staff and Albourne are updating the private markets pacing plans accordingly.
- Staff continues to conduct due diligence on private credit, infrastructure, and private equity managers.



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Investment Initiatives – 2026/27 Plan



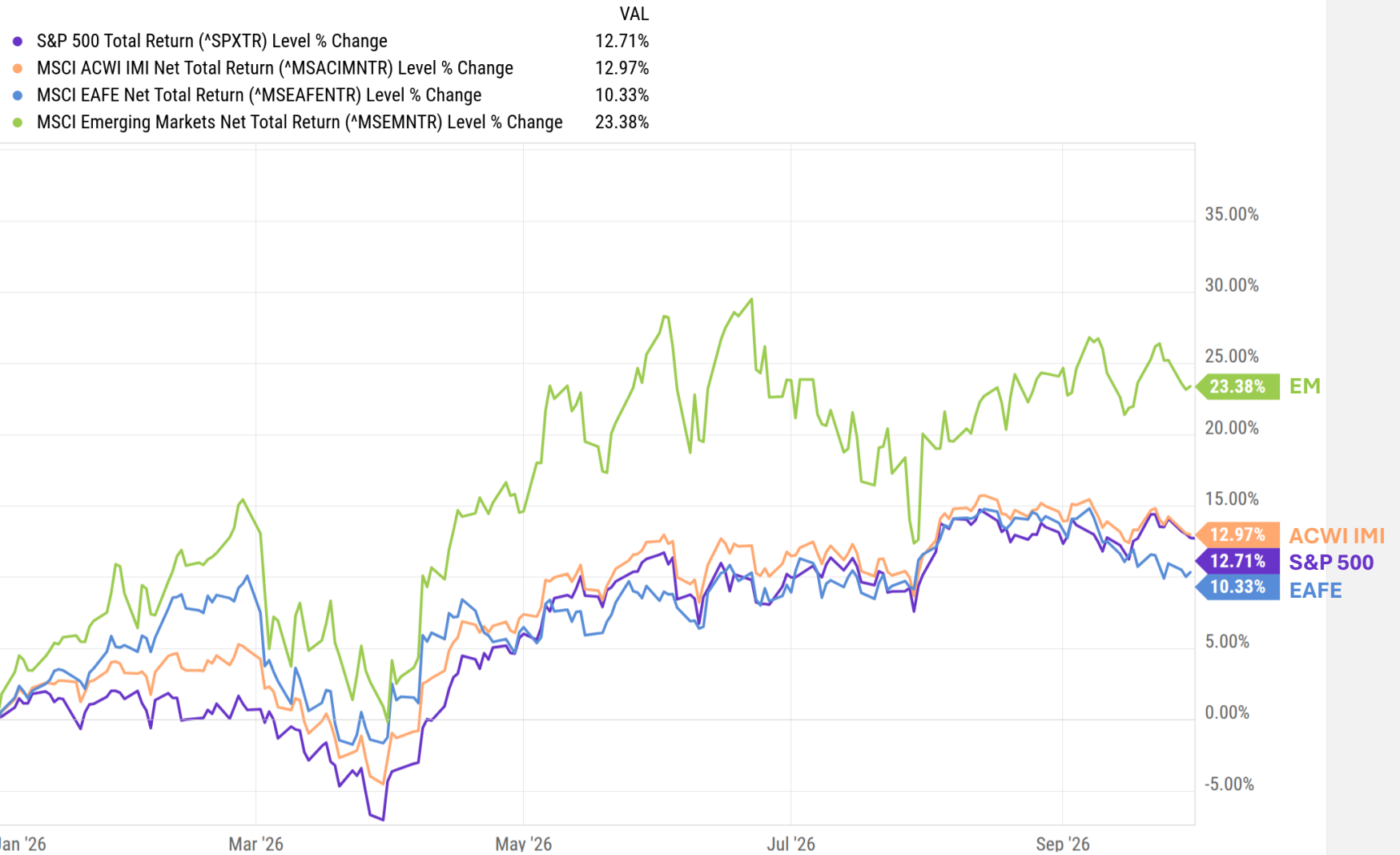


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YTD Equity Markets Returns

As of September 30, 2026



Oct 1, 2026, 1:00 PM EDT Powered by **YCHARTS**



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3-Year Equity Markets Returns

As of September 30, 2026

	ANN
● S&P 500 Total Return (^SPXTR) Level % Change	22.84%
● MSCI ACWI IMI Net Total Return (^MSACIMNTR) Level % Change	21.25%
● MSCI EAFE Net Total Return (^MSEAFENTR) Level % Change	18.38%
● MSCI Emerging Markets Net Total Return (^MSEMNTNTR) Level % Change	24.07%



Oct 1, 2026, 12:59 PM EDT Powered by **YCHARTS**



Public Markets Performance Snapshot

Public Markets made up 89.3% of DPFP Investment Portfolio.

Dallas Police & Fire Pension System

Trailing Net Performance | As of September 30, 2026

Performance Summary Ending September 30, 2026								
	Market Value (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
Total Public Portfolio	2,101,078,162	-0.4	7.3	10.1	15.4	7.6	7.2	Oct-05
<i>60% MSCI ACWI IMI Net/40% Bloomberg Global Aggregate Index</i>		<i>-0.3</i>	<i>6.6</i>	<i>8.8</i>	<i>14.1</i>	<i>5.9</i>	<i>6.2</i>	
Public Equity	1,213,050,288	0.5	11.3	14.7	19.9	10.2	8.5	Jul-06
<i>MSCI AC World IMI Index (Net)</i>		<i>1.1</i>	<i>13.0</i>	<i>16.6</i>	<i>21.3</i>	<i>11.1</i>	<i>8.4</i>	
Boston Partners Global Equity Fund	129,879,219	1.2	8.8	14.9	20.0	13.0	11.0	Jul-17
<i>MSCI World Net</i>		<i>1.9</i>	<i>11.8</i>	<i>15.2</i>	<i>21.4</i>	<i>11.9</i>	<i>12.5</i>	
Walter Scott Global Equity Fund	136,950,639	0.7	5.0	6.5	12.1	6.0	9.8	Dec-09
<i>MSCI ACWI Net</i>		<i>1.6</i>	<i>13.0</i>	<i>16.8</i>	<i>21.7</i>	<i>11.6</i>	<i>10.4</i>	
WCM Global Equity	136,445,323	-3.5	9.5	8.1	--	--	26.1	Dec-23
<i>MSCI AC World Index Growth (Net)</i>		<i>-0.5</i>	<i>10.1</i>	<i>13.2</i>	<i>--</i>	<i>--</i>	<i>21.7</i>	
Arrowstreet Global Equity ACWI CIT	96,005,057	--	--	--	--	--	--	Sep-26
<i>MSCI ACWI Net</i>		<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-1.1</i>	
Arrowstreet Global Equity Alpha Extension Fund	25,846,249	--	--	--	--	--	-1.0	Sep-26
<i>MSCI AC World IMI Index (Net)</i>		<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-1.4</i>	
NT ACWI Index IMI	536,739,427	1.2	13.1	16.8	21.6	11.5	11.6	Apr-21
<i>MSCI AC World IMI Index (Net)</i>		<i>1.1</i>	<i>13.0</i>	<i>16.6</i>	<i>21.3</i>	<i>11.1</i>	<i>11.2</i>	
NT Russell 2000 Index	36,506,993	-7.2	13.6	16.1	--	--	18.1	Sep-25
<i>Russell 2000 Index (Net)</i>		<i>-7.3</i>	<i>13.4</i>	<i>15.8</i>	<i>--</i>	<i>--</i>	<i>17.7</i>	
Global Alpha International Small Cap	32,354,695	1.2	1.4	3.6	8.4	--	3.4	May-22
<i>MSCI EAFE Small Cap (Net)</i>		<i>2.9</i>	<i>10.8</i>	<i>13.7</i>	<i>18.2</i>	<i>--</i>	<i>10.5</i>	



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Public Markets Performance Snapshot

Trailing Net Performance | As of September 30, 2026

	Market Value (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
RBC Emerging Markets Equity	81,858,982	-0.4	23.0	31.5	24.0	11.1	8.1	Jan-18
<i>MSCI Emerging Markets IMI (Net)</i>		-0.3	22.0	27.3	22.9	8.8	7.0	
Fixed Income and Cash	530,928,521	-0.9	0.2	1.4	4.6	1.8	2.2	May-18
<i>Fixed Income and Cash Blended Benchmark</i>		-1.0	0.0	1.1	4.3	1.6	2.2	
IR&M 1-3 Year Strategy	232,901,802	-0.2	0.8	2.0	4.8	2.5	2.5	Jul-17
<i>Blmbg. U.S. Aggregate 1-3 Yrs</i>		-0.2	0.6	1.8	4.4	2.1	2.1	
Longfellow Core Fixed Income	129,659,614	-4.1	-3.2	-1.9	4.6	-0.4	-0.1	Jul-20
<i>Blmbg. U.S. Aggregate Index</i>		-3.5	-2.9	-1.8	4.1	-0.6	-0.6	
Cash Equivalents	168,367,105	0.9	2.7	3.7	4.6	3.8	4.6	Jul-96
<i>ICE BofA 3 Month U.S. T-Bill</i>		0.9	2.6	3.6	4.5	3.7	2.4	
Public Credit	357,099,352	-0.2	3.0	5.3	9.0	3.9	3.9	May-18
<i>Credit Blended Benchmark</i>		-0.6	1.5	3.1	7.9	4.2	4.6	
Aristotle Pacific Capital Bank Loan	99,971,260	2.0	3.6	5.4	7.4	6.6	5.6	Aug-17
<i>Morningstar LSTA U.S. Leveraged Loan</i>		1.9	3.3	4.5	7.0	6.2	5.3	
Loomis US High Yield Fund	61,148,888	-1.2	1.4	2.7	8.9	3.6	3.7	Jan-21
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>		-1.8	0.1	1.4	8.0	3.6	3.9	
Metlife Emerging Markets Debt Blend	85,658,688	-2.4	2.9	7.0	10.5	--	11.0	Oct-22
<i>Metlife Emerging Markets Debt Blend Custom Benchmark</i>		-2.3	-0.1	2.4	8.2	--	8.6	
ICG Global Total Credit	110,320,517	0.6	--	--	--	--	2.8	Feb-26
<i>ICG Custom Benchmark</i>		-0.3	--	--	--	--	0.2	

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

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

ICG Custom Benchmark consists of 35% ICE BofA US Non-Financial High Yield Constrained Index, 35% S&P UBS Institutional Leveraged Loan Index, 15% ICE BofA European Currency Non-Financial High Yield 3% Constrained Index and 15% S&P UBS Institutional Western European Leveraged Loan Index

The Market Value for Aristotle Pacific Capital Bank Loan was adjusted up \$30M for a transaction that occurred at the end of the month. The Cash Equivalents account was adjusted by down by the same amount.



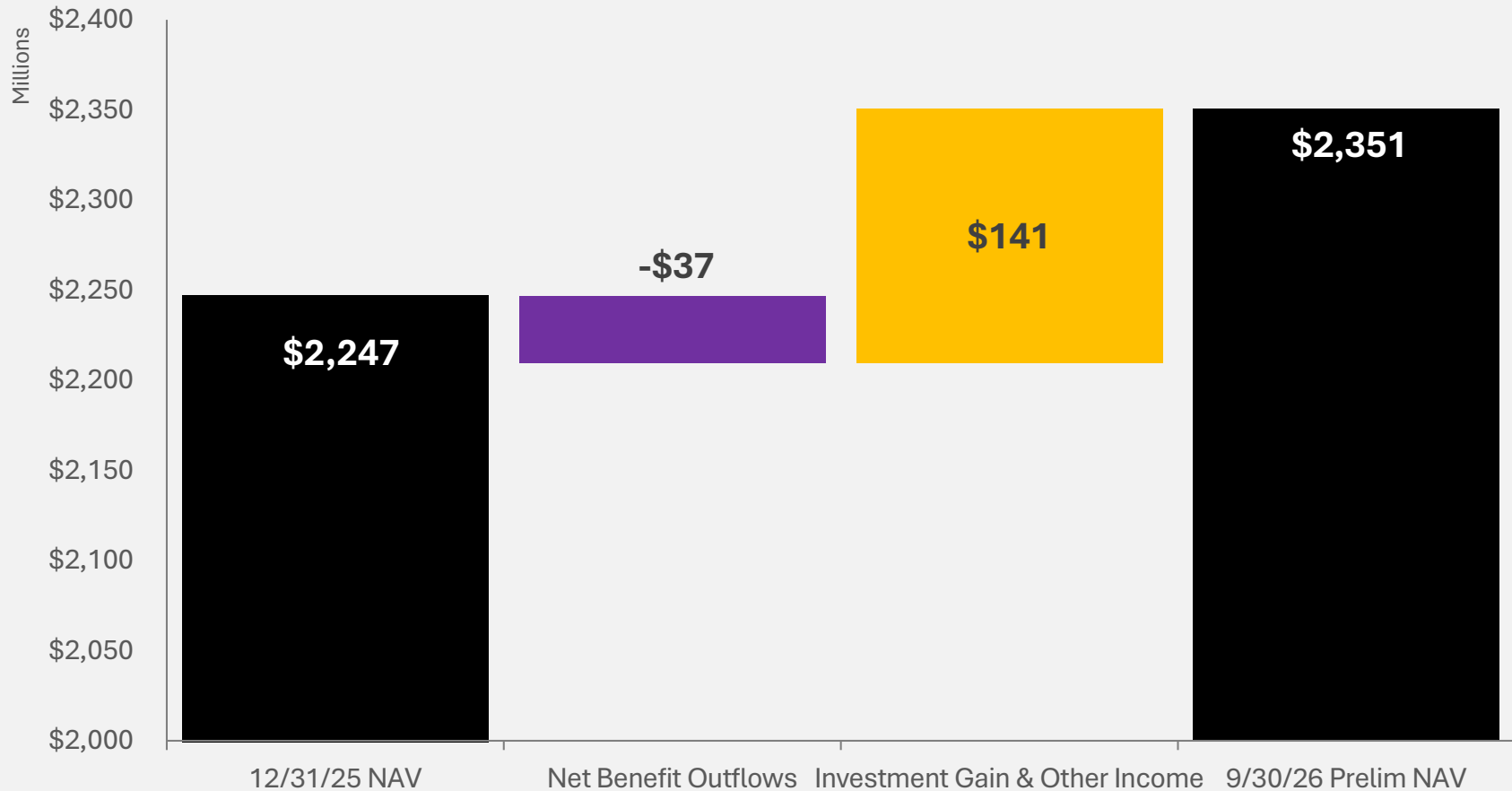
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Change in Market Value Bridge Chart

In Millions
As of September 30, 2026

2026 YTD Preliminary Investment Return Estimated at 6.3%



*The beginning 12/31/25 value includes a one-quarter lag on private assets.
Numbers may not foot due to rounding.*

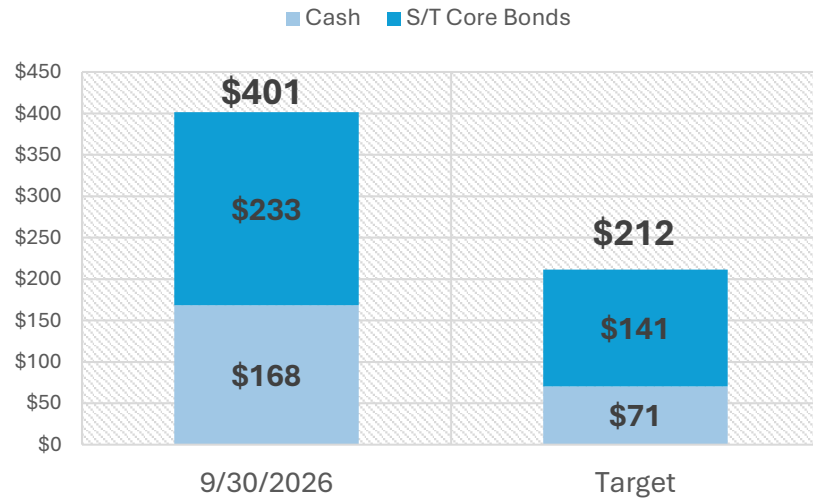


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Liquidity Dashboard – As of Sept. 30, 2026

Cash & ST Bonds vs. Target (\$M)



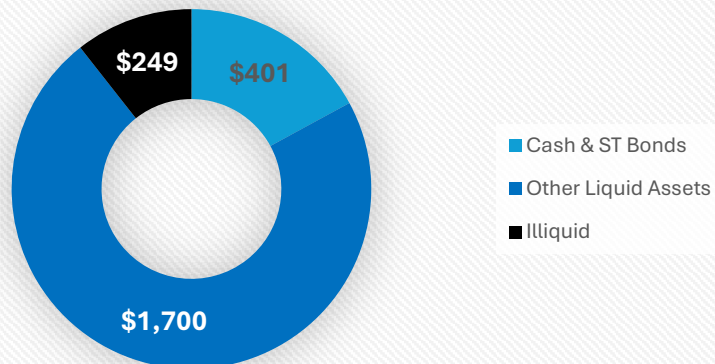
\$4.7 M

Projected Net
Monthly outflows

2032

Cash and Short-Term Bonds
would cover net outflows
through this year

Liquidity Profile (\$M)



Expected Cash Activity	Date	Amount (\$M)	Projected Cash Balance (\$M)	Projected Cash (%)
	9/30/26		\$168.4	7.2%
City & Member Contribution	10/9/26	\$11.8	\$180.2	7.7%
City & Member Contribution	10/23/26	\$11.8	\$192.0	8.2%
Pension Payroll	10/28/26	(\$29.3)	\$162.6	7.0%
City & Member Contribution	11/6/26	\$11.8	\$174.4	7.5%
City & Member Contribution	11/20/26	\$11.8	\$186.2	8.0%
Pension Payroll	11/25/26	(\$29.3)	\$156.9	6.7%
City & Member Contribution	12/4/26	\$11.8	\$168.7	7.2%
City & Member Contribution	12/18/26	\$11.8	\$180.5	7.7%
Pension Payroll	12/30/26	(\$29.3)	\$151.2	6.5%

Numbers may not foot due to rounding.



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Current Asset Allocation

DPFP Asset Allocation	9/30/2026		Targets		Target Ranges		Variance		
	NAV	%	\$ mil.	%	Min %	Max %	% of Target	\$ mil.	%
Equity	1,270	54.0%	1,504	64%			84%	-234	-10.0%
Public Equity	1,213	51.6%	1,363	58%	50%	66%	89%	-150	-6.4%
Northern Trust ACWI IMI Index	538	22.9%	635	27%	16%	30%	85%	-97	-4.1%
Boston Partners	130	5.5%	141	6%	4%	8%	92%	-11	-0.5%
Arrowstreet ACWI - Long Only	96	4.1%	141	6%	4%	8%	86%	-19	-0.8%
Arrowstreet ACWI - 130/30	26	1.1%							
Walter Scott	137	5.8%	141	6%	4%	8%	97%	-4	-0.2%
WCM	136	5.8%	141	6%	4%	8%	97%	-5	-0.2%
Northern Trust Russell 2000	37	1.6%	35	1.5%	0.5%	2.5%	104%	1	0.1%
Global Alpha Intl Small Cap	32	1.4%	35	1.5%	0.5%	2.5%	92%	-3	-0.1%
RBC Emerging Markets Equity	81	3.5%	94	4%	2%	6%	86%	-13	-0.5%
Private Equity	47	2.0%	141	6%			33%	-94	-4.0%
Huff Energy Fund	10	0.4%	0	0%				10	0.4%
Credit	368	15.7%	353	15%			104%	16	0.7%
Public Credit	357	15.2%	259	11%	7%	15%	138%	99	4.2%
ICG Global Total Credit	110	4.7%	94	4%	2%	6%	117%	16	0.7%
Aristotle Pacific Bank Loans	100	4.3%	47	2%	1%	3%	213%	53	2.3%
Loomis Sayles High Yield Bonds	61	2.6%	47	2%	1%	3%	130%	14	0.6%
MetLife Emerging Market Debt	86	3.6%	71	3%	1%	5%	121%	15	0.6%
Private Credit	11	0.5%	94	4%			12%	-83	-3.5%
Real Assets	181	7.7%	188	8%			96%	-7	-0.3%
Real Estate	110	4.7%	118	5%			94%	-8	-0.3%
Natural Resources	59	2.5%	71	3%			83%	-12	-0.5%
Infrastructure	12	0.5%	0	0%				12	0.5%
Fixed Income & Cash	531	22.6%	306	13%			174%	225	9.6%
Cash	168	7.2%	71	3%	0%	6%	239%	98	4.2%
IR+M Short Term Bonds	233	9.9%	141	6%	0%	9%	165%	92	3.9%
Longfellow IG Bonds	130	5.5%	94	4%	2%	6%	138%	36	1.5%
Total	2,351	100.0%	2,351	100%				0	0.0%
Private Market Assets	249	10.6%	423	18%				-174	-7.8%

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



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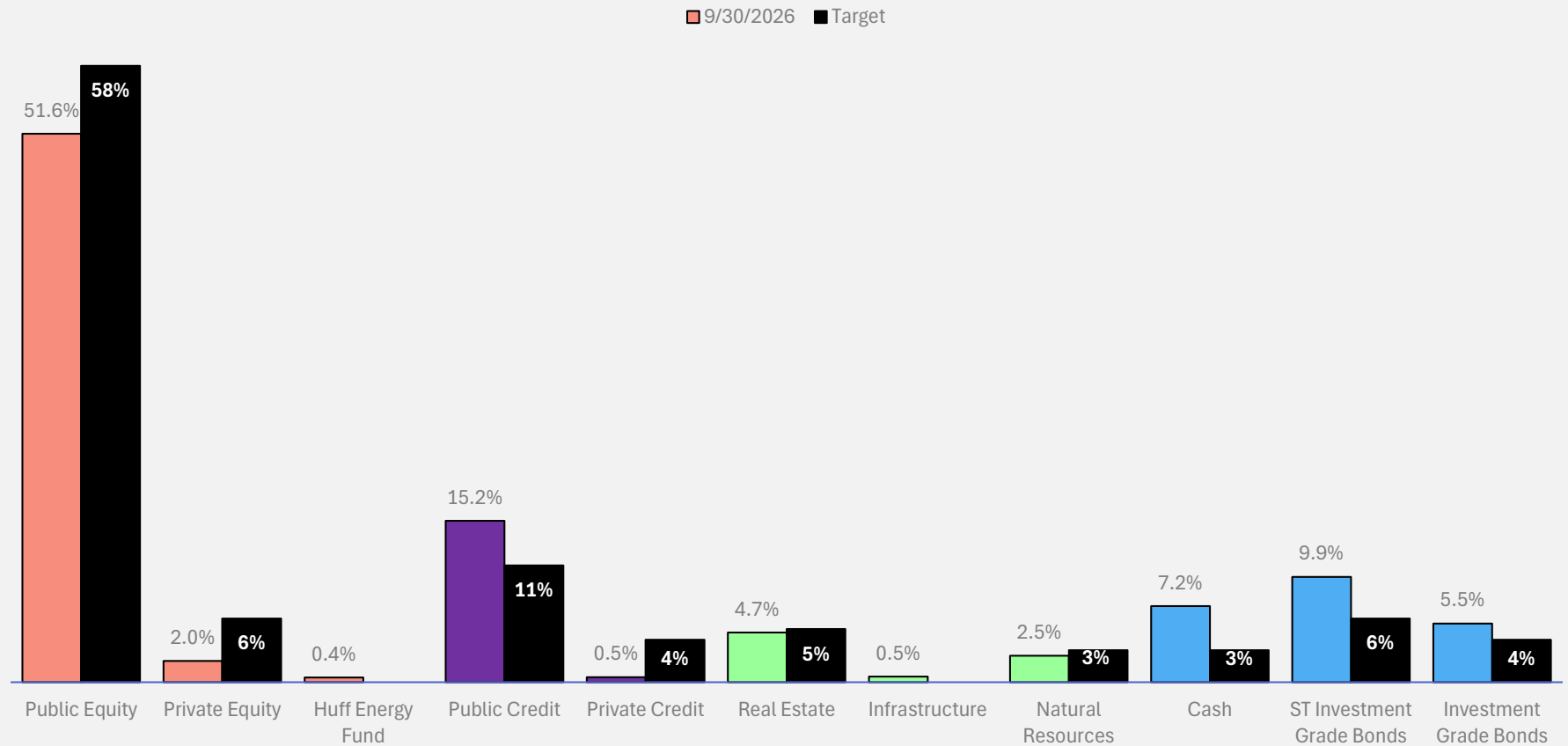
Asset Allocation – Newly Approved Asset Allocation

DPFP Asset Allocation	9/30/2026		Targets		Target Ranges		Variance		% of Target
	NAV	%	\$ mil.	%	Min %	Max %	\$ mil.	%	
Equity	1,260	53.6%	1,410	60%			-150	-6.4%	89.4%
Public Equity	1,213	51.6%	1,152	49%	39%	59%	61	2.6%	105.3%
Northern Trust ACWI IMI Index	538	22.9%							
Boston Partners	130	5.5%							
Arrowstreet ACWI - Long Only	96	4.1%							
Arrowstreet ACWI - 130/30	26	1.1%							
Walter Scott	137	5.8%							
WCM	136	5.8%							
Northern Trust Russell 2000	37	1.6%							
Global Alpha Intl Small Cap	32	1.4%							
RBC Emerging Markets Equity	81	3.5%							
Private Equity	47	2.0%	259	11%			-212	-9.0%	18.2%
Credit	368	15.7%	353	15%			16	0.7%	104.4%
Public Credit	357	15.2%	259	11%	6%	20%	99	4.2%	138.1%
ICG Global Total Credit	110	4.7%							
Aristotle Pacific Bank Loans	100	4.3%							
Loomis Sayles High Yield Bonds	61	2.6%							
MetLife Emerging Market Debt	86	3.6%							
Private Credit	11	0.5%	94	4%			-83	-3.5%	11.8%
Real Assets	191	8.1%	235	10%			-44	-1.9%	81.3%
Real Estate	110	4.7%	94	4%			16	0.7%	116.9%
Infrastructure & Other Real Assets	81	3.5%	141	6%			-60	-2.5%	57.6%
Fixed Income & Defensive Assets	531	22.6%	353	15%	8%	25%	178	7.6%	150.6%
Cash	168	7.2%							
IR+M Short Term Bonds	233	9.9%							
Longfellow IG Bonds	130	5.5%							
Total	2,351	100.0%	2,351	100%			0	0.0%	100.0%
Private Market Assets	249	10.6%	588	25%			-338	-14.4%	42.4%

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

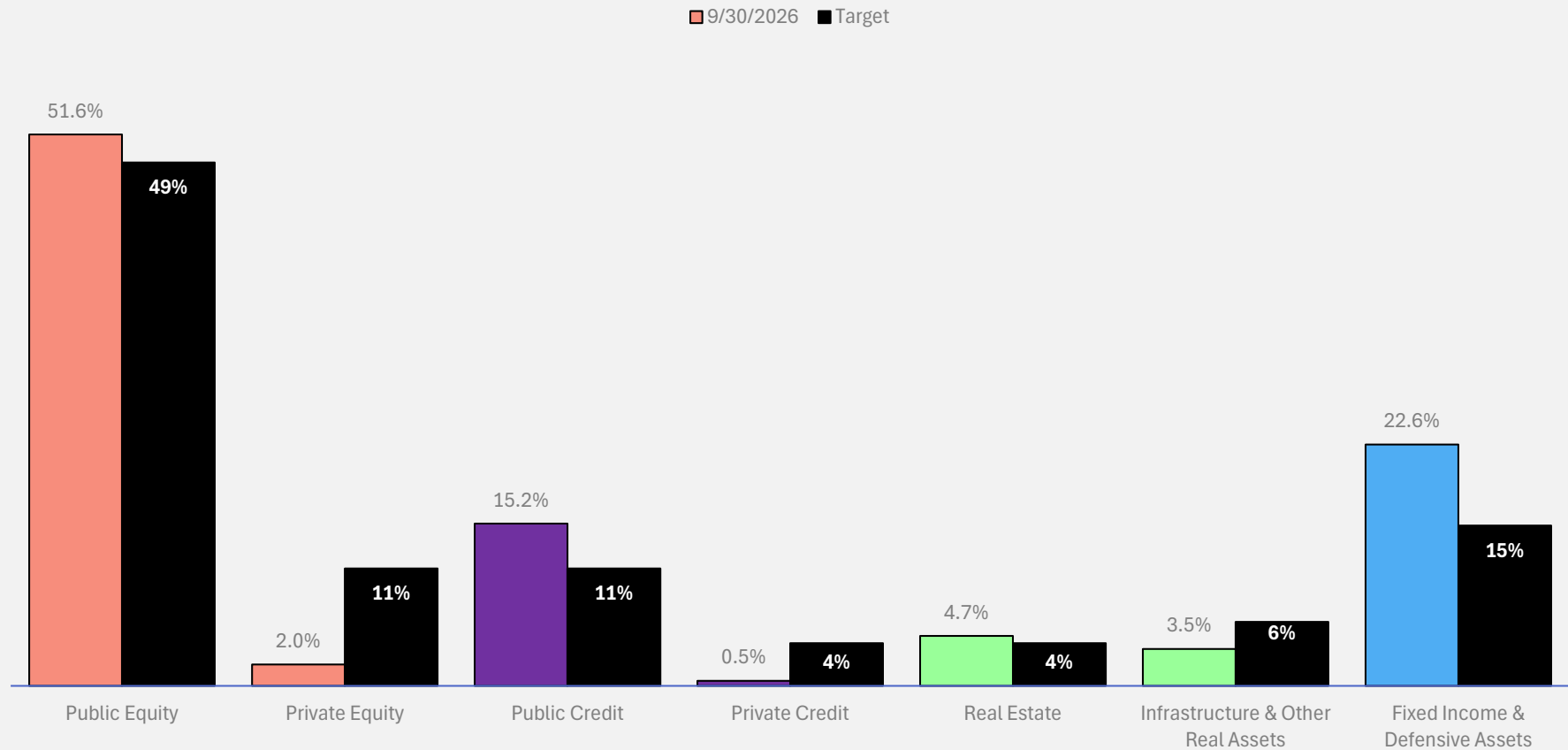


Asset Allocation – Actual vs. Current Targets





Asset Allocation – Actual vs. Newly Approved Targets





DISCUSSION SHEET

ITEM #C6

Topic: Potential Private Equity Investment

Attendees: Spencer Edge, Senior Portfolio Analyst – Albourne

Discussion: Staff has completed due diligence on a private equity opportunity with the assistance of Albourne. The Private Markets Subcommittee of the Investment Advisory Committee interviewed the recommended firm after reviewing the Staff Recommendation, Albourne IDD and Albourne ODD. Staff and Albourne will discuss the commitment and provide an overview of the recommended strategy.

Recommendation: Available at meeting.

Regular Board Meeting – Thursday, October 8, 2026

DALLAS POLICE & FIRE PENSION SYSTEM

GTCR Fund XV



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MEETING DETAILS

October 8, 2026

Board Meeting



Private Equity Pacing Plan at 6% Target

Private Equity Commitment Schedule (\$ millions) based on 6% Target

Strategy	2026 To Date	2026 Remaining	2027	2028	2029	2030
Buyouts	\$15	\$18	\$30	\$30	\$30	\$27
Secondaries	\$50	\$ -	\$ -	\$15	\$15	\$15
Opportunistic	\$ -	\$ -	\$15	\$ -	\$13	\$ -
Total Commitments	\$65	\$18	\$45	\$45	\$58	\$42

- The pacing plan reviewed by the IAC in January called for **\$83M** in 2026 commitments to Private Equity.
- To date in 2026, the Board has approved \$65M in commitments:
 - \$15M to **Lexington Continuation Vehicle Investors Fund** (Secondaries)
 - \$35M to **Blackstone Strategic Partners X** (Secondaries)
 - \$15M to **Francisco Partners Fund VIII and Agility IV** (Buyout)
- Staff and Albourne have developed an updated draft Private Equity pacing plan based on the recently approved **11% Private Equity** target.



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Private Equity Pacing Plan at 11% Target

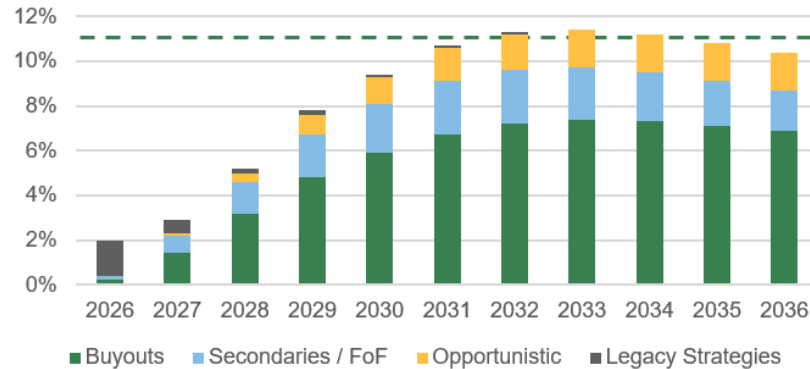
Pacing and Cash Flow Projections



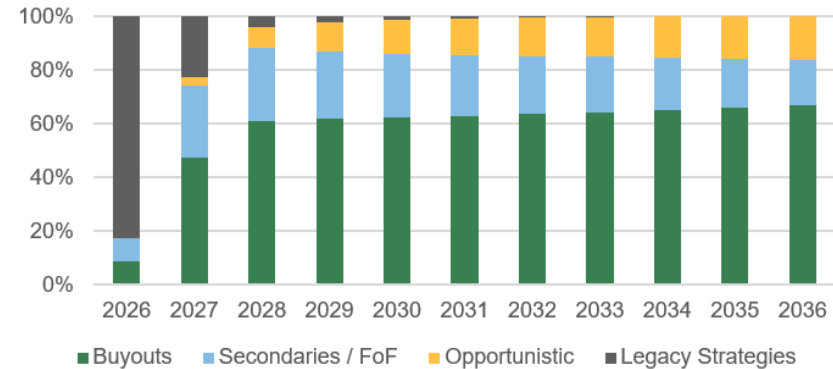
Assumptions

Current AUM	\$2.3bn
Growth Rate	6.5%
Target	11%

Strategy Exposure as % of Total Portfolio



Strategy Exposure as % of PE Portfolio



	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
NAV as % of Total Portfolio											
PE Portfolio	2.0%	2.9%	5.2%	7.8%	9.4%	10.7%	11.3%	11.4%	11.2%	10.8%	10.4%
PE Portfolio (mn)	\$45	\$96	\$173	\$249	\$315	\$366	\$403	\$429	\$446	\$455	\$459
Future Commitment Schedule (mn)											
Buyouts	\$65	\$50	\$40	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Secondaries / FoF	\$70	\$25	\$30	\$20	\$30	\$20	\$20	\$20	\$20	\$20	\$20
Opportunistic		\$15	\$15	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
Total Commitments	\$135	\$90	\$85	\$80	\$90	\$80	\$80	\$80	\$80	\$80	\$80
Projected Capital Calls	\$17	\$65	\$80	\$84	\$86	\$84	\$81	\$80	\$80	\$79	\$78
Projected Distributions	\$21	\$19	\$13	\$25	\$49	\$66	\$82	\$98	\$109	\$117	\$119
Projected Cash Flow	\$4	(\$46)	(\$67)	(\$59)	(\$37)	(\$17)	\$2	\$18	\$29	\$38	\$41



Draft Private Equity Pacing Plan at 11% Target

Private Equity Commitment Schedule (\$ millions) based on 11% Target

Strategy	2026 To Date	2026 Remaining	2027	2028	2029	2030
Buyouts	\$15	\$50	\$50	\$40	\$50	\$50
Secondaries	\$50	\$20	\$25	\$30	\$20	\$30
Opportunistic	\$ -	\$ -	\$15	\$15	\$10	\$10
Total Commitments	\$65	\$70	\$90	\$85	\$80	\$90

- The updated draft pacing plan outlines **\$80M-\$90M** in annual Private Equity commitments from 2027-2030, with expected commitment sizing for a typical buyout to be **\$20M-\$25M**.
- 2026 commitments are higher than the subsequent years due to multiple Secondary investments to restart the Private Equity program.
 - Staff is considering increasing the **Blackstone Strategic Partners** and **Lexington Continuation Vehicle** commitments given the new 11% Private Equity target.
- Staff is recommending up to a **\$25M** investment, with \$10M of capacity confirmed, to **GTCR Fund XV**, a diversified upper middle market buyout manager focused on 4 sectors.



GTCR Fund XV Summary

Proposed New Investment	
Vehicle Name	GTCR Fund XV
DPFP Asset Class	Private Equity
Asset Class Benchmark	MSCI ACWI IMI Net + 2% 1Q lag
Investment Strategy	Upper Middle Market Buyout
Recommended Commitment	Up to \$25M (\$10M confirmed commitment to the fund; up to additional \$15M subject to final allocation availability)
Investment Vehicle Structure and Terms	
Investment Manager Name	GTCR LLC
Legal Structure	Drawdown Fund Structure
Year of First Closing	2026
Investment Period	6 years
Planned Termination Year	10-year term, with a one-year extension at GP discretion
Albourne Return Expectation	25-30% Gross IRR / 20-25% Net IRR
Expected Vehicle Size	\$13.5B target; \$15B hard cap
Geographical Focus	Primarily North America (up to 25% in companies HQ outside the U.S. and Canada)
Management Fees	1.5% on Committed Capital during the investment period
Carried Interest	20% with no preferred return (deal-by-deal waterfall subject to a 125% net asset value test, with interim and final fund-level clawback provisions)
Due Diligence Info	
Consistent with Pacing Plan	Yes - \$18M remaining in Buyout for 2026. Staff is working with Albourne on updating the pacing plan to reflect the new 11% Private Equity target
Private Markets Sub- Committee Review Date	September 10, 2026
Proposed Board Approval Date	October 8, 2026



Staff Recommendation Thesis and Analysis

Investment Thesis

- GTCR invests across four broad sectors: Financial Services, Healthcare, Tech, and Business & Consumer Services.
- GTCR drives portfolio company growth through significant add-on M&A and brings new C-suite leadership into approximately half of its portfolio companies at close.
- Staff recommends a commitment of up to \$25M based on GTCR's consistent top-quartile performance, stable and internally developed investment team, and diversified exposure across four sectors.

Investment Strengths



Long Track Record of Top-Quartile Performance

Managing PE funds since 1980; 7 of 8 most recent funds top quartile in DPI and 6 of 8 in IRR



Diversification Across 4 Sectors

Each sector has generated at least a 2.0x gross MOIC; no single segment drives returns



Tenured and Stable Investment Team

110 investment professionals; IC averages 19 years of tenure with no lateral MD hires



Partners with Proven Executive Teams

Leaders Strategy pairs GTCR capital with proven executives to acquire and build market leaders

Risk Factors



Strategy Expansion

Launched lower middle market (Strategic Growth Fund) and Capital Solutions strategies in recent years



Fund & Investment Size Increase

Fund XV ~30% larger than Fund XIV, average platform investment more than doubled over the last decade



Shift Away From Proprietary Sourcing

Proprietary deals have outperformed auction-sourced deals as auction share risen with fund growth



No Carried Interest Hurdle

No preferred return: deal-by-deal carry subject to a 125% net asset value test



DISCUSSION SHEET

ITEM #C7

Topic: Private Markets Approval Process

Discussion: Staff will discuss the current private market investment approval process and proposed enhancements to the process. Staff still seek the Board's guidance on formalizing these processes into the Investment Policy Statement.

Regular Board Meeting – Thursday, October 8, 2026

DALLAS POLICE & FIRE PENSION SYSTEM

Private Markets Approval Process



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MEETING DETAILS

October 8, 2026

Board Meeting

TARGET BOARD VOTE

Dec. 2026 / Jan. 2027



Executive Summary

Staff requests that the Board delegate discretion to the Executive Director to make new private markets commitments after receiving a positive recommendation from the Private Markets Subcommittee.

Individual investment limit

Annually the Board will approve a maximum size limit for each commitment

Annual limit

Total commitments are subject to an annual aggregate limit provided for in the pacing plans for each asset class

Annual delegation

Granted each year by the vote of at least 8 Trustees



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DPFP Board, IAC and Private Markets Subcommittee

Member	Board (11)	IAC (8)	PM Subcommittee (5)	Role / appointment
 David Kelly	●			Mayoral appointee
 Joe Colonna	●			Mayoral appointee
 Robert Walters	●			Mayoral appointee
 Scott Letier	●			Mayoral appointee
 Steve Idoux	●			Mayoral appointee
 Yvette Duenas	●			Voted by membership
 Matthew Shomer	●			Member trustee (Fire)
 Michael Taglienti	●			Board Chair · Member trustee (Police)
 Tom Tull	●	●	●	Board Vice Chair – Mayoral Appointee · IAC Chair
 Tony Scavuzzo	●	●	●	Voted by membership
 Tina Hernandez Patterson	●	●	●	Voted by membership
 Michael Brown		●	●	Outside IAC member
 Jamil McNeal		●	●	Outside IAC member
 Ryan Bailey		●		Outside IAC member
 Ken Shoji		●		Outside IAC member
 Ken Haben		●		Outside IAC member



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Current Private Markets Process

CURRENT PRIVATE MARKETS SEARCH PROCESS

1

Concurrent Due Diligence

Albourne and Staff conduct independent diligence in parallel

Albourne Completes Manager Diligence

- Investment Due Diligence (IDD)
- Operational Due Diligence (ODD)

Staff Completes Rigorous Independent Investment Diligence

- Multiple conversations and meetings with the firm's leadership and investment team including on-site when feasible
- Independent 360-degree reference calls

Evaluation considers, but is not limited to:

- Quality and stability of firm and investment team
- Investment track record
- Quantitative due diligence
- Investment process
- Investment strategy and market dynamics
- Operational capabilities
- Alignment of interests
- Legal and economic terms
- Portfolio fit

2

Comprehensive Staff Recommendation Memo & Presentation

3

Subcommittee Review

- Review of Staff Memo, Albourne IDD, Albourne ODD, Manager Materials
- In-Person or Virtual Interview of Manager
- Deliberation with Staff and Albourne

4

Board Review & Approval

- Ultimate Approval Requires the Vote of 8 out of 11 Trustees

PROCESS CHALLENGES



Completing the full process on in-demand funds with tight closing timelines



Completing the process on 4–6 new investments per year



Proposed Approval Process

PROPOSED PRIVATE MARKETS APPROVAL PROCESS

1

Board Reviews Annual Private Markets Plan and Delegates Authority

- Delegates authority annually by at least 8 votes
- Board appoints Private Markets Subcommittee members; can be either Board and/or IAC members

2

Concurrent Due Diligence — *Albourne and Staff work in parallel*

Albourne Manager Diligence

- Investment DD (IDD)
- Operational DD (ODD)

Staff Independent Diligence

- Multiple conversations and meetings with the firm's leadership and investment team including on-site when feasible
- Independent 360-degree reference calls

Evaluation considers, but is not limited to:

- Quality and stability of firm and investment team
- Investment track record & portfolio fit
- Quantitative due diligence
- Investment process & strategy
- Operational capabilities
- Alignment of interests, legal and economic terms

3

Comprehensive Staff Recommendation Memo & Presentation

4

Subcommittee Review

- Reviews Staff memo, Albourne IDD and ODD
- Interviews manager; deliberates with Staff and Albourne
- Makes recommendations to Executive Director for or against new private market commitments

5

Board Reporting

- Board will be notified in advance of Subcommittee meetings, including what managers are being considered
- Each commitment decision reported at the next Board meeting
- Annual Private Markets Review

PROPOSED PRIVATE MARKETS EXPECTED DISCRETION LIMITS

- **Single Investment:** [\$35M] per commitment
- **Asset Class:** [~125%] of the pacing plan in aggregate, intended to allow one additional commitment per year for each asset class
- **Commitment Date:** Discretion would be based on year of staff & sub-committee approval, as opposed to final fund close or when began investing
- **Private Equity and Private Credit for 2027:** This new process is expected to only apply to Private Equity and Private Credit in 2027. Any new Infrastructure & Other Real Assets or Real Estate investments would require full Board approval. These assets classes are expected to be added to new process in coming years.

ANNUAL PRIVATE MARKETS PLAN WOULD INCLUDE:

- Asset class pacing plans
- Key portfolio initiatives
- Overview of sub-strategies and sectors of interest
- Review of prior year investment activity
- Portfolio performance review
- Overview of market conditions



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Expected Private Equity Pacing Plan at 11% Target

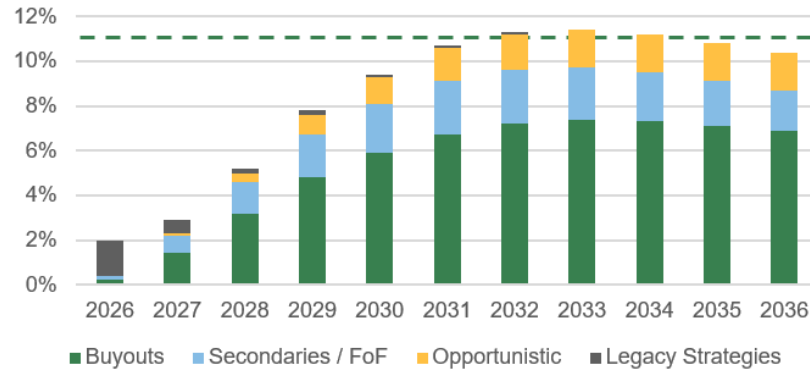
Pacing and Cash Flow Projections



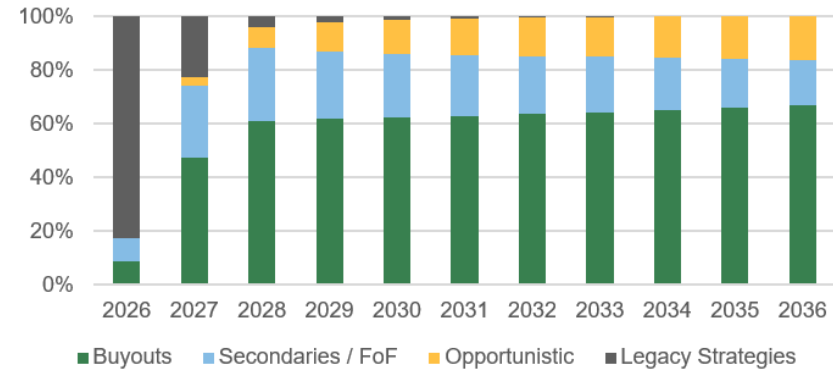
Assumptions

Current AUM	\$2.3bn
Growth Rate	6.5%
Target	11%

Strategy Exposure as % of Total Portfolio



Strategy Exposure as % of PE Portfolio



	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
NAV as % of Total Portfolio											
PE Portfolio	2.0%	2.9%	5.2%	7.8%	9.4%	10.7%	11.3%	11.4%	11.2%	10.8%	10.4%
PE Portfolio (mn)	\$45	\$96	\$173	\$249	\$315	\$366	\$403	\$429	\$446	\$455	\$459
Future Commitment Schedule (mn)											
Buyouts	\$65	\$50	\$40	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Secondaries / FoF	\$70	\$25	\$30	\$20	\$30	\$20	\$20	\$20	\$20	\$20	\$20
Opportunistic		\$15	\$15	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10
Total Commitments	\$135	\$90	\$85	\$80	\$90	\$80	\$80	\$80	\$80	\$80	\$80
Projected Capital Calls	\$17	\$65	\$80	\$84	\$86	\$84	\$81	\$80	\$80	\$79	\$78
Projected Distributions	\$21	\$19	\$13	\$25	\$49	\$66	\$82	\$98	\$109	\$117	\$119
Projected Cash Flow	\$4	(\$46)	(\$67)	(\$59)	(\$37)	(\$17)	\$2	\$18	\$29	\$38	\$41



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Governance & Controls



Subcommittee Composition

- Board appoints the members. Currently IAC Chair appoints
- Maximum of 4 Board members plus additional IAC members
- At least 2 Board members must be present for consideration of an investment
- Subcommittee added to the Board Committee Policy
- All investment functions remain housed in the IPS



Annual Delegation

- Authority delegated annually by at least 8 Board votes at the December or January Board meeting
- Delegation lapses automatically if not renewed by the following January meeting
- Dollar limits reset with each annual vote



Authority Limits

- Per-commitment limit of [\$35M], ~1.5% of current NAV
- Aggregate annual cap of [125%] of the pacing plan commitment target – intended to allow one additional commit by asset class per year
- Albourne IDD rating of B or better: any opportunities rated lower than B would require both Subcommittee and Board approval.



Board Oversight & Reporting

- Board will be notified in advance of Subcommittee meetings, including what managers are being considered
- All new commitment decisions reported to the Board at its next meeting
- Annual Private Markets Review to include pacing plans, 12-month activity, key initiatives, sub-strategy targets and performance review
- Trustees may attend Subcommittee meetings; Open Meetings Act applies if a Board quorum is present



Private Market Approval Process: Next Steps

After feedback from the Board is considered and incorporated, the next steps on Private Markets Approval are:

Next Steps	To Do / Timing
 Revise IPS with updated Subcommittee Process	First draft November Board meeting, final Approval expected at December Board
 Appoint Private Markets Subcommittee	January Board Meeting
 Review Private Equity and Private Credit Annual Plans	January Board Meeting , vote to grant discretion and approve commitment and aggregate asset class limits for 2027



DISCUSSION SHEET

ITEM #C8

Topic: Public Credit Asset Class Structure

Discussion: The Investment Policy Statement (IPS) requires Asset Class Structure Reviews for any asset class with multiple managers. The purpose of the structure review is to establish the investment manager roles and allocations that will be used to implement the asset allocation. Staff will review the proposed Public Credit Asset Class Structure with the Board. Staff will seek the Board's approval of the proposed Public Credit Structure.

Staff

Recommendation: Approve the Public Credit Asset Class Structure.

Regular Board Meeting – Thursday, October 8, 2026



ASSET CLASS STRUCTURE: PUBLIC CREDIT

Board Approval Date: October 8, 2026

Philosophy:

The Public Credit Asset Class Structure is intended to maintain baseline exposure to key credit sectors (bank loans, high yield, structured credit and emerging market debt).

The core of the Public Credit portfolio is a multi-asset credit manager that has the discretion and skill to adjust allocations and take advantage of relative value opportunities between sectors. The multi-asset credit exposure is balanced by smaller allocations to dedicated high yield and bank loan managers that add stability to the overall composition of the Public Credit portfolio.

DPFP believes that there is value to having a specialized manager for emerging market debt given the expertise required for this asset class.

Asset Class Construction:

DPFP Public Credit will follow the below structure:

Mandate	% of Public Credit*	Total Fund Target	Minimum	Maximum
Bank Loan Manager	18.2%	2%	1%	6%
High Yield Manager	18.2%	2%	1%	6%
Multi-Asset Credit Manager	36.4%	4%	2%	8%
Emerging Market Debt Manager	27.3%	3%	1%	6%
Total Public Credit	100%	11%		

**Percentages may not foot due to rounding.*

Implementation:

While DPFP holds an overweight to public asset classes as the private markets program ramps up over the next several years, it is expected that several managers within Public Credit will be overweight to their target though it is not expected to be pro rata. Staff will consider historical drawdown, performance and the opportunity set of each manager, among other considerations, in determining rebalancing activity.



DISCUSSION SHEET

ITEM #C9

Topic: Fixed Income & Defensive Asset Class Structure

Discussion: The Investment Policy Statement (IPS) requires Asset Class Structure Reviews for any asset class with multiple managers. The purpose of the structure review is to establish the investment manager roles and allocations that will be used to implement the asset allocation. Staff will review the proposed Fixed Income & Defensive Asset Class Structure with the Board. Staff will seek the Board's approval of the proposed Fixed Income & Defensive Structure.

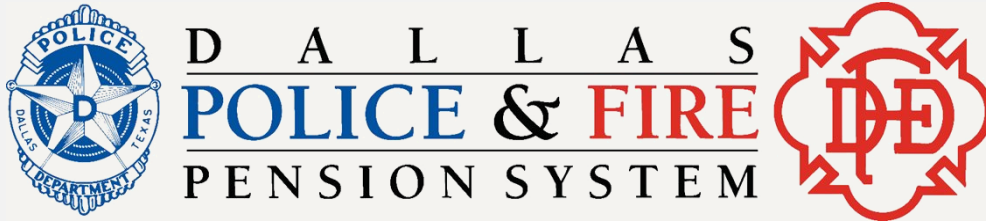
Staff

Recommendation: Approve the Fixed Income and Defensive Asset Class Structure.

Regular Board Meeting – Thursday, October 8, 2026

DALLAS POLICE & FIRE PENSION SYSTEM

Fixed Income & Defensive Asset Class Structure



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MEETING DETAILS

October 2026

Board Meeting

PERIOD ENDING

September 30, 2026



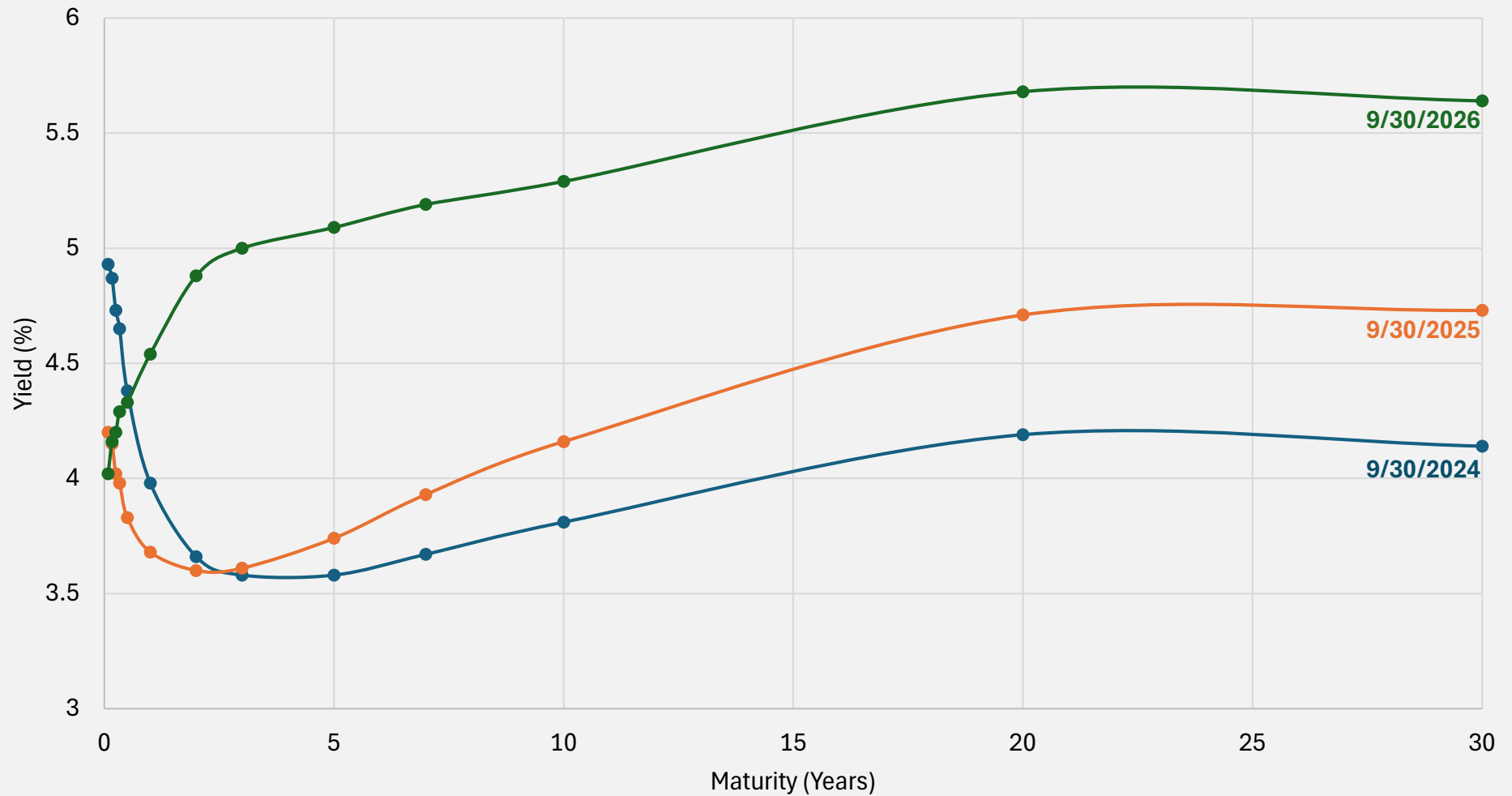
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US Yield Curve Has Shifted

Yields have meaningfully increased on the long end of the curve.

US Treasury Yield Curve



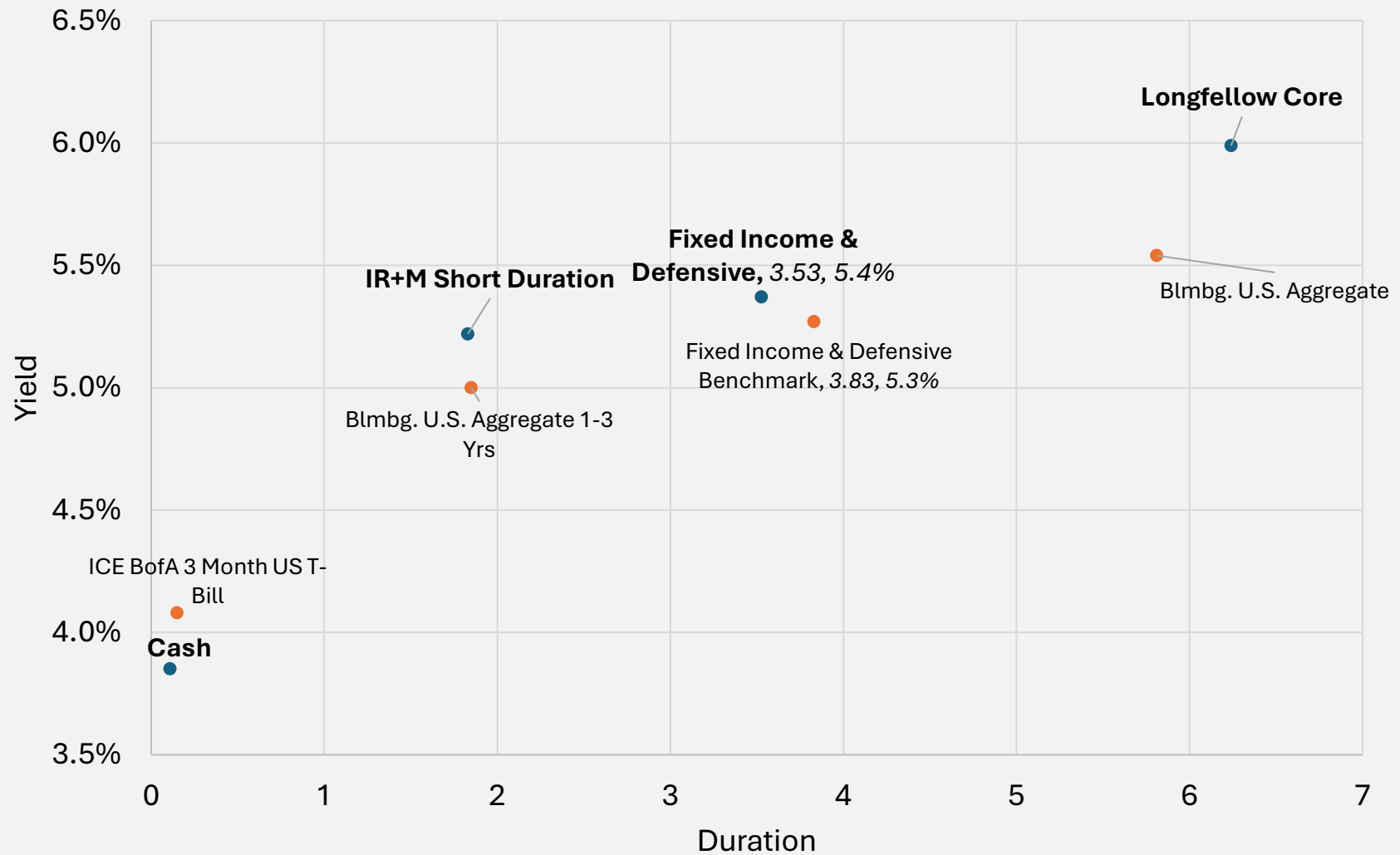
Source: US Department of the Treasury



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Yield vs. Duration



Source: Meketa, Investment Managers, Staff Analysis. All data as of 9/30/2026. Composite figures are weighted across the three underlying mandates. Asset class benchmark reflects the 50/50 Bloomberg 1-3 Year / Bloomberg Aggregate policy blend.



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Fixed Income & Defensive Proposed Structure

Staff continues to evaluate Risk Mitigating Strategies for potential future inclusion in the Fixed Income & Defensive Asset Class Structure.

	Cash	IR+M Short Duration	Longfellow Core	Fixed Income & Defensive	Fixed Income & Defensive Benchmark
Allocation Target	2.0%	6.5%	6.5%	15.0%	15.0%
Minimum	0%	3%	3%	8%	—
Maximum	6%	12%	12%	25%	—
Benchmark	ICE BofA 3 Month US T-Bill	Blmbg. U.S. Aggregate 1-3 Yrs	Blmbg. U.S. Aggregate	50/50 Blmbg. 1-3 Yr / Blmbg. Aggregate	—
Average Credit Quality	AA	AA	AA	AA	AA
Yield	3.85%	5.22%	5.99%	5.34%	5.27%
Average Duration	0.22	1.83	6.24	3.53	3.83

Source: Meketa, Investment Managers, Staff Analysis. All data as of 9/30/2026. Composite figures are weighted across the three underlying mandates. Benchmark column reflects the 50/50 Bloomberg 1-3 Year / Bloomberg Aggregate policy blend.



ASSET CLASS STRUCTURE: FIXED INCOME & DEFENSIVE

Board Approval Date: October 8, 2026

Philosophy:

The Fixed Income & Defensive Asset Class Structure is intended to provide liquidity in the portfolio to meet all cash needs (e.g. benefit payments, capital calls, etc) while providing modest yield.

Fixed Income & Defensive strategies play a defensive role in the portfolio, offering a generally more stable pool of assets which is less exposed to severe drawdowns than risk assets (e.g. equities), and which can be used to rebalance into risk assets or meet liquidity needs during dislocations. Fixed Income components of the asset class are focused on investment grade rated credits and government bonds.

Cash is swept by the custodian at the end of each day into a high-quality Government Short-Term Investment Fund (STIF) which carries a modest yield, an ultra-short duration, and has same day liquidity.

Asset Class Construction:

DPFP Fixed Income & Defensive will follow the below structure:

Mandate	% of Asset Class*	Total Fund	Minimum	Maximum
		Target		
Cash	13.3%	2%	0%	6%
Short Duration Fixed Income Manager	43.3%	6.5%	3%	12%
Core Fixed Income Manager	43.3%	6.5%	3%	12%
Total Fixed Income & Defensive	100%	11%	8%	25%

**Percentages may not foot due to rounding.*

Implementation:

While DPFP will maintain an overweight position in public asset classes as the private markets program ramps up over the next several years, it is expected that several managers within Fixed Income & Defensive asset class will be overweight to their target though it is not expected to be pro rata. Staff will consider historical drawdown, performance and the duration exposure of each sub asset class, among other considerations, in determining rebalancing activity.



DISCUSSION SHEET

ITEM #C10

Topic: Legal issues - In accordance with Section 551.071 of the Texas Government Code, the Board will meet in executive session to seek and receive the advice of its attorneys about pending or contemplated litigation or any other legal matter in which the duty of the attorneys to DPFP and the Board under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Texas Open Meeting laws.

Discussion: Counsel will brief the Board on these issues.

Regular Board Meeting – Thursday, October 8, 2026



DISCUSSION SHEET

ITEM #C11

Topic: Lone Star Investment Advisors

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

Discussion: Investment staff will update the Board on investments with this manager.

Regular Board Meeting – Thursday, October 8, 2026



DISCUSSION SHEET

ITEM #D1

Topic: Public Comment

Discussion: Comments from the public will be received by the Board.

Regular Board Meeting – Thursday, October 8, 2026



DISCUSSION SHEET

ITEM #D2

Topic: Executive Director's Report

- a. Associations' newsletters
 - [NCPERS Monitor \(October 2026\)](#)
- b. Open Records
- c. Employee Service Award

Discussion: The Executive Director will brief the Board regarding the above information.

Regular Board Meeting – Thursday, October 8, 2026