

AGENDA



Date: March 6, 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, March 12, 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 February 12, 2026

C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Audit Plan

- 2. Trustee Terms and Draft Election Schedule**
- 3. Executive Director Approved Pension Ministerial Actions**
- 4. Board Approval of Trustee Education and Travel**
- 5. Portfolio Update**
- 6. Private Equity and Private Credit Strategic Review & Pacing Plans**
- 7. Possible New Private Equity Commitments**
- 8. Albourne Scope of Services Expansion**
- 9. Board/IAC Investment Beliefs & Risk Sentiment Survey Results**
- 10. Fourth Quarter 2025 Investment Performance Analysis**
- 11. Third Quarter 2025 Private Markets Review**
- 12. Clarion Portfolio Update**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.072 of the Texas Government Code.

- 13. 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.**

D. BRIEFING ITEMS

- 1. Public Comment**
- 2. Executive Director's Report**
 - a. Associations' newsletters**
 - NCPERS Monitor (March 2026)
 - b. Open Records**
 - c. Personnel Update**

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
S. Ike Griffith	Retired	Fire	Feb. 10, 2026
Charles S. Brown	Retired	Fire	Feb. 11, 2026
Dennis E. Bassinger	Retired	Fire	Feb. 11, 2026
John G. Moffat	Retired	Fire	Feb. 19, 2026
Jerry W. Knoerr	Retired	Fire	Mar. 1, 2026

Regular Board Meeting –Thursday, March 12, 2026

**Dallas Police and Fire Pension System
Thursday, February 12, 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 8:32 a.m. Michael Taglienti, Tom Tull, Tina Hernandez Patterson, Matthew Shomer, David Kelly, Yvette Duenas

Virtual at 8:32 a.m. Joe Colonna, Anthony Scavuzzo, Steve Idoux

Present at 8:34 a.m. Scott Letier

Absent Rob Walters

Staff

Kelly Gottschalk, Josh Mond, Brenda Barnes, Ryan Wagner, Kyle Schmit, Divyesh Shah, Luis Solorzano Trejo, John Holt, Nien Nguyen, Milissa Romero

Virtual Cynthia J. Thomas, Lydia LoSasso, Sasha Sigman, Bill Scoggins

Others

None

Virtual Leandro Festino, Colin Kowalski, Aaron Lally, Bohdy Hedgcock, Cyril Espanoll, Tom Moore, Carly Hite

* * * * *

The Regular meeting was called to order at 8:32 a.m.

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A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired firefighters Ellis F. McGaha, Samuel F. Cochran, Hensley C. Wilson, Raymond F. Taylor, Norman A. Ellis, Christopher L. Dike and retired police officer Jerald D. Calame.

No motion was made.

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**Regular Board Meeting
Thursday, February 12, 2026**

B. APPROVAL OF MINUTES

Regular meeting of January 8, 2026

After discussion, Mr. Tull made a motion to approve the minutes of the Regular meeting of January 8, 2026. Mr. Shomer seconded the motion, which was unanimously approved by the Board. Mr. Kelly was not present for the vote.

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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 February 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.

After discussion, Mr. Tull made a motion to approve Mr. Shomer's and Mr. Taglienti's request to attend the NCPERS Annual Conference & Exhibition. Ms. Hernandez Patterson seconded the motion, which was unanimously approved by the Board.

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3. Quarterly Financial Report

The Chief Financial Officer presented the fourth quarter 2025 financial statements.

No motion was made.

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**Regular Board Meeting
Thursday, February 12, 2026**

4. January 1, 2025 Revised Actuarial Valuation

Staff reviewed the revised January 1, 2025 Actuarial Valuation Report prepared by Segal, which was updated to reflect the Board’s adoption of the Settlement Agreement in December 2025. The revised actuarial valuation incorporates the terms of the agreement, including the removal of the COLA.

After discussion, Mr. Shomer made a motion to approve issuance of the January 1, 2025 revised actuarial valuation report, subject to final review and approval by the Executive Director. Mr. Tull seconded the motion, which was approved by the following vote:

For: Mr. Taglienti, Mr. Tull, Mr. Shomer, Mr. Colonna, Mr. Scavuzzo,
Mr. Kelly, Mr. Letier, Ms. Duenas, Mr. Idoux
Opposed: Ms. Hernandez Patterson

* * * * *

5. Portfolio Update

Staff briefed the Board on recent events and current developments with respect to the investment portfolio. As part of the Portfolio Update, Mr. Wagner presented to the Board the staff’s intended use of the proceeds received from the investment in Huff Energy.

No motion was made.

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6. Report on Investment Advisory Committee Meeting

The Investment Advisory Committee met on January 22, 2026. The Chief Investment Officer commented on the Committee’s observations and advice.

No motion was made.

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7. Board/IAC Investment Beliefs & Risk Sentiment Survey

Meketa provided an overview of the Investment Beliefs & Risk Sentiment survey that will be issued to the Board and Investment Advisory Committee members.

No motion was made.

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**Regular Board Meeting
Thursday, February 12, 2026**

8. 4100 Harry Hines Building Analysis

The Board went into closed executive session – Real Estate 9:17 a.m.

The meeting reopened at 9:51 a.m.

Clarion presented the results of their analysis on the 4100 Harry Hines building to determine if DPFP should continue to own the building.

No motion was made.

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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.

The Board went into closed executive session – Legal at 9:17 a.m.

The meeting reopened at 9:51 a.m.

The Board and staff discussed legal issues.

No motion was made.

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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, February 12, 2026**

2. Executive Director's Report

- a. Associations' newsletters
 - [NCPERS Monitor \(February 2026\)](#)
 - [NCPERS PERSist \(Winter 2026\)](#)
- 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. Kelly and a second by Mr. Shomer, the meeting was adjourned at 9:51 a.m.

ATTEST:

Kelly Gottschalk,
Secretary

Michael Taglienti,
Chairman

**Regular Board Meeting
Thursday, February 12, 2026**

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DISCUSSION SHEET

ITEM #C1

Topic: **Audit Plan**

Attendees: Karolyn Ladas, BDO Assurance Principal (In-Person)
 Matt Liu, BDO Audit Senior Manager (In-Person)

Discussion: Representatives from BDO, DPFP's external independent audit firm, will be present to discuss their audit plan for the year ended December 31, 2025.

Regular Board Meeting – Thursday, March 12, 2026

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REPORT TO BOARD OF TRUSTEES AND AUDIT COMMITTEE

DALLAS POLICE & FIRE PENSION SYSTEM

2025 AUDIT
MARCH 12, 2026



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Welcome

BDO USA, P.C.
600 North Pearl, Suite 1700
Dallas, TX 75201
Tel.: 214-969-7007
www.bdo.com

March 12, 2026

Board of Trustees and Audit Committee

Dallas Police & Fire Pension System

We look forward to discussing with you the current year audit for Dallas Police & Fire Pension System (the System). This report provides an overview of our overall objectives for the audit, and the nature, scope, and timing of the planned audit work.

We are pleased to be of service to the System, are committed to executing a quality audit, and look forward to discussing our audit plan, as well as other matters that may be of interest to you.

Respectfully,

BDO USA

BDO USA, P.C., a Virginia professional corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

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Contents

<u>EXECUTIVE SUMMARY</u>	4
<u>AUDIT OVERVIEW & STRATEGY</u>	7
<u>DETAIL OF SIGNIFICANT RISKS AND ADDITIONAL AUDIT CONSIDERATIONS</u>	11
<u>INQUIRIES OF THOSE CHARGED WITH GOVERNANCE</u>	19
<u>OTHER TOPICS</u>	21

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Directors) and, if appropriate, management of the System, and is not intended and should not be used by anyone other than these specified parties.

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Executive Summary



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Executive Summary

Audit timeline

- We will perform our year-end procedures during the months of February to June 2026.

Audit strategy, including significant risks identified

- Our audit strategy, including significant risks identified, for the 2025 audit is outlined in the “Areas of Significant Risk”.



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Audit Timeline

The following represents our anticipated schedule regarding our audit of the annual financial statements of the System:

	Feb	Mar	Apr	May	Jun
Planning	✓	✓			
Year-End Fieldwork		✓	✓	✓	
Release Report on Financial Statements					✓

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Audit Overview & Strategy



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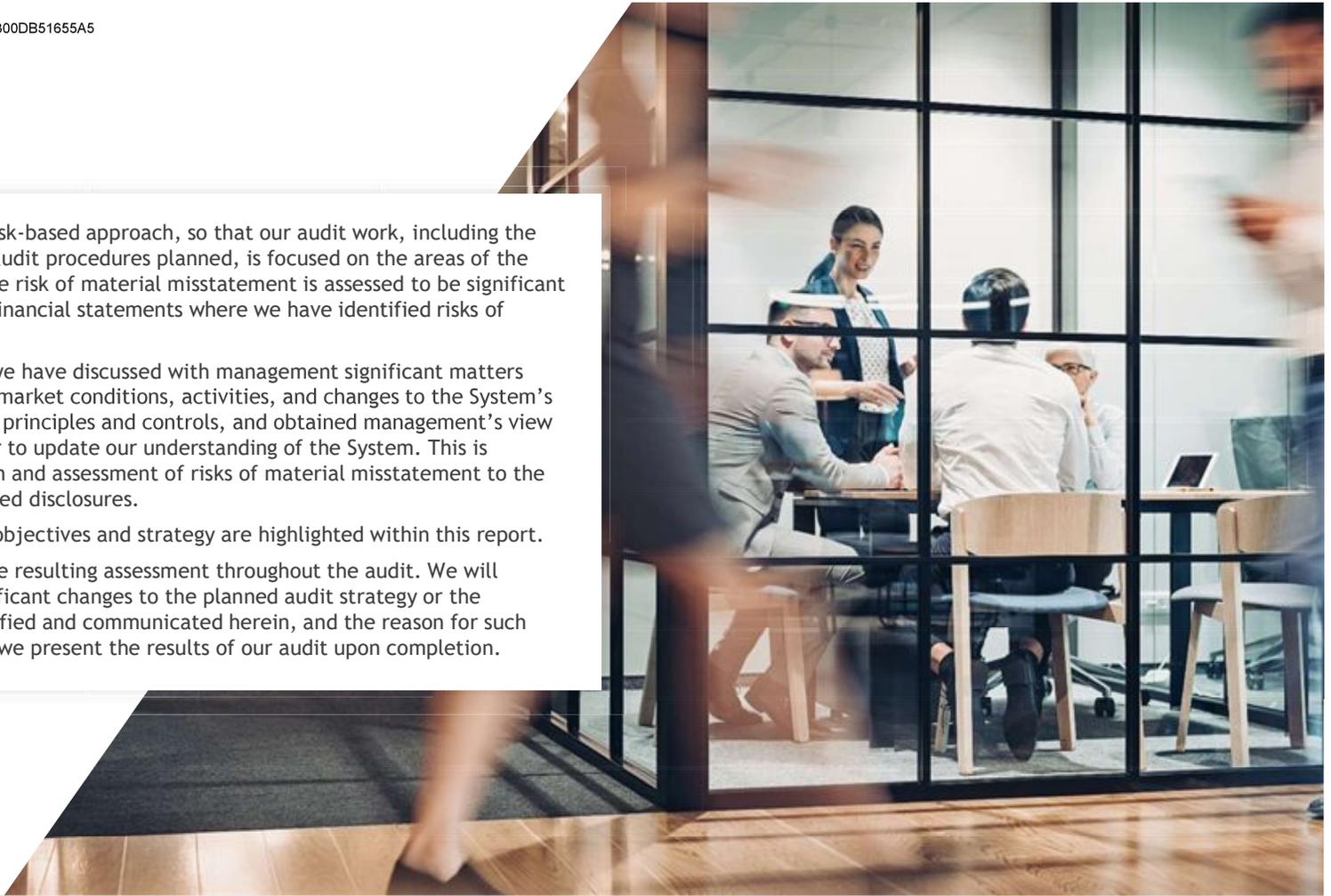
Overview

Our audit strategy follows a risk-based approach, so that our audit work, including the nature, timing and extent of audit procedures planned, is focused on the areas of the financial statements where the risk of material misstatement is assessed to be significant as well as other areas of the financial statements where we have identified risks of material misstatement.

In preparation for our audit, we have discussed with management significant matters including, but not limited to, market conditions, activities, and changes to the System's business, systems, accounting principles and controls, and obtained management's view of potential audit risk in order to update our understanding of the System. This is important to our identification and assessment of risks of material misstatement to the financial statements and related disclosures.

Key components of our audit objectives and strategy are highlighted within this report.

We will continue to update the resulting assessment throughout the audit. We will communicate to you any significant changes to the planned audit strategy or the significant risks initially identified and communicated herein, and the reason for such changes, as applicable, when we present the results of our audit upon completion.



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Terms of the Audit and Independence

AUDITOR'S RESPONSIBILITY

BDO USA, P.C., as your auditor, is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with the applicable financial reporting framework. In addition, our audit will be conducted in accordance with standards for financial audits contained in the *Government Auditing Standards* (GAS or Yellow Book), issued by the Comptroller General of the United States.

The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities.

INDEPENDENCE

▶ Our engagement letter to you dated February 5, 2026 describes our responsibilities in accordance with professional standards and certain regulatory authorities and *Government Auditing Standards* regarding independence and the performance of our services. This letter also stipulates the responsibilities of the System with respect to independence as agreed to by the System. Please refer to that letter for further information.

TERMS OF THE AUDIT

Our establishment and understanding of the terms of the audit engagement have been documented in our annual engagement letter, and includes the objectives of the audit along with the responsibilities of both the auditor and of management for your reference.

▶ We will plan and perform the audit of the financial statements for the year ended December 31, 2025 in accordance with standards generally accepted in the United States of America and *Government Auditing Standards*.

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Determining Our planned Audit Strategy

We focus on areas with higher risk of material misstatement to the financial statements, whether due to error or fraud.

Our audit strategy includes consideration of the following:

- ▶ Prior year audit results including discussions with management and those charged with governance regarding the System's operations and risks.
- ▶ Inherent risk within the System (i.e., the susceptibility of the financial statements to material error or fraud) without regard to the effect of controls.
- ▶ A continual assessment of materiality thresholds based upon qualitative and quantitative factors affecting the System.
- ▶ Recent developments within the industry, regulatory environment, and general economic conditions.
- ▶ Recently issued and effective accounting and financial reporting guidance.
- ▶ The System's significant and critical accounting policies and procedures, including those requiring significant management judgments and estimates and those related to significant unusual transactions.
- ▶ The control environment, risk management and monitoring activities, and the possibility that internal controls may fail to prevent or detect a material misstatement due to error or fraud.
- ▶ The use of information systems and service organizations in the financial reporting process and overall IT environment.

We will communicate to you any significant changes to the planned audit strategy, or to the significant risks initially identified, that may occur during the audit due to the results of audit procedures or in response to external factors, such as changes in the economic environment.

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Detail of Significant Risks & Additional Audit Considerations



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Planned Scope

Based upon our initial assessment, our audit will entail substantive testing only. The primary areas of focus in our overall audit strategy include the following:

- ▶ *Fraud Risk*
- ▶ *Entity/System Level Internal Controls Over Financial Reporting*
- ▶ *Actuarial Valuation*
- ▶ *Compliance with Plan Documents (eligibility, contributions/contribution receivables, and benefit payments)*
- ▶ *Investments (Existence and Valuation)*
- ▶ *Other Receivables, Payables and System Expenses (including any new debt agreements and amendments that may have been entered into in 2025)*
- ▶ *Investment Income (Loss)*
- ▶ *Evaluation of Related Party Transactions, Including Transactions With Parties-in-Interest*
- ▶ *Other Matters, Including Proper Disclosures, Accounting and Financial Reporting for Pensions, Legal Matter Disclosures*



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Primary Areas of Focus and Audit Strategy

FRAUD RISK

Consideration	Approach
<ul style="list-style-type: none"> ▶ Fraud risk may be impacted by the following characteristics: <ul style="list-style-type: none"> • Incentive or pressure • Opportunity • Rationalization or attitude ▶ Presence of fraud risk factors and how management’s controls and programs to detect and prevent fraud may mitigate these risks. ▶ Risk of management override of controls. 	<ul style="list-style-type: none"> ▶ Review System management’s controls and programs relating to fraud and assess operating effectiveness of such programs. ▶ Inquire of System management and other sponsor personnel as to their knowledge of any potential fraudulent or alleged fraudulent activities. ▶ Inquire of those charged with governance about their views about risks of material misstatements, including fraud risk and whether they are aware of: <ul style="list-style-type: none"> • tips or complaints regarding the System’s financial reporting; and • matters relevant to the audit including, but not limited to, violations or possible violation of laws or regulations ▶ Consider additional procedures to address any specific fraud risks identified, including management override of controls. ▶ Introduce an element of unpredictability into our procedures by either altering the nature, timing, or extent of the procedures when compared to procedures performed in the prior year. ▶ Perform focused procedures on any significant unusual transactions, including gaining an understanding of the business purpose (or lack thereof) for the System entering into the transaction. ▶ Obtain an understanding of the System’s financial relationships and transactions with those charged with governance of the System and the System Administrator for risk assessment purposes. ▶ Exercise professional skepticism. ▶ Communicate with System management, those charged with governance and the System Administrator, as necessary. ▶ Perform journal entry testing and fraud inquires.

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Primary Areas of Focus and Audit Strategy

ENTITY/PLAN LEVEL INTERNAL CONTROLS OVER FINANCIAL REPORTING

Consideration	Approach
<ul style="list-style-type: none"> ▶ System management has controls in place to maintain compliance with applicable rules and regulations and provisions of the Plan Document and Amendments. ▶ The Staff or the Executive Director has controls to monitor the activities of the outside service providers. ▶ Significant changes to personnel and internal control processes increase the risk that an internal control failure will occur due to either the design or operation of a particular control. 	<ul style="list-style-type: none"> ▶ Consider the System's internal control environment for purposes of planning our audit. ▶ Review the System's control processes in a number of areas to evaluate the design and implementation of controls in place. ▶ Review SOC 1 reports for the custodian and the external investment accounting service provider to determine whether adequate controls are in place and functioning effectively.

ACTUARIAL VALUATION

Consideration	Approach
<ul style="list-style-type: none"> ▶ Significant judgement and expertise is required in developing assumptions and performing evaluations. ▶ Actuarial valuation data is accurate and consistent. ▶ The effects of amendments, terminations, curtailments and other System events on the calculation. ▶ Whether the actuarial calculation appropriately applies current standards. ▶ Whether actuarial provisions and assumptions are deemed reasonable. ▶ Whether disclosures over actuarial assumptions and funding issues are appropriate. 	<ul style="list-style-type: none"> ▶ Confirm the actuarial data directly with the actuary. ▶ Perform census data reconciliations and review the completeness of the census data submitted to the actuary. ▶ Evaluate the professional qualifications of the actuary. ▶ With the assistance of the Actuarial Managing Director and Actuarial Manager, review and assess underlying documentation and development of assumptions and methods used. ▶ Review funding requirement, actuarial provisions and assumptions used for accuracy.

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Primary Areas of Focus and Audit Strategy

COMPLIANCE WITH PLAN DOCUMENTS - ELIGIBILITY

Consideration	Approach
<ul style="list-style-type: none"> ▶ Whether all covered employees have been properly included in employee eligibility records. ▶ Whether accurate participant data for eligible employees was supplied to the trustee/ custodian/service providers. 	<ul style="list-style-type: none"> ▶ Test that participating employees are eligible per the Plan Document on a sample basis. ▶ Review documentation supporting eligibility. ▶ Review participant personnel files.

COMPLIANCE WITH PLAN DOCUMENTS - CONTRIBUTIONS/CONTRIBUTIONS RECEIVABLE

Consideration	Approach
<ul style="list-style-type: none"> ▶ Whether the amounts received or due to the Plan have been determined, recorded, and disclosed in the financial statements in conformity with the Plan document and accounting principles generally accepted in the U.S. 	<ul style="list-style-type: none"> ▶ Confirm the contributions made in 2025 directly with the City of Dallas. ▶ Test and ensure the calculation of employer and employee contributions is in accordance with the Plan Document. ▶ Test the reasonableness of contributions receivable.

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Primary Areas of Focus and Audit Strategy

COMPLIANCE WITH PLAN DOCUMENTS - BENEFIT PAYMENTS

Consideration	Approach
<ul style="list-style-type: none"> ▶ Whether benefit payments are in accordance with the Plan Document. ▶ Whether benefit payments are made to or on behalf of person entitled to them and only to such persons. ▶ Whether transactions are recorded in the proper account, amount, and period. 	<ul style="list-style-type: none"> ▶ Verify eligibility to receive the distributions. ▶ For DROP distributions agree distribution to proper request. ▶ Agree distributions to supporting checks or ACH transfer. ▶ Test the proper tax withholdings were made, if any. ▶ Review and recalculate benefit payments. ▶ Perform data analytics over annuity payments throughout the year

INVESTMENTS

Consideration	Approach
<ul style="list-style-type: none"> ▶ Due to significant valuation issues with certain investments in the industry over the last several years, consider whether investments are properly valued and whether classified in conformity with accounting principles generally accepted in the U.S. ▶ Whether investment transactions are recorded in conformity with accounting principles generally accepted in the U.S. 	<ul style="list-style-type: none"> ▶ Confirm investments with third-party fund managers and/or custodians. ▶ Test fair value of investments at year-end by comparing the carrying value to an outside third-party source, including audited financial statements presented at fair value, real estate appraisals (if applicable), and partnership agreements. ▶ Compare the investment income to rates of return per a third-party source, including audited financial statements at fair value, and test earning allocations. ▶ Consider management’s policy of reviewing valuation methodologies, inputs and assumptions. ▶ Review the System’s investment policy in correlation with the investments in place. ▶ Assess the appropriateness of the classification of investment within the fair value hierarchy in accordance with GASB 72, Fair Value Measurement and Application and related disclosures.

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Primary Areas of Focus and Audit Strategy

OTHER RECEIVABLES, PAYABLES AND SYSTEM EXPENSES

Consideration	Approach
<ul style="list-style-type: none"> ▶ Whether receivables and payables are appropriately recorded. ▶ Whether liabilities recorded are complete and all expenses are captured. ▶ Whether securities lending obligations are appropriately recorded. ▶ Whether the System is in compliance with debt covenants and plans to alleviate violations of such covenants if any new ones were entered into in 2025. 	<ul style="list-style-type: none"> ▶ For loans payable review maturity schedules and covenants and send confirmations. Review for any new debt agreements in 2025 to ensure compliance with covenants and related disclosures are appropriately included in the financial statements. ▶ Review schedules of uncompensated liabilities. ▶ Review securities lending arrangements. ▶ Obtain forward currency contracts and review the appropriateness of the receivable and payable balances. ▶ Perform a search of unrecorded liabilities. ▶ Obtain a detail break out of System expenses. ▶ Confirm fund management fees in correlation with the investment confirms. ▶ Select a sample of expenses and agree them to invoices and payments.

INVESTMENTS INCOME

Consideration	Approach
<ul style="list-style-type: none"> ▶ Whether the realized gain or loss on investments is appropriately recorded. ▶ Whether dividends are appropriately recorded by the System. ▶ Whether interest earned is appropriately recorded by the System. 	<ul style="list-style-type: none"> ▶ For a selection of transactions recalculate the realized gains and losses. ▶ For a selection of transactions test dividends received by the System to independent market sources. ▶ Test interest earned by recalculating or performing reasonableness tests.

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Primary Areas of Focus and Audit Strategy

EVALUATION OF RELATED PARTY TRANSACTIONS, INCLUDING TRANSACTIONS WITH PARTIES-IN-INTEREST

Consideration	Approach
<ul style="list-style-type: none"> ▶ Consider the System’s relationship and transactions with its related parties and parties-in-interest. ▶ Example of related party transactions include those between an entity, affiliates of the entity, other parties that can significantly influence the management of operating policies of the other, management, or members of their immediate families. ▶ Consider the susceptibility of the System financial statements to material misstatement (whether due to error or to fraud) that could result from the System’s related party and party-in-interest relationship and transactions. 	<ul style="list-style-type: none"> ▶ Assess the risk of material misstatement associated with the System related party and party-in-interest relationship and transactions. ▶ Perform inquiry of System management regarding the identity of the System’s related parties and parties-in-interest, the nature of the System’s relationships and transactions with such parties and the System’s process for identifying, authorizing and approving, and accounting for and disclosing such relationships and transactions. ▶ Perform inquiry and other procedures deemed appropriate to obtain an understanding of the controls, if any, that System management has established to identify, authorize and approve, and account for and disclose such relationships and transactions. ▶ Evaluate whether the System financial statements (1) appropriately account for and disclose identified relationships and transactions the related parties and parties-in-interest and (2) are fairly presented given any such relationship and transactions identified. ▶ Communicate to those charge with governance regarding significant matters arising from our audit.

OTHER MATTERS

Consideration	Approach
<ul style="list-style-type: none"> ▶ Ensure the financial report includes all appropriate disclosures. 	<ul style="list-style-type: none"> ▶ Complete a disclosure checklist specific to Pension System and one specific to GASB standards. ▶ Review the credit risk disclosure for appropriateness and adequacy. ▶ Review legal expenses and obtain legal confirmations for any potential commitments and contingencies and/or litigation that may require disclosure.

We will communicate to those charged with governance, in a timely manner, any significant changes to the planned audit strategy initially identified that may occur during the audit to the results of audit procedures or in response to external factors, such as changes in the economic environment.

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Inquiries of Those Charged with Governance



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Obtaining Information from Those Charged with Governance

We perform inquiries related to fraud and other matters to help inform our audit strategy and execution of our audit procedures. As part of the upcoming meeting with you, we would like to discuss the following topics with you to understand any matters of which you believe we should be aware, including, but not limited to:

- ▶ Your views about the risk of material misstatements due to fraud, including the risk of management override of controls
- ▶ How you exercise oversight over the System's assessment of fraud risks and the establishment of controls to address these risks
- ▶ Your awareness of any actual, alleged or suspected fraud or illegal acts affecting the System
- ▶ Your awareness of tips or complaints regarding the System's financial reporting and your response to such tips and complaints
- ▶ Your awareness of other matters relevant to the audit including, but not limited to, violations or possible violations of laws or regulations
- ▶ Your awareness of noncompliance with laws and regulations to include consideration of noncompliance with provisions of contracts and grant agreements.
- ▶ Your awareness of any investigations or legal proceedings that have been initiated or are in process with respect to the period under audit.
- ▶ Your awareness of any significant communications between the System and regulators
- ▶ Your understanding of the System's relationships and transactions with related parties that are significant to the System
- ▶ Any business relationships between a BDO firm and the System or its affiliates
- ▶ Whether the System has entered into any significant unusual transactions
- ▶ Your awareness of any other information that is important to the identification and assessment of risks of material misstatement

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Other Topics



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BDO's System of Quality Management

An audit firm's effective system of quality management ("SoQM") is crucial for supporting the consistent performance of high-quality audits and reviews of financial statements, or other assurance or related services engagements under professional standards, and applicable legal and regulatory requirements.

Accordingly, BDO has implemented a SoQM designed to provide reasonable assurance that its professionals fulfill their responsibilities and conduct engagements in accordance with those standards and requirements. The firm's SoQM supports the consistent performance of quality audits through many ongoing activities including, at least annually, certification by leaders with responsibility for key controls and related processes. Our Assurance Quality Management team performs regular reviews and testing of key controls and processes throughout the SoQM and identifies and communicates areas for improvement.

As required by International Standard on Quality Management 1 (ISQM 1) under the International Auditing and Assurance Standards Board (IAASB), BDO has conducted an evaluation of the effectiveness of its system of quality management and concluded, as of September 30, 2025, that the system provides reasonable assurance that our professionals will perform audits and reviews of financial statements or related assurance services engagements in accordance with professional standards, and applicable legal and regulatory requirements.



We will continue to provide you with updates on our progress. Currently, you may find discussion of BDO's system of quality management within our annual [Audit Quality Reports](#), the most recent of which is accessible [here](#).

[CLICK HERE TO ACCESS IAASB ISQM-1 IN ITS ENTIRETY >](#)

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DISCUSSION SHEET

ITEM #C2

Topic: **Trustee Terms and Draft Election Schedule**

Discussion: As required by the Trustee Election Procedures, this agenda item is intended to notify the Board that the terms of the following Trustees expire on or before August 31, 2026:

Trustee Name	Trustee Position	Term Expiration
Steve Idoux	Mayoral Appointee	08/31/2024
Matthew Shomer	Fire Fighter Trustee	08/31/2026
Michael Taglienti	Police Officer Trustee	08/31/2026
Tom Tull	Mayoral Appointee	08/31/2026

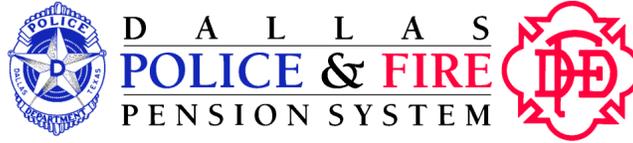
Although Steve Idoux’s term expired August 31, 2024, he continues to serve as a holdover trustee pending a new appointment by the mayor.

Additionally, the Trustee Election Procedures require the Board to adopt an election schedule for the election of the police and fire trustees.

Staff

Recommendation: **Adopt** the draft 2026 Police Officer and Fire Fighter Trustee Election schedule.

Regular Board Meeting – Thursday, March 12, 2026



2026 Police Officer and Fire Fighter Trustee Election Schedule

Date	Item
March 12	Notify Board about trustee term expirations. Approve draft election schedule.
March 20 - March 27	Email a notice to the City Manager, Police and Fire Department Chiefs and the Police Officer and Fire Fighter Association Presidents announcing call for candidates and post notice to DPF website.
March 20 - March 27	Distribute via mail, and email where possible, a notification to Members and Pensioners announcing the Trustee election and call for candidates.
March 20– May 1	Application packets are available on the DPF website. www.DPF.org or at the DPF office at 4100 Harry Hines Blvd., suite 100.
May 1	Applications for Police Officer and Fire Fighter Trustee candidates due at DPF by 4:00 p.m.
May 14	Board determines if the Police Officer and Fire Fighter candidates meet the required qualifications to be included on the ballot. If no candidate meets the required qualifications the Nominations Committee will be notified that the position must be filled by a Non-member Trustee.
May 15	Candidates will be notified about whether or not their application was deemed qualified to be included on the ballot.
June 15	Mail Police Officer and Fire Fighter voting packets to active Members' home addresses for those who have not elected eCorrespondence.
June 16	Email Police Officer and Fire Fighter Trustee voting packets to active Members' electing eCorrespondence at 8 a.m.
June 16 – June 30	Voting begins at 8 a.m. on Tuesday June 16, voting ends at noon on Tuesday, June 30.

- July 1** Vendor reports election results.
- July 2** Executive Director reports election results to the Board and posts the results on the DFPF website.
- July 9** Board of Trustees certify the election results from the election.
- July 20** If necessary, mail Police Officer and Fire Fighter Runoff Trustee voting packets to active Members' home addresses for those who have not elected eCorrespondence.
- July 21** Email Police Officer and Fire Fighter Trustee Runoff voting packets to active Members' electing eCorrespondence at 8 a.m.
- July 21 – August 4** Police Officer and Fire Fighter Trustee Runoff election, if necessary. Voting begins at 8 a.m. on Thursday, July 16, Voting ends at noon on Thursday, July 30.
- August 5** Vendor reports election results.
- August 6** Executive Director reports election results to Board and posts the results on the DFPF website.
- August 13** Board of Trustees certify Police Officer and Fire Fighter Trustee Runoff election results.
- September 1** New Trustees term begin.
- Definitions:**
- Police Officer Trustee:** One active or former Police Department representative to be elected by active members of the Police Department.
- Fire Fighter Trustee:** One active or former Fire Department representative to be elected by active members of the Fire Department.



DISCUSSION SHEET

ITEM #C3

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, March 12, 2026

Membership Actions -2026

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	9	24	14										47
DROP - Join	0	1	0										1
Estate Payments	3	7	5										15
Survivor Benefits	2	6	5										13
Retirements	7	20	5										32
Alternate Payees	1	0	0										1
Spouse Wed After Retirement	0	0	0										0
Service Purchases	0	1	0										1
Earnings Test	0	0	0										0
Stipend Payments	0	0	4,937										4,937

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

Stipends were paid 2/27/2026, reported at the March 2026 Board Meeting.



DISCUSSION SHEET

ITEM #C4

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, March 12, 2026

**Future Education and Travel
Regular Board Meeting – March 12, 2026**

REQUESTED APPROVED

1. **Conference:** **TEXPERS Basic Trustee Training**
Dates: **April 25, 2026**
Location: **Galveston, TX**
Est Cost: **\$225**

2. **Conference:** **TEXPERS Advanced Trustee Training**
Dates: **April 25, 2026**
Location: **Galveston, TX**
Est Cost: **\$150**

3. **Conference:** **TEXPERS Annual Conference**
Dates: **April 26 – 29, 2026**
Location: **Galveston, TX**
Est Cost: **\$25**

4. **Conference:** **NCPERS Trustee Essentials Training (Formerly TEDS)**
Dates: **May 16 – 17, 2026**
Location: **Las Vegas, NV**
Est Cost: **\$520**

5. **Conference:** **NCPERS Advanced Fiduciary (NAF) Institute**
Dates: **May 16 – 17, 2026**
Location: **Las Vegas, NV**
Est Cost: **\$1,860**

REQUESTED APPROVED

6. Conference: NCPERS Annual Conference & Exhibition (ACE)
Dates: May 17 – 20, 2026
Location: Las Vegas, NV
Est Cost: \$1,135

MS, MT 02/12/2026



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, March 12, 2026



DISCUSSION SHEET

ITEM #C6

Topic: Private Equity and Private Credit Strategic Review & Pacing Plans

Attendees: Spencer Edge, Senior Portfolio Analyst – Albourne (In-Person)
Trevor Lowman, Portfolio Analyst – Albourne (Via Zoom)

Discussion: Albourne will present a strategic review and pacing plan for the Private Credit and Private Equity asset classes, which will cover portfolio construction, benchmarking, and the pacing model. Staff and Albourne reviewed the Private Credit and Private Equity portfolio strategy and pacing plan with the Investment Advisory Committee in January.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C7

- Topic:** Possible New Private Equity Commitments
- Attendees:** Spencer Edge, Senior Portfolio Analyst – Albourne (In-Person)
Trevor Lowman, Portfolio Analyst – Albourne (Via Zoom)
- Discussion:** Staff conducted a private equity secondaries search with the assistance of Albourne. The Private Markets Sub-Committee of the Investment Advisory Committee interviewed the firms after reviewing the Staff Recommendation, Albourne IDD and Albourne ODD. Staff and Albourne will discuss the search process and provide an overview of the recommended strategy.
- Staff Recommendation:** Available at meeting.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C8

- Topic:** **Albourne Scope of Services Expansion**
- Attendees:** Spencer Edge, Senior Portfolio Analyst – Albourne (In-Person)
Trevor Lowman, Portfolio Analyst – Albourne (Via Zoom)
- Discussion:** DPFP has engaged Albourne for Private Markets Advisory services covering Private Equity, Private Credit, and Real Assets since July 2024. Staff will review the current engagement with Albourne and discuss proposed contract changes to add additional services.
- Staff**
- Recommendation:** **Authorize** amending the contract with Albourne to add additional services and increasing the budget for 2026 by \$25,000.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C9

- Topic:** Board/IAC Investment Beliefs & Risk Sentiment Survey Results
- Attendees:** Leandro Festino, Managing Principal - Meketa Investment Group (In-Person)
Colin Kowalski, Vice President - Meketa Investment Group (In-Person)
- Discussion:** Meketa will provide a summary of the Investment Beliefs & Risk Sentiment survey results.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C10

- Topic:** Fourth Quarter 2025 Investment Performance Analysis
- Attendees:** Leandro Festino, Managing Principal - Meketa Investment Group (In-Person)
Colin Kowalski, Vice President - Meketa Investment Group (In-Person)
- Discussion:** Meketa and staff will review investment performance.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C11

- Topic:** Third Quarter 2025 Private Markets Review
- Attendees:** Spencer Edge, Senior Portfolio Analyst – Albourne (In-Person)
Trevor Lowman, Portfolio Analyst – Albourne (Via Zoom)
- Discussion:** Staff will review private markets and real assets investment performance.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C10

Topic: **Clarion Portfolio Update**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.072 of the Texas Government Code.

Attendees: Bohdy Hedgcock, Managing Director (In-Person)
Kevin McCabe, Senior Associate (via Zoom)

Discussion: Clarion will provide a portfolio update on CCH Lamar, an investment in the Cedars neighborhood of Dallas. Clarion was engaged in October 2015 to take over the investment management of DFPF's interest in several Dallas area real estate assets, including CCH Lamar.

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #C13

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 DFPF 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, March 12, 2026



DISCUSSION SHEET

ITEM #D1

Topic: Public Comment

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

Regular Board Meeting – Thursday, March 12, 2026



DISCUSSION SHEET

ITEM #D2

Topic: Executive Director's Report

- a. Associations' newsletters
 - NCPERS Monitor (March 2026)
- b. Open Records
- c. Personnel Update

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

Regular Board Meeting – Thursday, March 12, 2026