MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, JULY 22, 2026
PENSION FUND OFFICE
9:30 A.M.

Roll Call	Mr. Reed called the meeting to order at 9:31 A.M.
Committee Members Present	Larry Reed, Fire/Retiree Representative; Harry Griffin, Police/Retiree Representative; Ryan Reynolds, Police Representative
Committee Members Absent	Michael McCarty, Fire Representative; Washington Moscoso, Police Representative
Others Present	Shawn Griffin, Fire Representative; Gail Jensen, Executive Director; Cary Hally, Chief Investment Officer; Giovanni Nunez, Investment Analyst; Leon Ramirez, Investment Analyst; Iliana Castillo Daily, General Counsel

Approval of Minutes of June 17, 2026

- Mr. Griffin made a motion to approve the minutes of the June 17, 2026, Investment Committee meeting. The motion carried unanimously.

Townsend Quarterly Performance Update and Appropriate Follow-Up Action Including Possible Reallocations, Rebalancing, and/or Terminations

- The Committee received a presentation from Townsend on the Pension Fund's real estate portfolio and current market conditions. Townsend reported that most real estate sectors are well-positioned for growth and continues to favor an overweight allocation to alternatives, housing, and logistics.
- Townsend reviewed the Pension Fund's real estate portfolio as of December 31, 2025. The Fund's target allocation to real estate is 9%, with a funded allocation of 7.7%. The portfolio's target allocation is 50% Core and 50% Non-Core investments; the current allocation is 45% Core and 55% Non-Core. It was noted that the reported allocations exclude the asset values and returns associated with the SA F&P Property Holding Company.
- Townsend reported that the real estate portfolio has outperformed its benchmark, the NFI-ODCE Index, across all periods presented and ranks in the top quartile among peer funds over the 5-, 10-, and 15-year periods. The portfolio has generated consistent income through multiple market cycles while maintaining diversification across geographic regions and property sectors. The Core portfolio has generally matched or exceeded the performance of the ODCE Index over longer-term periods, while the Non-Core portfolio has outperformed its benchmark of the ODCE Index plus 150 basis points annually over all periods greater than one year. Townsend also noted that its scale and market position have resulted in fee savings of approximately $1 million annually for the Pension Fund.
- Townsend reviewed the Fund's historical real estate commitments, potential future commitments, rebalancing considerations, and investment themes. Following discussion of potential follow-on commitments, Mr. Griffin made a motion to recommend that the Board approve an additional commitment of $10 million to Townsend Real Estate Capital Solutions IV. The Fund is expected to hold its final closing in December 2026. This commitment would be in addition to the Pension Fund's initial $25 million commitment approved in December 2024. The motion carried unanimously.

- The Committee reviewed the performance of the Pension Fund's Core real estate portfolio relative to the NFI-ODCE Index across several performance metrics. Townsend reported that the U.S. Eagle Real Estate Fund and the J.P. Morgan Strategic Property Fund have been the portfolio's most significant underperforming managers. Townsend expressed confidence that the repositioning efforts within the J.P. Morgan Strategic Property Fund are expected to improve future performance. However, Townsend indicated less confidence in the long-term outlook for the U.S. Eagle Real Estate Fund.
- Following discussion, Mr. Griffin made a motion to recommend that the Board approve a full redemption from the U.S. Eagle Real Estate Fund. The motion carried unanimously.

Real Estate Portfolio Structure Overview, Including Pacing Plan and Potential Search

- Townsend recommended allocating an additional $10 million to the Core real estate portfolio, citing an attractive entry point for investment with either an existing Core manager or a new manager. Chief Investment Officer Cary Hally recommended initiating a manager search with the intention of making a $20 million commitment, funded through $10 million from the 2026 Core real estate budget and $10 million from the 2027 Core real estate budget.
- Following discussion, Mr. Griffin made a motion to recommend that the Board authorize a search for an open-end Core/Core+ real estate manager. The motion carried unanimously.

Adjournment Mr. Reynolds made a motion to adjourn at 11:11 A.M. The motion carried unanimously.

Approved this ____ day of _________________, 2026.

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Larry Reed, Investment Committee Chairman