MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, NOVEMBER 19, 2025
PENSION FUND OFFICE
9:30 A.M.

Roll Call	Mr. Reed called the meeting to order at 9:48 A.M.
Committee Members Present	Larry Reed, Fire/Retiree Representative; Washington Moscoso, Police Representative; Michael McCarty, Fire Representative
Committee Members Absent	Harry Griffin, Police/Retiree Representative; Ryan Reynolds, Police Representative
Others Present	Shawn Griffin, Fire Representative; Warren Schott, Executive Director; Cary Hally, Chief Investment Officer; Gail Jensen, General Counsel; Giovanni Nunez, Investment Analyst; Wes Levanduski, Investment Analyst

Approval of Minutes of October 22, 2025

- Mr. McCarty made a motion to approve the minutes of the October 22, 2025, Investment Committee meeting. The motion carried unanimously.

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

- NEPC provided a quarterly performance review of the Pension Fund's portfolio. As of September 30, 2025, the market value of the Pension Fund was approximately $4.4 billion. The Pension Fund returned 4.1% for the third quarter and 9.6% year-to-date. The total portfolio is close to its policy allocation targets, and within approved ranges. U.S. equities returned 7.1% in the quarter and 10.7% year-to-date, while non-U.S. equities returned 3.6% in the quarter and 24.8% year-to-date. Total fixed income returned 1.9% in the quarter and 5.6% year-to-date.
- Discussions arose regarding two underperforming international equity strategies, William Blair International Leaders and PIMCO RAE Global ex-US. NEPC reminded the Committee that William Blair presented at the September 2025 Investment Committee Meeting and the PIMCO RAE Global ex-US underperformance has been discussed on multiple occasions. As of September 30, 2025, the market values of William Blair International Leaders and PIMCO RAE Global ex-US are $128 million and $92 million, respectively.
- After discussions, Mr. Moscoso made a motion to recommend that the Board terminate the William Blair International Leaders strategy and reallocate the proceeds into the Russell 1000 Index account. The motion carried unanimously.
- Mr. Moscoso then made a motion to recommend that the Board terminate the PIMCO RAE Global ex-US strategy and reallocate $50 million of the proceeds to the Pension Fund's cash account and move the balance of the proceeds to the MacKay Shields U.S. Treasury Portfolio. The motion carried unanimously.

Treasury Portfolio Mandate

- The Committee discussed the Pension Fund's U.S. Treasury Bonds strategy within the core fixed income portfolio. Staff noted that the portfolio was established over two years ago and designed as a "buy and hold" strategy investing in treasury securities with maturities up to two years. NEPC and staff discussed the current yield curve given the Federal Reserve's recent and expected interest rate cuts. Staff explained that adding longer term Treasuries would increase the strategy's expected yield and duration, while continuing to serve as a liquidity pool.

- After discussions, Mr. McCarty made a motion to recommend that the Board modify the MacKay Shields U.S. Treasury Portfolio mandate to include investments in Treasuries with up to seven-year maturities. The motion carried unanimously.

Real Estate Search Finalists Presentations

- Representatives from the four finalists approved at the August 2025 Board Meeting (Blue Owl Digital Infrastructure Fund IV, Principal Digital Real Estate Fund III, Blue Owl Real Estate Fund VII, and Starwood Opportunity Fund XIII) presented their firm overview and history, team member responsibilities, investment strategy and process, and performance history.
- Following the presentations, the Committee discussed each manager with Townsend and staff.
- After discussions, Mr. Moscoso made a motion to recommend that the Board commit $25 million to Blue Owl Real Estate Fund VII. The motion carried unanimously.

Covenant Apartment Fund XII Commitment

- The Committee discussed the possibility of increasing the Pension Fund's commitment to Covenant Apartment Fund XII. The Pension Fund has previously invested in Funds VII through XI, and in May 2024, the Pension Fund committed $25 million to Fund XII.
- After discussions, Mr. McCarty made a motion to recommend that the Board commit an additional $10 million to Covenant Apartment Fund XII. The motion carried unanimously.

Adjournment Mr. Moscoso made a motion to adjourn at 1:22 P.M. The motion carried unanimously.

Approved this ____ day of _________________, 2026.

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Larry Reed, Investment Committee Chairman