MINUTES
INVESTMENT COMMITTEE MEETING
FIRE AND POLICE PENSION FUND, SAN ANTONIO
WEDNESDAY, FEBRUARY 18, 2026
PENSION FUND OFFICE
9:30 A.M.

Roll Call	Mr. Reed called the meeting to order at 9:30 A.M.
Committee Members Present	Larry Reed, Fire/Retiree Representative; Harry Griffin, Police/Retiree Representative; Washington Moscoso, Police Representative; Michael McCarty, Fire Representative; Ryan Reynolds, Police Representative
Committee Members Absent	None
Others Present	Shawn Griffin, Fire Representative; Warren Schott, former Executive Director; Gail Jensen, Executive Director & General Counsel; Cary Hally, Chief Investment Officer; Giovanni Nunez, Investment Analyst; Wes Levanduski, Investment Analyst; Leon Ramirez, Investment Analyst

Approval of Minutes of January 21, 2026

- Mr. McCarty made a motion to approve the minutes of the January 21, 2026, Investment Committee meeting. The motion carried unanimously.

Mr. Reynolds arrived at 9:43 A.M.

Apollo Investment Fund XI Re-Up Commitment

- The Committee discussed a potential re-up commitment with Apollo Investment Fund XI. Apollo representatives reviewed Fund XI's investment strategy and discussed the current opportunity set and market dynamics. Fund XI is an all-weather, value-oriented, private equity fund that will invest up and down the capital structure between opportunistic buyouts, corporate carve-outs, and deleveraging investments, as well as across multiple industries, economic cycles, and geographies.
- The Pension Fund has invested in Apollo Investment Fund IV, and Funds VI through X. As of September 30, 2025, Fund IV has a net IRR of 8.5%, and Funds VI through X have net IRRs of 8.6%, 22.6%, 8.0%, 14.6%, and 19.0%, respectively.
- After discussions, Mr. Moscoso made a motion to recommend that the Board commit $25 million to Apollo Investment Fund XI. The motion carried unanimously.

NB Secondary Opportunities Fund VI Re-Up Commitment

- The Committee discussed a potential re-up commitment with NB Secondary Opportunities Fund VI. Neuberger Berman representatives reviewed Fund VI's investment strategy and discussed the current opportunity set and market dynamics. Fund VI will continue Neuberger Berman's investment strategy focused on acquiring GP-led and traditional LP secondaries opportunities. Fund VI will primarily seek secondary interests in middle-market buyout strategies diversified across sectors, vintage year, and underlying GP.
- The Pension Fund has invested in Funds III through V. As of September 30, 2025, Funds III, IV, and V have net IRRs of 14.6%, 16.2%, and 23.5%, respectively.

- After discussions, Mr. H. Griffin made a motion to recommend that the Board commit $30 million to NB Secondary Opportunities Fund VI. The motion carried unanimously.

Merit Energy Partners M Re-Up Commitment

- The Committee discussed a potential re-up commitment with Merit Energy Partners M. Merit Energy Partners representatives reviewed Fund M's investment strategy and discussed the current opportunity set and market dynamics. Fund M will continue the firm's strategy of acquiring, operating, and developing mature, high-quality, producing oil and gas assets, and focus on returning cash yield.
- The Pension Fund has invested in Merit Energy Partners I and Merit Energy Partners L. As of September 30, 2025, Merit Energy Partners I and Merit Energy Partners L have net IRRs of 7.6% and 11.2%, respectively.
- After discussions, Mr. Moscoso made a motion to recommend that the Board commit $30 million to Merit Energy Partners M. The motion carried unanimously.

Mr. Moscoso left the meeting at 12:30 P.M.

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 December 31, 2025, the market value of the Pension Fund was approximately $4.5 billion. The Pension Fund returned 1.0% for the fourth quarter and 10.8% for the calendar year 2025. U.S. public equities returned 1.0% in the quarter and 11.7% for the one-year period, while non-U.S. public equities returned 3.3% in the quarter and 31.1% for the year. Total public fixed income returned 1.1% in the quarter and 6.7% for the one-year period.
- NEPC noted that the Pension Fund's returns have underperformed compared to the Pension Fund's allocation index over the past 1, 3, 5, and 10-year periods. NEPC highlighted that much of the underperformance was attributable to active managers in both the Pension Fund's U.S. large cap value and U.S. small cap value public equity allocations.
- Discussions arose regarding the underperformance of the Cooke & Bieler and London Company U.S. large cap value public equity strategies, and the Cooke & Bieler U.S. small cap value public equity strategy. As of December 31, 2025, the market values of the Cooke & Bieler and London Company U.S. large cap value public equity strategies were $165 million and $127 million, respectively, and the market value of the Cooke & Bieler U.S. small cap value public equity strategy was $142 million. After discussions, Mr. H. Griffin made a motion to recommend the Board terminate the London Company and reallocate the proceeds into the Northern Trust Russell 1000 Index Fund. The motion carried unanimously.
- Discussion arose regarding the Pension Fund's current overweight position in large cap U.S. growth public equities and the potential need for rebalancing. Accounting for the termination and reallocation of the London Company mandate, exposure to the Russell 1000 Growth Index represented approximately 43% of the total U.S. large cap public equities exposure and 60% of combined U.S. growth and core public equities. To address the imbalance, NEPC recommended a strategic reduction in the Russell 1000 Growth Index. After discussions, Mr. McCarty made a motion to recommend the Board liquidate $100 million from the Northern Trust Russell 1000 Growth Index Fund and reallocate the proceeds into the Northern Trust Russell 1000 Index Fund. The motion carried unanimously.
- In addition, Mr. H. Griffin made a motion to recommend to the Board to terminate the Cooke & Bieler U.S. small cap value public equity strategy and reallocate the proceeds into a Northern Trust Russell 2000 Value Index Fund.

- Lastly, discussion arose regarding the Pension Fund's core bond allocation. The Committee directed NEPC and staff to monitor Garcia Hamilton & Associates' performance. No further action was taken.

Adjournment Mr. H. Griffin made a motion to adjourn at 1:09 P.M. The motion carried unanimously.

Approved this ____ day of _________________, 2026.

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Larry Reed, Investment Committee Chairman