

MINUTES OF MEETING
of the SPECIAL FUND INVESTMENT COMMITTEE
Telephonic Meeting
800 West Washington Street
Phoenix, AZ 85007
Monday, December 29, 2025 – 1:00 p.m.

Present:	Dennis P. Kavanaugh	Member (Telephonic)
	Michael Kennington	Member (Telephonic)
	Aaron Bickham	Member (Telephonic)
	Gaetano J. Testini	Member (Telephonic)
	Imran Zahid	Meketa Investment Group, Inc. (Telephonic)
	Stacie Allison	Comptroller (Telephonic)
	Asma Hegazy	Accounting (Telephonic)
	Kara Dimas	Commission Secretary (Telephonic)

Mr. Kavanaugh convened the meeting at 1:01 p.m. noting a quorum present. Mr. Kennington had not yet joined the call.

Review and Approval of Regular Meeting Minutes of November 25, 2025.

The regular meeting minutes for the November 25, 2025 meeting were unanimously approved on motion of Mr. Bickham, second of Mr. Testini.

Review, Discussion and/or Action regarding Special Fund Investment Activity, including Asset Allocation Targets and Ranges.

Ms. Allison noted equities are a little above the target of 45% at 48.5% and fixed income is at 46.2% with a target of 50%, cash is acceptable at 5.2%, everything is within acceptable ranges.

Mr. Zahid reviewed the markets for November, noting the Federal government reopened. It was a volatile month, large cap stocks were down and rotated towards value, so value outperformed growth across the board. Small cap value was up 2.8%. Year-to-date returns for all of the US equities indexes had double digit returns across the board through November and not much has changed in December markets. Foreign equities were muted; emerging markets were down 2.4%. There were renewed concerns around China. Fixed income had positive returns across the board in anticipation of further rate cuts, with three 25 basis point rate cuts in total for 2025.

Mr. Zahid noted the underweight for fixed income was due to the First Eagle redemption in November. He reviewed the performance of the individual money managers for the month of November, GW&K, DePrince, Pear Tree Polaris, Reams, Dolan McEniry, and Arena.

Review, Discussion and/or Action regarding Special Fund Investments where Original Cost Exceeds Current Market Value by 25% or Greater.

Ms. Allison noted there were 62 items. There were seven reports from GW&K and DePrince, and there were 11 additions this month and 51 carry overs, 46 were from the index fund.

Discussion and Action regarding Potential New Property in Tucson.

Mr. Testini noted we entered escrow and now have the general inspection report, and will be doing an in-depth inspection on some of the items from the report.

Mr. Kavanaugh commented that the Tucson staff is excited to get out of their crowded and outdated building.

Mr. Kennington joined the call.

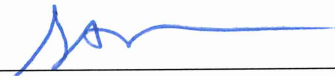
Announcements and Scheduling of Future Meetings.

Mr. Zahid noted they were planning on an in-person meeting for January and planning on asking GW&K to also attend and make a presentation.

The Committee scheduled the next meeting of the Investment Committee for January 27, 2026 at 1:00 p.m.

There being no further business to come before the Committee and no public comment, Mr. Kavanaugh adjourned the meeting at 1:15 p.m.

SPECIAL FUND INVESTMENT COMMITTEE

By  _____
Gaetano J. Testini, Director

ATTEST:



Kara Dimas, Commission Secretary