

# CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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## INVESTMENT COMMITTEE MINUTES

October 17, 2024

**PRESENT:** John Carr, Joey Hager, Mike Feehley, Matt Hastedt, Tereasa Smith

**OTHER:** Sandy Thiry, Tony Bass, Michelle Maxwell, Desiré Dixon

**GUESTS:** Julie Pierro - UBS  
Chief Charlie Horne

**OFFICIAL CALL TO ORDER** by John Carr at 8:02 a.m.

### Approval of Meeting Minutes

Mike Feehley motioned to approve the September 19, 2024 meeting minutes as presented and Joey Hager seconded the motion. The motion carried unanimously.

### Asset Allocation Report / Cash Draw

The Committee reviewed the drafted asset allocation report for September 30, 2024 and determined that all asset classes were acceptable according to the Investment Policy Statement and market conditions. The Committee also discussed the quarterly cash draw for operating expenses requested by the Administrator.

Motion: Matt Hastedt motioned to liquidate a total of \$4 million from the SSGA Russell 1000 Index Fund for operating expenses. Teresa Smith seconded the motion. The motion passed unanimously.

### Real Estate Review

#### UBS Realty

Julie Pierro provided the Committee with an overview of the real estate market conditions as of June 30, 2024. The 1-year reporting period beat the benchmark by 1.5%, net of fees, while all other reporting periods have lagged the benchmark. UBS has been positioning the portfolio to those sectors with favorable demand, such as Apartments and Industrial, and decreasing the targets to Office and Retail. All “non-strategic” holdings have been sold as previously planned. Julie noted that the Fund experienced a small positive return for the 3rd quarter which was the first positive return since the 2nd quarter of 2022. The gross asset value of the Trumbull Property Fund was \$13.5 billion as of June 30, 2024.

UBS promoted their European Head of Real Estate to the Global Head of Real Estate between late 2023 and early 2024. Julie advised that the Firm is in the midst of hiring a CIO in the next few months, but no additional information was available at this time.

As of July 21, 2024, the redemption queue was \$5.7 billion. UBS anticipates the redemption pool will be paid down within the next 3 years. Renewal in the loyalty fee program was automatically extended.

### JP Morgan Asset Management

Larry Ostow and Yonas Shiferaw provided team updates. Larry confirmed the re-hiring of Chad Tredway in April as the new Head of Real Estate Americas due to the retirement of the current Head of Real Estate.

As of June 30, 2024, the Second Quarter return exceeded the benchmark, while all other periods lagged the benchmark, gross of fees. JP Morgan is actively reducing certain sectors such as Office and Retail, but not at the expense of selling their best performing properties.

As of August 31, 2024, the redemption queue was \$4.6 billion. The gross asset value of the Strategic Property Fund was reported to be \$36.4 billion as of June 30, 2024. The CFRS is taking advantage of the fee reduction program that began on July 1, 2024.

### **Various Manager Updates**

There was no manager updates presented during the October meeting.

### **New Business**

There was no new business presented during the October meeting.

Joey Hager motioned to adjourn at 9:29 a.m. and Teresa seconded the motion.  
The motion carried unanimously.

The next Investment Committee Meeting scheduled for Thursday, November 21, 2024, at 8:00 a.m.