

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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INVESTMENT COMMITTEE MINUTES

November 21, 2024

PRESENT: John Carr, Joey Hager, Mike Feehley, Matt Hastedt (left at 9:53 a.m.)

ABSENT: Teresa Smith

OTHER: Sandy Thiry, Michelle Maxwell, Desiré Dixon, Lisa Flowers – Assistant City Attorney

GUESTS: Elizabeth Hood, Todd Carabasi, Tony Bass

OFFICIAL CALL TO ORDER by John Carr at 8:00 a.m.

Approval of Meeting Minutes

Matt Hastedt motioned to approve the October 17, 2024 meeting minutes as presented and Mike Feehley seconded the motion. The motion carried unanimously.

Asset Allocation Report

The Committee reviewed a draft Asset Allocation report for October 31, 2024. They determined all classes were in acceptable range based on the Investment Policy Statement and market conditions.

Callan, LLC

Elizabeth Hood discussed the International Equity and Core Private Real Estate manager structures, with potential ideas on further diversifying the existing managers.

Todd Carabasi provided the Committee with the Fund's quarterly performance results for the Third Quarter 2024 and stated that the market's performance provided strong returns for the quarter. The Total Fund returned 6.08% over the course of the Third Quarter, outpacing the Custom Index return of 5.77%, and ranked in the 6th percentile in the Callan Public Fund Sponsor Database. Since Inception, the Total Fund returned 8.77% and outperformed the Custom Index by 51 basis points. He noted that Small Cap outperformed Large Cap stocks, and Value outperformed Growth while International Equity outperformed US Equity. The Core Real Estate Index was down 7 basis points, but both real estate managers were positive for the quarter.

Fee Review

Callan performed the annual fee review of the Fund managers against the median of their peer groups. It was determined that all manager fees were in-line, or less than, their respective peers. Overall, the System has below industry average investment management fees.

Various Manager Updates

JP Morgan has been experiencing internal staff changes and turnover due to retirement succession planning. MFS Proxy voting – The manager's list of proxy voting was provided to the Committee.

New Business

There was no new business presented during the November meeting.

Joey Hager motioned to adjourn at 10:05 a.m. and Mike Feehley seconded the motion.
The motion carried unanimously.

The next Investment Committee meeting is scheduled for Thursday, January 16, 2025 at 8:00 a.m.