

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

428 East Fourth Street • Suite 205 • Charlotte, North Carolina • 28202 • (704) 626-2728 • Fax (704) 626-7365

INVESTMENT COMMITTEE MINUTES October 16, 2025

PRESENT: John Carr, Mike Feehley, Matt Hastedt

ABSENT: Robbie Honeycutt

OTHER: Sandy Thiry, Lisa Flowers, Desiré Martin

GUESTS: Meaghan Doyle, Melissa Wyble, and Nate Kush – Neuberger Berman
Debbie Petruzzelli – Barrow Hanley

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

Approval of Meeting Minutes

Matt Hastedt motioned to approve the September 18, 2025 meeting minutes as presented and Mike Feehley seconded the motion. The motion carried unanimously.

Asset Allocation Report

The Committee reviewed the asset allocation report. The Domestic Equity market value was noted as being close to the maximum of the target range and could potentially serve as a source of funds for the new Real Estate managers. The Fund's total market value was estimated to be \$744,671,072 as of September 30, 2025.

Domestic Fixed Income Reviews

Neuberger Berman

Meaghan Doyle provided the firm updates and informed the Committee that she has replaced Lisa Davenport who retired earlier this year. The multi-year transition of responsibilities from Brad Tank to Ashok Bhatia as the new CIO of Fixed Income was successfully completed in early 2025. The firm is stable and experiencing steady growth. The same investment team manages both Core and Core Plus.

As of September 30, 2025, the firm's total assets under management were \$558B of which \$219B was in Domestic Fixed Income. Nate Kush, Lead PM for Core and Core Plus, reported consistent outperformance, net of fees, relative to the Bloomberg U.S. Aggregate Index across the Third Quarter 2025, Year-to-Date, 1-year, and Since Inception time periods. He discussed sector allocation and security selection as well as the portfolio contributors, distractors, and characteristics. The annual portfolio turnover was reported to be 148% which Nate commented was normal for their Core Plus strategy. Nate discussed the 2026 economic outlook including inflation, labor markets, and interest rates.

Barrow Hanley

Debbie Petruzzelli provided firm updates and noted that there have been no changes in the investment team. As of September 30, 2025, the firm's total assets under management were \$59B. Debbie reviewed the Third Quarter 2025 fixed income market overview, the portfolio characteristics, and performance. As of September 30, 2025, Barrow Hanley outperformed the Bloomberg U.S. Aggregate Index, gross of fees, across all reporting periods, including Inception-to-Date (March 31, 2003). The portfolio had a 65-basis point yield advantage over the

Bloomberg U.S. Aggregate Index. The average annual portfolio turnover was noted as approximately 50%. Debbie reviewed a stress test of how the portfolio would respond under three different interest rate scenarios.

Manager Updates

MFS Mid Cap Growth advised of a trading error that occurred when a buy order was unintentionally omitted. As a remedial action, the missed purchase was subsequently executed and the CFRS received the difference in gains experienced between the two transaction dates.

The J.P. Morgan Strategic Property Fund continued to manage their redemption queue and distributed \$1.1M in cash to the CFRS in the Third Quarter. UBS Realty submitted their first redemption payment of \$81,000. The redemptions from both J.P. Morgan and UBS Realty, along with the City's increased level of contributions, have offset the immediate need for cash withdrawals used for benefit payments and operating expenses.

New Business

There was no new business presented during the meeting.

Mike Feehley officially motioned to adjourn at 9:38 a.m. and Matt Hastedt seconded the motion.
The motion carried unanimously.

The next Investment Committee meeting is scheduled for Thursday, November 20, 2025, at 8:00 a.m.