

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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INVESTMENT COMMITTEE MINUTES September 18, 2025

PRESENT: John Carr, Mike Feehley, Matt Hastedt, Teresa Smith

ABSENT: Joey Hager

OTHER: Sandy Thiry, Lisa Flowers, Tony Bass

GUESTS: Patrick Hearne and Chrissy Norton (via phone) - SSGA
Doug Dummer and Hillary Goldberg – Wellington Management

OFFICIAL CALL TO ORDER by John Carr at 8:04 a.m.

Trustee Recognition

John Carr and the Investment Committee expressed their gratitude to Teresa Smith for her dedication and contributions to the System. The Committee wished her well in her retirement.

Approval of Meeting Minutes

Matt Hastedt motioned to approve the August 21, 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 and determined that all asset classes were acceptable according to the Investment Policy Statement and market conditions. Domestic Equity is currently at the high end of the allowable range and will be re-balanced back to target as part of the funding process of the new Real Estate Managers. The Fund's total market value was \$731,105,235 million as of August 31, 2025.

Domestic Fixed Income, Domestic and International Equity Reviews

State Street Investment Management

Patrick Hearne pointed out the firm's rebranding from State Street Global Advisors to State Street Investment Management. The firm's assets under management as of August 31, 2025 was \$5.12T with \$661B of that managed for Defined Benefit Plans.

The CFRS' combined market value of the MSCI EAFE Index, Russell 1000 Index, and Passive Bond Market Index Funds was \$276,490,206 as of August 31, 2025. All three fund returns were in-line with expectations. The Passive Bond Market Index Fund returned 3.19% compared to 3.14% for the Bloomberg US Aggregate Index for the last 12-month reporting period. For the same reporting period, the Russell 1000 Index Fund returned 16.22% compared to the Index of 16.24%, and the EAFE Index Fund returned 14.29% compared to the Index of 13.87%.

Chrissy Norton provided an overview of the strategy and research team's role. A question was raised regarding if the concentration of the "Magnificent 7" within the Russell 1000 Index has led to clients moving into an equal-weighted index. She said that they have not seen a significant shift away from the traditional cap-weighted index.

International Equity Review Wellington Management

Hillary Goldberg reviewed the firm's investing philosophy as well as noting that the firm is a private partnership with \$1.2T in assets under management. The portfolio utilizes a team of global industry analysts with oversight from the Head of Investment Research, the Investment Risk Manager, the Investment Director, and the Director Research Portfolios.

Doud Dummer gave an overview of the fund's performance. As of August 31, 2025, the 1-year and Since Inception (June 2023) reporting periods exceeded the benchmark. The fund experienced a better year in performance than the prior year. The contributors and detractors were also reviewed.

Various Manager Updates

Barrow Hanley provided communication regarding a recent widespread cyber event that impacted hundreds of organizations, including Barrow Hanley. However, no client data, employee data, or firm data was accessed, compromised, or lost. The communication also noted that Barrow Hanley did not experience any disruption in their business.

William Blair provided communication regarding succession planning for Bill Heaphy's and Greg Merwitz's retirement. Matt Flemming and Mark Goodman (newly hired) will serve as co-Portfolio Managers upon Bill's retirement on June 30, 2026. With the transition, Matt Flemming will step into the role of Head of the U.S. Value team. Greg Czarnecki has been appointed as the team's Research Coordinator.

New Business

There was no new business presented during the meeting.

Teresa Smith officially motioned to adjourn at 9:24 a.m. and Matt Hastedt seconded the motion.
The motion carried unanimously.

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