

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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QUARTERLY BOARD MEETING MINUTES

January 22, 2026

PRESENT: Vanessa Heffron – Chair, Melinda Manning, John Carr, Joey Hager, Ryan Pope, Kim Heffernan, Sheila Simpson, Robbie Honeycutt (arrived at 8:06 a.m.), Ryan Pope (arrived at 8:06 a.m.), Mike Feehley (arrived at 8:10 a.m.), Matt Hastedt (left at 10:04 a.m.)

STAFF: Sandy Thiry, Ty Phelps, Michelle Maxwell, Desiré Martin, and Lisa Flowers - Sr. Assistant City Attorney

GUESTS: Tony Bass, Miki Kamijyo

AGENDA

CALL TO ORDER by Vanessa Heffron at 8:01 a.m. This meeting took place in person at the Charlotte Firefighters Retirement System at 428 East 4th Street, Suite 205, Charlotte, NC 28202. Appreciation was extended to the staff for all the hard work to restore office operations since the April 2025 office building flood.

I. PUBLIC FORUM

No requests were made to speak during the public forum.

II. CONSENT CALENDAR

Matt Hastedt motioned to approve the Consent Calendar which consisted of the October 23, 2025 Board Meeting minutes, November 20, 2025 Disability Reexamination Hearing Minutes, Schedule of Retirements, and the Expense Reports. Melinda Manning seconded the motion. The motion carried unanimously.

III. BOARD GOVERNANCE

The Board reviewed the Governance Calendar. Sandy Thiry informed the Board that the Annual Audit Review from Cherry Bekaert has been delayed due to setbacks as the City implements WorkDay. She also noted the System has historically used the same auditor as the City and the contract is set to expire in 2026. The RFP for an auditor is currently underway and Sandy is part of the RFP team.

IV. REPORTS

Investment Committee Report – John Carr

John Carr provided an overview of the investment performance since the October 23, 2025 Board Meeting. The Fund value was \$753 million and returned 5.28% over the course of the Third Quarter, slightly underperforming the Custom Index return of 5.43%, and ranked in the 15th percentile in the Callan Public Fund Sponsor Database. The fund's value as of Dec 31, 2025 rose to \$764 million. Callan discussed the annual investment fee analysis for all of CFRS' money managers. As the System's consultant, Callan has successfully negotiated several fee savings over the years which have benefited the System long-term. All manager fees were in-line, or below, their respective peer groups.

The Committee has been reviewing the Core Real Estate allocation and motioned to fund the DWS RREEF America II Fund with \$17.5 million from the Russell 1000 Index. The LaSalle Property Fund investment

team was brought back for a subsequent on-site interview due to a change in key personnel that occurred since the initial interview. The Committee agreed to move forward with LaSalle Property Fund as a new Real Estate Investment Manager.

MOTION: The Investment Committee motioned to hire LaSalle as a new Real Estate Investment Manager and Joey Hager seconded the motion. The motion carried unanimously.

The Asset Allocation Report was reviewed each month. Normal cash withdrawals for operating expenses were offset by the City's increased level of contributions and the real estate quarterly dividends.

Watch List Review

Both the JP Morgan Strategic Property Fund and the William Blair Small Cap Value Fund were placed on watch effective November 2023 and May 2024, respectively, due to a change in key personnel pursuant to the Investment Policy Statement and remain on watch status.

Benefits Committee Report – Melinda Manning

Melinda Manning provided a summary of the Benefits Committee Meetings since the October 23, 2025 Board Meeting. The Disability Regulations remained the center of discussion. The revised Disability Regulations, if approved by the Board, would require the Medical Board's contract to be updated to include the prereview and assemblance of medical records by nursing staff for the Medical Board's review and would remove the initial hearing to determine whether there is a temporary disability.

MOTION: The Benefits Committee motioned to approve the suggested edits from the Committee and most recent final edit by legal counsel to the Disability Regulations and forward to the City Council for approval. Ryan Pope seconded the motion. The motion carried unanimously.

The Retention Policy for paper documents was researched. The State maintains a retention policy which allows flexibility for certain documents. The City had previously adopted the State's policy and continues to utilize the policy. Legal and staff reviewed the policy and presented it to the Committee along with the agency recommended (CFRS) flexible retention periods as noted to the Board. A Retention Policy for electronic records will be reviewed in the future.

MOTION: The Benefits Committee motioned to adopt the NC State's Retention Policy for paper documents with the discretionary edits suggested by legal counsel. Ryan Pope seconded the motion. The motion carried unanimously.

Administrator Report – Sandy Thiry

Sandy Thiry reviewed the Administrator's report that included the estimated Second Quarter FY2026 financial statements and noted there were no areas of concern. The Miscellaneous Contingency account reflects an over budget status due to office repairs and the crossover of fiscal years between when insurance proceeds were received and expenses were paid. She advised that all projects relating to the April 5, 2025 flood in the CFRS' unit are complete and the staff has returned to the office. However, not all expenses have been captured in the financials through December 31, 2025 as some fell into the 2026 period.

The upcoming conferences were discussed. Callan's 2026 Annual Conference will be held in Scottsdale, AZ, on April 20-22, 2026. NCPERS will hold its 2026 Annual Conference and the Accredited Fiduciary Program in Las Vegas, NV on May 16-17, 2026. The GFOA will hold its 2026 National Conference in Chicago, IL on June 28 – July 1, 2026.

MOTION: Joey Hager motioned to approve the attendance of Sandy, Ty, Vanessa, Melinda, Kim, Joey and John for Callan's 2026 Annual Conference; Joey Hager to attend the NCPERS 2026 Annual Conference and the Accredited Fiduciary Program; and Matt Hastedt and Betty Mattos to attend the GFOA 2026 National Conference. Melinda Manning seconded the motion. The motion carried unanimously.

Sandy discussed the Pension Administration Sustainability topics. The WorkDay HR module conversion includes the integration files, programming of the data to be included in the files as well as the cleanup of pension data in member's records. The process has been extensive but at this point the issues have been resolved. WorkDay Financial module conversion is still pending. The Board discussed feasibility and potential costs that may be associated with a platform on WorkDay. Training staff members has taken longer than expected due to the office flooding. Co-sourcing with CBIZ had its challenges including redocumentation of processes and coordination of transactions between the two business units.

Sandy discussed the projects that will be carried over to the new Administrator. Including potential QuickBooks conversion to WorkDay, streamlining member consultations for efficiency, updating the CFRS retirement training modules, record retention policy for electronic records, budgeting updating the website for additional ADA compliance, and RFPs for certain vendors. Sandy also discussed the opportunity to enhance the member portal to provide for online beneficiary designation and retirement applications. The update would include a one-time implementation fee as well as ongoing quarterly support fees. Further research will be done by the staff to present at the next Board meeting.

Ryan Pope motioned to approve the Administrator's Report. Joey Hager seconded the motion. The motion carried unanimously.

V. SUCCESSION PLANNING

Vanessa advised that Korn Ferry has been overseeing the Administrator search and will provide the list of possible candidates for the Committee's review.

VI. NEW BUSINESS

No new business presented during the January Board meeting.

VII. CLOSED SESSION

The Board took a short break from 9:20 a.m. to 9:30 a.m.

Melinda Manning motioned to enter Closed Session at 9:20 a.m. pursuant to North Carolina General Statutes §143-318.11(a)(6) to consider the performance of members of the System's staff. Matt Hastedt seconded the motion. The motion carried unanimously.

Sheila Simpson motioned to go into Open Session at 10:20 a.m. and John Carr seconded the motion. The motion carried unanimously. The Board supported merit raises for the System's staff members.

ADJOURNMENT

Melinda Manning motioned to adjourn at 10:21 a.m. Sheila Simpson seconded the motion. The motion carried.

The next quarterly Board meeting is re-scheduled to Thursday, April 30, 2026.