

CITY OF ATLANTA DEFINED BENEFIT
PENSION INVESTMENT BOARD MEETING

April 21, 2021

Webex Teleconference

10:00 A.M. – 12:00 P.M.

BOARD MEMBERS PRESENT

FRANK SIMS	Chairman
NATALYN ARCHIBONG	Councilmember, City of Atlanta
MARCI COLLIER OVERSTREET	Councilmember, City of Atlanta
REGGIE GRANT	Appointee, City of Atlanta
BRENT HULLENDER	Fire, City of Atlanta
ALFRED BERRY, JR.	General, City of Atlanta
RICK 'BUD' LIGHT	Police, City of Atlanta
LISA BRACKEN	APS, City of Atlanta
ROOSEVELT COUNCIL	Chief Financial Officer, City of Atlanta
JEFFREY NORMAN	HR Commissioner, City of Atlanta

OTHERS PRESENT

MARY SHAH	Strategic Benefits Advisors
STEPHANIE ATLI	Strategic Benefits Advisors
LORI POCOCK	Strategic Benefits Advisors
CARL CHRISTIE	City of Atlanta Law
ALICIA THOMPSON	City of Atlanta Law
LOUIS AMIS	HR, City of Atlanta
ROSIE WOODS	Pension Department, City of Atlanta
AMANDA ROUSER	Pension Department, City of Atlanta
BILL BOYD	Police, City of Atlanta
KWEKU OBED	Marquette Associates
ED EMERSON	Morris, Manning and Martin
JEANETTE COOPER	Segal
CHUCK CARR	Southern Actuarial Associates
SHANE MCILHENNY	Deloitte
STEPHANIE ROBERTS	Garcia Hamilton
BENJAMIN HYMES	Legato
VICTOR HYMES	Legato
ADAM PERSIANI	Pharos Funds
JOSEPH MCLANE	
DEREK BATTS	

I. CALL TO ORDER

Chairman Sims called the Webex teleconference meeting to order at 10:05 a.m. Chairman Sims noted that a quorum was present for the meeting and it was noted Investment Managers were in attendance.

II. ADOPTION OF THE AGENDA

Chairman Sims asked if there were any changes to the agenda.

A motion was made by Mr. Berry to approve the Agenda as presented. The motion was seconded by Mr. Hullender. The motion unanimously carried and the Agenda was approved.

III. PUBLIC COMMENT

Chairman Sims asked if there were any public comments. Mr. Berry asked to speak for the employees of the General Plan and provided feedback that the Watershed, Public Works and Sanitation workers were not sure how to reach SBA. Ms. Shah confirmed that an announcement letter was mailed to all plan participants in December and that participants are able to reach SBA via phone, email, fax, or regular mail. In-person meetings at City Hall will be available once City Hall reopens to the public. Mr. Berry also asked that the General Administrative Committee meeting minutes be posted online and kept current.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

The Board reviewed the Minutes of the March 17, 2021 meeting, which were distributed in advance and reviewed by the Fund Professionals as customary.

Following review of the March 17, 2021 minutes, a motion was made by Mr. Berry to approve the Minutes with minor changes. The motion was seconded by Mr. Grant. The motion unanimously carried and the Minutes were approved.

V. ATTORNEY'S REPORT

Mr. Emerson provided an update that the contract with Iron Mountain to scan participant files was in place. SBA has been in contact with Iron Mountain to start the scanning within the next 5 to 7 days. He also brought up that the bylaws have been updated with the recent legislation change to the appeals process whereby appeals will be heard by the Investment Board. The updated bylaws will be presented at the next meeting.

Mr. Christie informed the Board that he and Mr. Emerson have written a final demand letter that will be sent to Zenith. The letter is asking for monetary reimbursement, less what has been recouped from participants, for errors where Zenith has expressed they are fully or partially responsible.

VI. INVESTMENT CONSULTANT REPORT – *Marquette Associates*

Mr. Obed walked through the market environment and performance for the three plans. All three plans are holding up well on a YTD as well as fiscal YTD basis. The mosaic below highlights the performance of various assets classes in the first quarter and shows the benefits of diversification.

Commodities lead in 1Q, followed by equities

2021 YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012	5yr	10yr
Commodities 13.6%	Broad U.S. Equities 20.9%	Large Cap 31.5%	Real Estate 6.7%	Emerging Markets -37.3%	Small Cap 21.3%	Real Estate 13.3%	Large Cap 13.7%	Small Cap 38.8%	Intl Small Cap 20.0%	Broad U.S. Equities 16.6%	Large Cap 13.9%
Small Cap 12.7%	Small Cap 20.0%	Broad U.S. Equities 31.0%	Bank Loans 1.1%	Intl Small Cap 33.0%	High Yield 17.1%	Intl Small Cap 9.6%	Mid Cap 13.2%	Mid Cap 34.8%	Emerging Markets 16.2%	Small Cap 16.4%	Broad U.S. Equities 13.8%
Mid Cap 8.1%	Large Cap 18.4%	Mid Cap 30.5%	Core Bond 0.0%	Broad Intl Equities 27.2%	Mid Cap 13.8%	Large Cap 1.4%	Broad U.S. Equities 12.6%	Broad U.S. Equities 33.6%	Intl Large Cap 17.3%	Large Cap 16.3%	Mid Cap 12.5%
Broad U.S. Equities 6.3%	Emerging Markets 18.3%	Small Cap 25.5%	High Yield -2.1%	Intl Large Cap 25.0%	Broad U.S. Equities 12.7%	Core Bond 0.5%	Real Estate 11.8%	Large Cap 32.4%	Mid Cap 17.3%	Mid Cap 14.7%	Small Cap 11.7%
Large Cap 6.2%	Mid Cap 17.1%	Intl Small Cap 25.0%	Hedge Funds -4.0%	Large Cap 21.8%	Large Cap 12.0%	Broad U.S. Equities 6.0%	Core Bond 0.0%	Intl Small Cap 29.3%	Broad Intl Equities 16.8%	Emerging Markets 12.1%	Real Estate 9.0%
Intl Small Cap 4.5%	Intl Small Cap 12.3%	Intl Large Cap 22.0%	Large Cap -4.4%	Broad U.S. Equities 21.1%	Commodities 11.4%	Hedge Funds -0.3%	Small Cap 4.9%	Intl Large Cap 22.8%	Broad U.S. Equities 16.4%	Intl Small Cap 10.5%	Intl Small Cap 8.0%
Broad Intl Equities 3.5%	Hedge Funds 10.9%	Broad Intl Equities 21.5%	Broad U.S. Equities -5.2%	Mid Cap 18.5%	Emerging Markets 11.2%	Bank Loans -0.4%	Hedge Funds 3.4%	Broad Intl Equities 15.3%	Small Cap 16.4%	Broad Intl Equities 9.8%	High Yield 6.5%
Intl Large Cap 3.5%	Broad Intl Equities 10.7%	Emerging Markets 18.6%	Mid Cap -9.1%	Small Cap 14.6%	Bank Loans 9.9%	Intl Large Cap -0.8%	High Yield 2.5%	Real Estate 11.0%	Large Cap 16.0%	Intl Large Cap 8.8%	Intl Large Cap 5.5%
Emerging Markets 2.3%	Intl Large Cap 7.8%	Commodities 17.6%	Small Cap -11.0%	Hedge Funds 7.8%	Real Estate 8.0%	Mid Cap -2.4%	Bank Loans 2.1%	Hedge Funds 9.0%	High Yield 15.8%	High Yield 8.1%	Broad Intl Equities 4.9%
Hedge Funds 2.2%	Core Bond 7.5%	High Yield 14.3%	Intl Large Cap -13.8%	High Yield 7.5%	Broad Intl Equities 4.5%	Small Cap -4.4%	Emerging Markets -2.2%	High Yield 7.4%	Real Estate 10.5%	Real Estate 5.9%	Bank Loans 4.4%
Bank Loans 2.0%	High Yield 7.1%	Core Bond 8.7%	Commodities -13.8%	Real Estate 7.0%	Core Bond 2.6%	High Yield -4.5%	Broad Intl Equities -3.9%	Bank Loans 9.4%	Bank Loans 9.4%	Hedge Funds 5.8%	Emerging Markets 3.7%
Real Estate 1.6%	Bank Loans 2.8%	Hedge Funds 8.4%	Broad Intl Equities -14.2%	Commodities 5.8%	Intl Small Cap 2.2%	Broad Intl Equities -5.7%	Intl Large Cap -4.9%	Commodities -1.2%	Hedge Funds 4.8%	Bank Loans 5.3%	Hedge Funds 3.4%
High Yield 0.8%	Real Estate 1.6%	Bank Loans 8.2%	Emerging Markets -14.6%	Bank Loans 4.2%	Intl Large Cap 1.0%	Emerging Markets -14.9%	Intl Small Cap -4.9%	Core Bond -2.0%	Core Bond 4.2%	Core Bond 3.1%	Core Bond 3.4%
Core Bond -3.4%	Commodities -23.7%	Real Estate 6.4%	Intl Small Cap -17.9%	Core Bond 3.5%	Hedge Funds 0.5%	Commodities -32.9%	Commodities -33.1%	Emerging Markets -2.6%	Commodities 0.1%	Commodities 1.2%	Commodities -8.6%

Source: Bloomberg; hedge funds as of February 28, 2021, real estate as of December 31, 2020. Please see end of document for benchmark information.

Fixed Income funds are one area where there have been headwinds in performance. Last year interest rates declined and mean inversion caused a loss in that area. It should be noted that the funds are required by law to hold some of the assets in Fixed Income funds, but there is an inverse relationship between interest rates and gains in these types of funds.

Fixed income: reflation trade gains steam

Fully inoculated rates rose along with commitment to more fiscal/monetary stimulus, resulting in steepening curve and rising inflation expectations

		1 Mo (%)	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Indices	Blm BC Aggregate	-1.2	-3.4	-3.4	0.7	4.7	3.1	3.4
Intermediate Indices	Blm BC Int. Gov./Credit	-0.8	-1.9	-1.9	2.0	4.4	2.8	2.9
Government Only Indices	Blm BC Long Gov.	-5.0	-13.4	-13.4	-15.6	5.8	3.2	6.3
	Blm BC Int. Gov.	-0.7	-1.7	-1.7	-1.2	3.8	2.1	2.3
	Blm BC 1-3 Year Gov.	0.0	-0.1	-0.1	0.4	2.8	1.7	1.3
	Blm BC U.S. TIPS	-0.2	-1.5	-1.5	7.5	5.7	3.9	3.4
Credit Indices	Blm BC U.S. Long Credit	-2.7	-8.4	-8.4	8.9	7.5	6.7	7.2
	Blm BC High Yield	0.1	0.8	0.8	23.7	6.8	8.1	6.5
	CS Leveraged Loan Index	0.1	2.0	2.0	20.8	4.1	5.3	4.4
Securitized Bond Indices	Blm BC MBS	-0.5	-1.1	-1.1	-0.1	3.7	2.4	2.8
	Blm BC ABS	-0.2	-0.2	-0.2	4.6	3.7	2.6	2.5
	Blm BC CMBS	-1.1	-2.1	-2.1	4.9	5.3	3.6	4.1
Non-U.S. Indices	Blm BC Global Aggregate Hedged	-0.4	-2.5	-2.5	1.5	4.3	3.3	3.9
	JPM EMBI Global Diversified	-1.0	-4.5	-4.5	16.0	4.0	5.1	5.6
	JPM GBI-EM Global Diversified	-3.1	-6.7	-6.7	13.0	-0.8	3.1	0.5
Municipal Indices	Blm BC Municipal 5 Year	0.4	-0.3	-0.3	5.1	3.9	2.5	2.9
	Blm BC HY Municipal	1.1	2.1	2.1	15.0	7.3	6.4	7.1

Note: The local currency GBI index is hedged and denominated in U.S. dollars. Sources: Bloomberg Barclays, Credit Suisse, JPMorgan, as of March 31, 2021

In the US Equity markets, there were strong returns both at the one-month mark as well as long term. Growth has significantly performed well over the past 10 years, but there is currently a reversal where Value stocks have been outperforming Core and Growth stocks over the past quarter. This carries through to the mid-cap and small-cap spaces as well. When Value stocks do well, the economic cycle is at a positive point.

Value indices continue leadership in March

U.S. equity index returns indicate strong investor preferences for cyclical stocks to begin 2021

		Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
Broad Market Indices:	Dow Jones	6.8	8.3	8.3	53.8	13.6	16.0	13.1
	Wilshire 5000	3.7	6.5	6.5	62.2	17.2	16.7	13.8
	Russell 3000	3.6	6.3	6.3	62.5	17.1	16.6	13.8
Large-Cap Market Indices:	S&P 500	4.4	6.2	6.2	56.4	16.8	16.3	13.9
	Russell 1000	3.8	5.9	5.9	60.6	17.3	16.7	14.0
	Russell 1000 Value	5.9	11.3	11.3	56.1	11.0	11.7	11.0
	Russell 1000 Growth	1.7	0.9	0.9	62.7	22.8	21.0	16.6
Mid-Cap Market Indices:	Russell Mid-Cap	2.7	8.1	8.1	73.6	14.7	14.7	12.5
	Russell Mid-Cap Value	5.2	13.1	13.1	73.8	10.7	11.6	11.1
	Russell Mid-Cap Growth	-1.9	-0.6	-0.6	68.6	19.4	18.4	14.1
Small-Cap Market Indices:	Russell 2000	1.0	12.7	12.7	94.8	14.8	16.4	11.7
	Russell 2000 Value	5.2	21.2	21.2	97.1	11.6	13.6	10.1
	Russell 2000 Growth	-3.1	4.9	4.9	90.2	17.2	18.6	13.0

Source: Morningstar Direct as of March 31, 2021

The International markets also had a good first quarter and we continue to see the same theme of Value stocks internationally performing well.

All equities start the year positive after a strong 2020

Both developed and emerging small-caps outperform their large-cap counterparts in the first quarter

	Month (%)	3-Month (%)	YTD (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
MSCI ACWI	2.7	4.6	4.6	54.6	12.1	13.2	9.1
MSCI ACWI ex. U.S.	1.3	3.5	3.5	49.4	6.5	9.8	4.9
MSCI EAFE	2.3	3.5	3.5	44.6	6.0	8.8	5.5
MSCI EAFE Local	5.3	7.6	7.6	36.6	7.1	8.8	7.5
MSCI Emerging Markets	-1.5	2.3	2.3	58.4	6.5	12.1	3.7
MSCI EM Local	-0.9	4.0	4.0	53.0	9.3	12.9	6.9
MSCI EAFE Small-Cap	2.2	4.5	4.5	62.0	6.3	10.5	8.0
MSCI EM Small-Cap	1.5	7.7	7.7	87.1	5.2	9.6	3.3
MSCI Frontier	0.3	0.8	0.8	39.3	-1.4	6.6	3.9

Source: eVestment as of March 31, 2021



Non-U.S. Equities 32

Mr. Obed reviewed the below individual plan details.

Performance Overview - General Employees' Pension Plan

Mr. Obed provided the Committee with following current preliminary market values (MTD – Month to Date /FYTD – Fiscal Year to Date/YTD – Year to Date) as of March 31, 2021. The plan was up fiscal YTD 24.7%.

COA General

MTD Performance (as of 3/31/2021)

Total Fund Composite: 1.5%
Total Fund Policy Benchmark: 1.8%

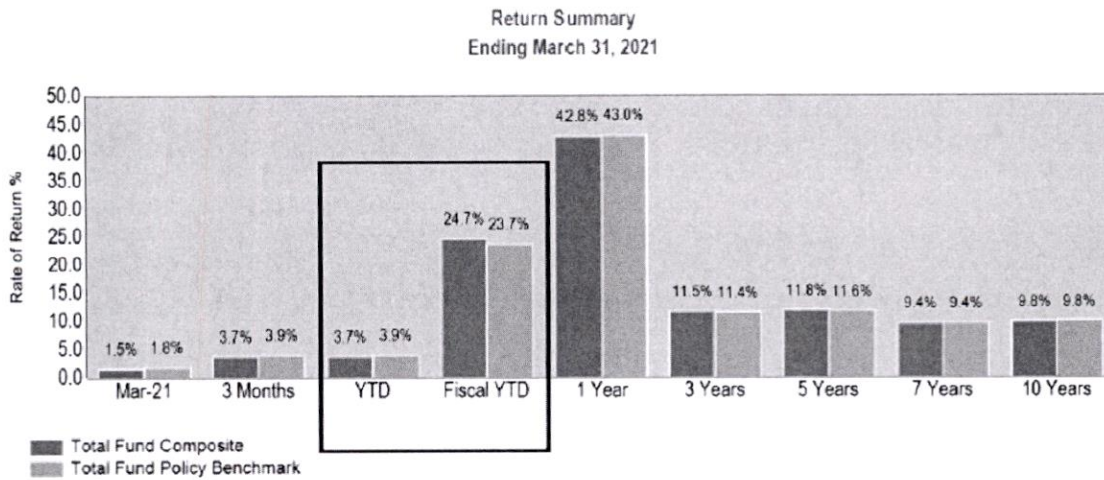
FYTD Performance (as of 3/31/2021)

Total Fund Composite: 24.7%
Total Fund Policy Benchmark: 23.7%

YTD Performance (as of 3/31/2021)

Total Fund Composite: 3.7%
Total Fund Policy Benchmark: 3.9%

COA General Employees' YTD Performance (Net of Fees)



- U.S. Equity and Emerging Markets Equity composites added value to the Plan
- Fixed Income, International Equity and Global Equity composites detracted from the benchmark

* Year-to-date performance as of March 31, 2021

Mr. Obed reviewed with the Board the Top Performers and the Bottom Performers. Earnest and Legato held up well. For the bottom managers, but no action is recommended at this time since active managers go through cycles of over and under performance.

COA General Employees' Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Earnest Partners SCC	+14.5%	+12.7%	U.S. Equity
Legato	+11.0%	+4.9%	U.S. Equity
Artisan Partners	+8.4%	+3.5%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Union Heritage LCC	+1.0%	+6.2%	U.S. Equity
Channing Capital	+14.9%	+21.2%	U.S. Equity
Hardman Johnston	-3.8%	+3.5%	International Equity

* Year-to-date performance as of March 31, 2021

The next slide shows a little longer performance period so that it can be seen if there is any consistency in outlying performance.

COA General Employees' – Manager Excess Performance

	Benchmark	Ending March 31, 2021	
		3 Mo Perf vs Benchmark	6 Mo Perf vs Benchmark
Total Fund Composite	Total Fund Policy Benchmark	-0.2%	0.5%
Fixed Income Composite	BBGBarc US Aggregate TR	-0.1%	-0.1%
Mesiroe	BBGBarc US Aggregate TR	-0.3%	-0.2%
Garcia Harrison	BBGBarc US Aggregate TR	0.1%	0.2%
State Street U.S. Aggregate Bond Index SL Fund	BBGBarc US Aggregate TR	0.0%	0.0%
U.S. Equity Composite	Russell 3000	1.4%	3.7%
Large Cap Composite	S&P 500	-2.0%	-2.9%
Union Heritage Large Cap Core	S&P 500	-1.2%	-1.5%
BlackRock S&P 500 Equity Index Fund	S&P 500	0.0%	0.0%
Mid Cap Composite	S&P 400 MidCap	0.0%	0.0%
BlackRock MidCap Equity Index	S&P 400 MidCap	0.0%	0.0%
Small Cap Composite	Russell 2000	1.1%	-1.1%
Channing Capital Management	Russell 2000 Value	-0.3%	-0.1%
Earnest Partners SCC	Russell 2000	1.0%	-1.5%
Legate	Russell 2000 Growth	6.1%	7.0%
Essex	Russell 2000 Growth	19.0%	25.0%
Bridge City	Russell 2000 Growth	9.9%	8.1%
Leibenthal Lisanti	Russell 2000 Growth	-7.4%	-6.0%
International Equity Composite	MSCI EAFE	-2.4%	3.4%
Arison Partners International Value Fund (APHXX)	MSCI EAFE	4.0%	12.0%
Hardman Johnson	MSCI ACWI ex USA	-7.3%	-2.4%
Emerging Markets Equity Composite	MSCI Emerging Markets	0.3%	10.6%
Earnest Partners EM	MSCI Emerging Markets	0.3%	10.6%
Global Equity Composite	MSCI ACWI	-2.4%	-7.5%
Global Tactical ETF	Global Benchmark	-1.6%	-4.3%
BlackRock MSCI ACWI Min Volatility Index	MSCI ACWI Minimum Volatility Index	0.1%	0.3%
Real Estate Composite	NFI	1.4%	0.1%
Intercontinental U.S. Real Estate	NFI	2.3%	-7.7%
JP Morgan U.S. Real Estate	NFI	0.0%	-2.3%

Performance Overview – Police Officers' Pension Plan

Mr. Obed provided the Committee with following current preliminary market values (MTD – Month to Date /FYTD – Fiscal Year to Date/YTD – Year to Date) as of March 31, 2021. The plan was up 26.7% FYTD compared to a 26.1% benchmark for a strong start to the year.

COA Police

MTD Performance (as of 3/31/2021)

Total Fund Composite: 1.4%
Total Fund Policy Benchmark: 1.7%

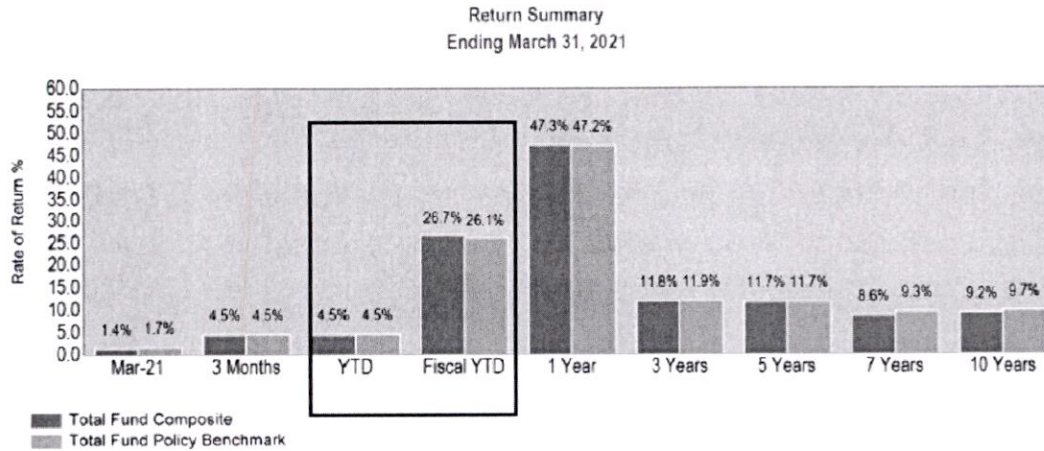
FYTD Performance (as of 3/31/2021)

Total Fund Composite: 26.7%
Total Fund Policy Benchmark: 26.1%

YTD Performance (as of 3/31/2021)

Total Fund Composite: 4.5%
Total Fund Policy Benchmark: 4.5%

COA Police Officers' YTD Performance (Net of Fees)



- U.S. Equity composite added value to the Plan
- Fixed Income and International Equity composites detracted from the benchmark

* Year-to-date performance as of March 31, 2021

Mr. Obed reviewed with the Board the Top Performers and the Bottom Performers. Both Macquarie and Artisan had solid returns as the top performers. On the bottom was LMCG which has a growth strategy portfolio and has been experiencing headwinds. The manager has been giving updates on the team and the hiring of the new analyst. Hardman Johnston is another growth leaning manager that is also experiencing challenges.

COA Police Officers' Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Macquarie SCC	+13.1%	+12.7%	U.S. Equity
Artisan Partners	+8.4%	+3.5%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
LMCG Investments SCG	-0.8%	+4.9%	U.S. Equity
Hardman Johnston	-3.8%	+3.5%	International Equity

* Year-to-date performance as of March 31, 2021



The next slide shows the Excess Performance for the managers.

COA Police Officers' – Manager Excess Performance

	Benchmark	Ending March 31, 2021	
		3 Mo Perf vs Benchmark	6 Mo Perf vs Benchmark
Total Fund Composite	Total Fund Policy Benchmark	0.0%	0.7%
Fixed Income Composite	Fixed Income Composite Blended Benchmark	-0.5%	-0.4%
Mesirow	BBgBarc US Aggregate TR	-0.3%	-0.3%
Garcia Hamilton	BBgBarc US Govt/Credit Int TR	0.1%	0.1%
BlackRock U.S. Aggregate Bond Index	BBgBarc US Aggregate TR	0.0%	0.0%
U.S. Equity Composite	Domestic Equity Composite Blended Benchmark	0.4%	1.4%
BlackRock Russell 1000 Index Fund	Russell 1000	0.0%	0.0%
BlackRock Mid Cap Equity Index Fund	S&P 400 MidCap	0.0%	0.0%
Macquarie SCC	Russell 2000	0.4%	-1.5%
LMCG Investments SCG	Russell 2000 Growth	-5.7%	-10.5%
International Equity Composite	International Equity Composite Blended Benchmark	-2.0%	2.2%
Artisan International Large Cap Value (APHXX)	MSCI EAFE	4.9%	12.0%
Hardman Johnston	MSCI ACWI ex USA	-7.3%	-3.4%
BlackRock MSCI EAFE Small Cap Index	MSCI EAFE Small Cap	0.1%	0.1%
BlackRock Emerging Markets Free Fund	MSCI Emerging Markets	-0.1%	-0.2%
BlackRock MSCI ACWI Min Volatility Index	MSCI ACWI Minimum Volatility Index	0.1%	0.3%

Performance Overview – Fire Fighters’ Pension Plan

Mr. Obed provided the Committee with following current preliminary market values (MTD – Month to Date /FYTD – Fiscal Year to Date/YTD – Year to Date) as of March 31, 2021. The plan was flat for the FYTD compared to the benchmark, and slightly behind YTD 4.4% compared to a 5.2% benchmark.

COA Fire

MTD Performance (as of 3/31/2021)

Total Fund Composite: 1.4%
 Total Fund Policy Benchmark: 2.0%

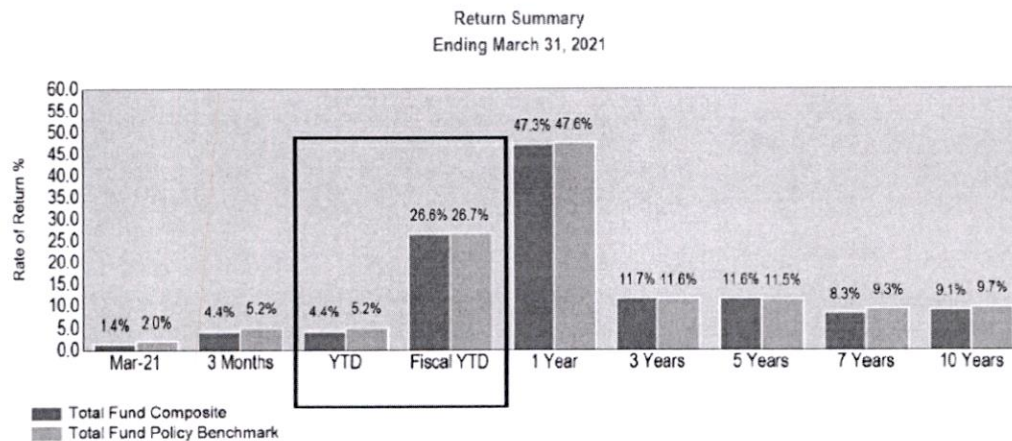
FYTD Performance (as of 3/31/2021)

Total Fund Composite: 26.6%
 Total Fund Policy Benchmark: 26.7%

YTD Performance (as of 3/31/2021)

Total Fund Composite: 4.4%
 Total Fund Policy Benchmark: 5.2%

COA Firefighters’ YTD Performance (Net of Fees)



- Fixed Income, U.S. Small-Cap and International Equity composites detracted from the benchmark
- U.S. Large-Cap and U.S. Mid-Cap composites matched the benchmark

Mr. Obed reviewed with the Board the Bottom Performers and mentioned that all three are growth focused.

COA Firefighters' Manager Contribution – YTD Performance

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
LMCG Investments SCG	-0.7%	+4.9%	U.S. Equity
Ativo Capital	+1.9%	+3.5%	International Equity
Hardman Johnston	-3.8%	+3.5%	International Equity

Based on the chart below, no action is recommended at this time.

COA Firefighters' – Manager Excess Performance

	Benchmark	Ending March 31, 2021	
		3 Mo Perf vs Benchmark	6 Mo Perf vs Benchmark
Total Fund Composite	Total Fund Policy Benchmark	-0.8%	-0.7%
Fixed Income Composite	Fixed Income Composite Custom Benchmark	-0.2%	-0.2%
Garcia Hamilton	BBgBarc US Aggregate TR	0.1%	0.0%
Mesirow	BBgBarc US Aggregate TR	-0.4%	-0.3%
U.S. Equity Composite	Russell 3000	2.3%	6.4%
Northern Trust Russell 3000 Index Fund	Russell 3000	0.1%	0.0%
Large Cap Composite	Russell 1000	0.0%	0.0%
BlackRock 1000 Index Fund	Russell 1000	0.0%	0.0%
Mid Cap Composite	S&P 400 MidCap	0.0%	0.0%
BlackRock Mid Cap Equity Index Fund	S&P 400 MidCap	0.0%	0.0%
Small Cap Composite	Russell 2000	-4.7%	-8.2%
LMCG Investments SCG	Russell 2000 Growth	-5.6%	-10.7%
Northern Trust Collective Russell 2000 Index	Russell 2000	0.0%	-0.1%
International Equity Composite	International Equity Composite Custom Benchmark	-3.7%	-3.5%
Ativo Capital	MSCI ACWI ex USA	-1.6%	-6.1%
Hardman Johnston	MSCI ACWI ex USA	-7.3%	-3.5%
BlackRock MSCI EAFE Small Cap	MSCI EAFE Small Cap	0.1%	0.1%
BlackRock Emerging Markets Free Fund	MSCI Emerging Markets	-0.1%	-0.2%
BlackRock MSCI ACWI Min Volatility Index	MSCI ACWI Minimum Volatility Index	0.1%	0.3%

Chairman Sims asked if there was any consideration to making changes in the asset allocations and Mr. Obed stated no allocation changes were recommended at this time, although Marquette may bring some new active manager candidates forward for consideration in the coming months.

Ms. Archibong asked that given the affordable housing crisis in the City, have we looked at a way to help without compromising the returns to the funds? Mr. Obed responded that under state law there can be no meaningful exposure to Real Estate and there are limitations to what the plans can invest in. If the law changes, then we can look not just for strong returns, but how that return is made. Ms. Archibong asked if a statement could be made articulating that, if not for the legal constraints on Plan investments, the Board would look to invest in portfolios focused on providing affordable housing in Atlanta and more widely. After further discussion, Ms. Archibong requested that Mr. Emerson and Mr. Christie prepare a written statement or policy and to add the topic as an agenda item for the May Board meeting.

VII. NEW BUSINESS

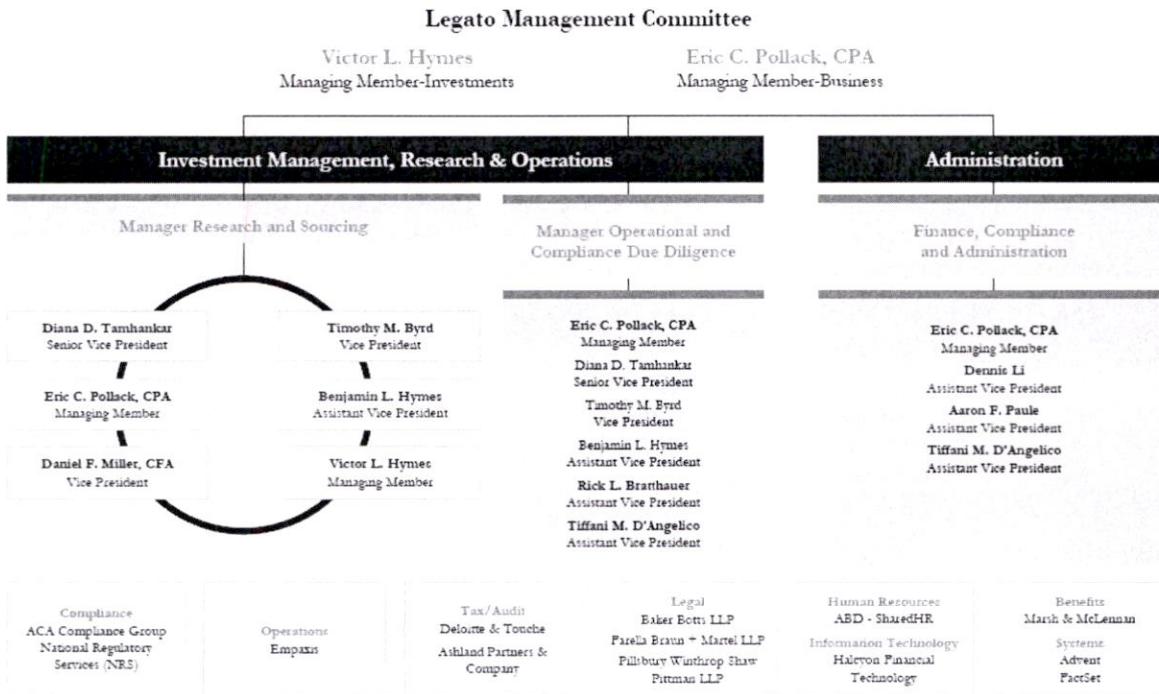
Presentation by Legato

Victor Hymes, founder of Legato and Benjamin Hymes, research analyst for Legato, presented information about their firm. The company is a “manager of managers” with a focus on entrepreneurial teams that generally have under two billion dollars of assets. It was founded in 2004 and currently has six different analysts born in six different decades which provides age diversity, as well as gender and race diversity, when providing input into the portfolio. Team members vote anonymously so all voices can be heard during the process. The firm doesn’t outsource core competencies, but does out-source non-core competencies, which is why, for example, you do not interact with a sales or marketing representative, because Legato wants every client dealing directly with its fund managers.



Firm Overview

Who We Are



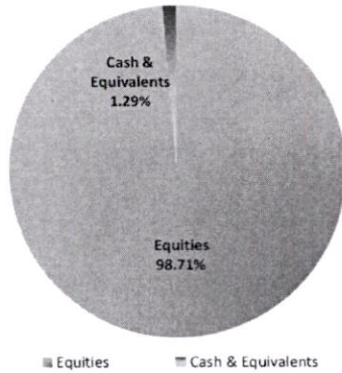
The names in bold indicate a team member's area of greatest concentration.

Below is a snapshot of the assets in the portfolio in 2021.

City of Atlanta Defined Benefit Pension Investment Board Meeting April 21, 2021

Investment Objective

A small cap growth manager-of-managers (MOM) portfolio that seeks to consistently produce alpha by utilizing entrepreneurial managers with complementary styles. The Portfolio is benchmarked against the Russell 2000® Growth Index.



City of Atlanta - Small Cap Growth Portfolio	Market Value	Allocation
Equities	\$52,627,496.55	98.71%
Cash & Equivalents	\$689,425.62	1.29%
Total Portfolio	\$53,316,922.17	100.00%

Market Value – 12/31/2020	\$46,674,798.05
Net Additions and Withdrawals	\$0.00
Interest and Dividends	\$38,194.76
Net Gains and Losses	\$6,603,929.35
Market Value – 3/31/2021	\$53,316,922.17

The next slide shows the manager allocations.



City of Atlanta General Employees' Pension Fund
1st Quarter 2021

Manager Allocations
*As of March 31, 2021**

Manager	Prior Quarter Conviction Rank	Style	Sub-Style	Target Weight	Current Weight	Difference
Bridge City Capital <small>Inception Date: July 8, 2016.</small>	3	Small Cap Growth	Conservative	32.50%	30.44%	-2.06%
Essex Investment Management Company <small>Inception Date: March 29, 2017.</small>	3	Small Cap Growth	Pure	32.50%	35.69%	3.19%
Lisanti Capital Growth <small>Inception Date: July 8, 2016.</small>	4	Small Cap Growth	Aggressive	35.00%	33.87%	-1.13%

Legato is looking at a new manager – Nicholas Investment Partners - to be added to the mix and below are the proposed new target weights.

City of Atlanta Defined Benefit Pension Investment Board Meeting April 21, 2021



City of Atlanta General Employees' Pension Fund

Proposed Manager Addition – Nicholas Investment Partners (Small Cap Growth)

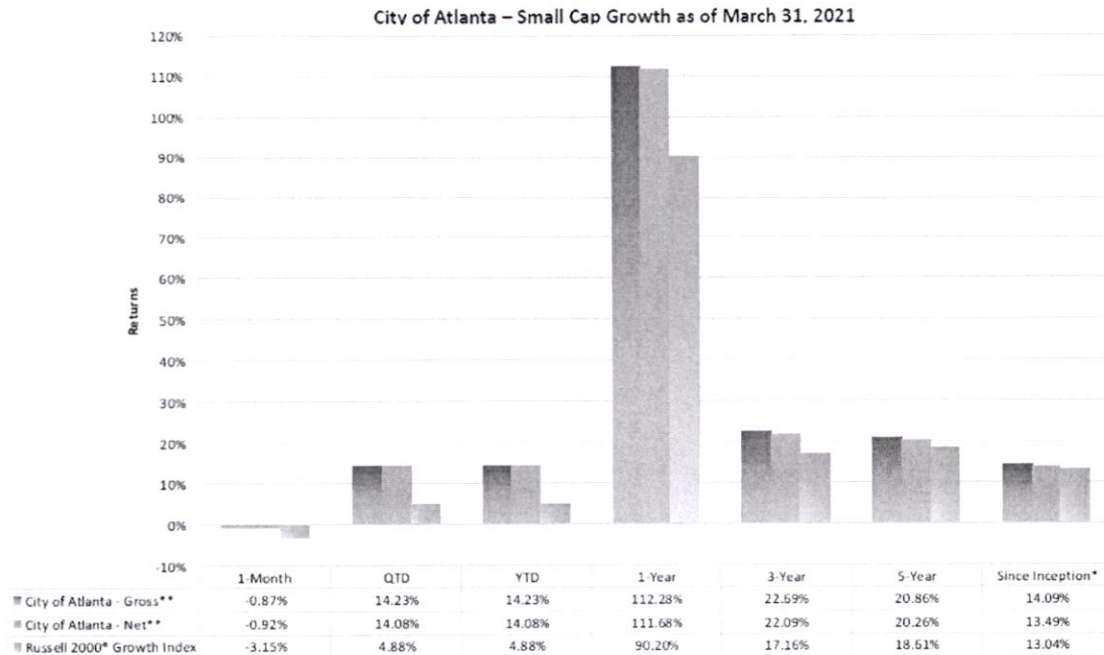
**Based on estimated 4/15/2021 Market Values*

Manager	Prior Quarter Conviction Rank	Style	Sub-Style	Current AUM*	Current Weight*	Proposed New AUM	Proposed New Target Weight	Change in Manager AUM
Bridge City Capital	3	Small Cap Growth	Conservative	\$16,798,099.42	30.8%	\$14,697,365.24	27.0%	\$ (2,100,734.18)
Nicholas Investment Partners	3	Small Cap Growth	Aggressive	\$0.00	0.0%	\$8,165,202.91	15.0%	\$ 8,165,202.91
Essex Investment Management Company	3	Small Cap Growth	Pure	\$19,142,487.07	35.2%	\$14,697,365.24	27.0%	\$ (4,445,121.83)
Lisanti Capital Growth	4	Small Cap Growth	Aggressive	\$18,494,099.59	34.0%	\$16,874,752.68	31.0%	\$ (1,619,346.91)

The following slide shows a different way of slicing portfolio performance. If you look at the 1-year number, you will see performance higher than ever seen before. The Benchmark was up over 90% and the General Plan portfolio was up well over 100%. The things that went right far out-weighed the things that went wrong. One reason to add a new manager is to spread risk throughout the portfolio.



Investment Performance – Small Cap Growth



Returns for periods greater than 1 year are annualized.

*Portfolio inception date: March 4, 2015.

**All data as of March 31, 2021 is estimated. Net of Fee values are estimated based on a projected annual fee of 0.60%

Past performance is no guarantee of future results. Gross-of-fees returns are presented gross of advisory and custodial fees, but net of trading expenses and non-reclaimable withholding taxes. Net-of-fees returns are calculated by deducting actual advisory fees incurred by the Portfolio from the gross-of-fees returns. Performance results reflect the reinvestment of dividends and other earnings.

VIII. OLDBUSINESS

Valuation Assumptions

Mr. Council provided an update on the City’s recommendation for the assumed rate of return for valuation purposes. Based on conversations with Segal, the Benefits department and the Finance department, the City recommends using an assumed rate of return of 7%. The budget was built around using 7% so adopting the 7% will not adversely affect the budget process.

A motion was made by Mr. Council to approve the valuation assumptions proposed by Segal including lowering the assumed rate of return for valuation purposes to 7%. The motion was seconded by Mr. Berry. The motion unanimously carried and the valuation assumptions including a 7% assumed rate of return were approved.

Deloitte Update

Mr. McIlhenny gave an update on the data clean-up project. Deloitte is currently at the point where the first review of the selected 200 employees has been completed. Approximately 2/3 of this population matches what SBA has on file for service. Deloitte has compiled questions for the City (Mr. Amis’ team) and SBA to

research and has received responses. Deloitte is on track to complete the project and provide results at the next board meeting. After the project is completed the next steps would be to determine if there are trends where there are gaps in data and if so, pull all source data and build service history from the ground up. Deloitte has not seen egregious errors – there have been some calculations with overstated service which could be due to termination and rehire scenarios. Even if someone is off by a year of service, it is still wrong and benefits would be over / under paid. Deloitte is looking for trends in order to determine what segments of the population need further research. Chairman Sims asked if Deloitte was satisfied with what data they were able to access and Mr. McIlhenny confirmed that in general, yes. However, source data from 1994 – 1999 does not exist electronically so assumptions would be made that Zenith and the City correctly rolled up service during that period. Mr. Amis added that during the cyber attack some data may have been lost, but some data is available on microfiche for people who were not vested and took refunds. His team is working to connect the data from the PeopleSoft to Oracle migration and outside of that time, they will need to work with AIM to get data prior to 2010. Mr. McIlhenny added that one thing that will need to be determined is “nice to have” versus “need to have” so correct priorities can be established.

Ms. Shah stated that an appeals hearing will need to be scheduled for Mr. Sharpe.

Mr. Berry brought up the topic of a presentation Northern Trust did on securities lending back in November and mentioned that it had been discussed by the Board but no motion had been made to participate. There was discussion about next steps and Mr. Obed said he would follow up with Northern Trust to get further information and then would discuss it with the Investment sub-committee and then at the next Board meeting if appropriate.

IX. QUESTIONS AND COMMENTS FROM AUDIENCE

It was noted there were no questions or comments from the audience. Chairman Sims reiterated the importance of publicizing Investment Board meetings. Ms. Shah stated she would verify the meetings were properly posted and information clearly provided on how the public could comment or attend the meetings.

X. DATE OF NEXT MEETING

The next Board meeting will be held on May 19, 2021.

XI. ADJOURNMENT

There being no further business to be brought before the Board at this time at 11:30 a.m. Chairman Sims called for adjournment.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Frank L. Sims", is written over a horizontal line.

Chairman, Frank Sims

These Minutes were adopted on MAY 19 , 2021