

CITY OF ATLANTA DEFINED BENEFIT
PENSION INVESTMENT BOARD MEETING

February 1, 2024

Atlanta City Hall Committee Room 1

10:00 A.M – 12:00 P.M.

Investment Board Members

David Brand	Chairman	Present
Lisa Benjamin	Vice-Chairman	Present
Mohamed Balla	City of Atlanta, CFO	Present
Tarlesha Smith	City of Atlanta, HR Commissioner	Absent
Antonio Lewis	Atlanta City Council Member	Absent
Howard Shook	Atlanta City Council Member	Virtual
Jason Winston	Atlanta City Council Member	Present
Alfred Berry, Jr.	General Employees' Pension Plan – City	Present
Lisa Bracken	General Employees' Pension Plan – APS	Present
Quentin Hutchins	General Employees' Pension Plan – APS	Present
Brent Hullender	Firefighters' Pension Plan	Present
Rick Light	Police Officers' Pension Plan	Present

Others Present

Mary Shah	Strategic Benefits Advisors
Lori Pockock	Strategic Benefits Advisors
Eric Dec	City of Atlanta, Legal
Youlanda Carr	City of Atlanta, Deputy CFO
Marlo Crossley	City of Atlanta, Finance
Pamela Goins	City of Atlanta, Finance
Tiffany Golden	City of Atlanta, Finance
Fumnanya Johnson	City of Atlanta, Finance
Karen Sutton	City of Atlanta, Finance
Beryl Taylor	City of Atlanta, Finance
Michael Naftaniel	City of Atlanta, Employee Benefits Director
Agatha Hector	City of Atlanta, Pension
Amanda Rouser	City of Atlanta, Pension
Rosie Woods	City of Atlanta, Pension
Santana Kempson-Wright	City of Atlanta, Council Staff Director
Melissa Wessels	City of Atlanta Police Department
Kweku Obed	Marquette Associates
Alberto Rivera	Marquette Associates
Chelsea Deppert	Morris, Manning & Martin
Doug Moses	Mauldin & Jenkins
Alison Wester	Mauldin & Jenkins
Joe Morris	Bernstein Litowitz Berger & Grossmann
Ben Kirkland	Segal
Benjamin Hymes	Legato
David Settles	State Street
Jason Simpson	Garcia Hamilton
Joseph McLane	Macquarie

I. CALL TO ORDER

Chairman Brand called the meeting to order at 10:06 a.m. Chairman Brand noted that a quorum was present for the meeting and the meeting was being held both in-person and via Webex Teleconference. It was also noted that Investment Managers were in attendance.

II. ADOPTION OF AGENDA

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

III. PUBLIC COMMENT

There was no public comment at this time.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

The Board reviewed the Minutes of the November 15, 2023 regularly scheduled meeting, which were distributed in advance and reviewed by the Fund Professionals as customary.

Following review of the November 15, 2023 Minutes, a motion was made by Mr. Winston to approve the Minutes as presented. The motion was seconded by Mr. Balla. The motion unanimously carried and the November Minutes were approved.

V. ATTORNEY'S REPORT

Ms. Deppert stated that ten (10) firms responded to the RFI for additional securities litigation monitoring firms. The next step is to form a working group to review the responses. She added that, in connection with the previous RFI for securities litigation monitoring firms, the Administrative Committee Chairs and Chairman were part of the working group. Mr. Brand asked that Mr. Hutchins and Mr. Winston also be included in the working group. SBA will help coordinate the working group meetings.

VI. INVESTMENT CONSULTANT REPORT – *Marquette Associates*

Mr. Obed walked through the market environment for December 2023. He noted that overall 2023 was a really strong year for the market. Although there was a good degree of volatility, there was a nice bump-up with large cap indices up over 26%. He also pointed out that although Commodities had strong years in 2021 and 2022, they ended up negative for 2023.

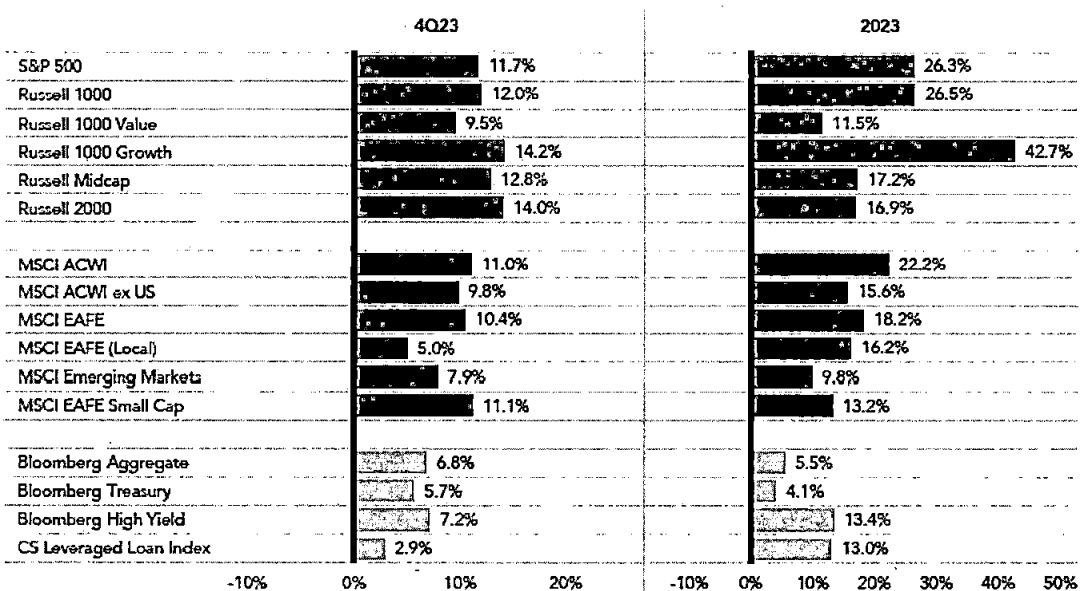
Year-to-date returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	5yr	10yr
Large Cap 26.3%	Commodities 26.0%	Commodities 40.4%	Broad U.S. Equities 20.9%	Large Cap 31.5%	Bank Loans 1.1%	Emerging Markets 27.3%	Small Cap 21.3%	Intl Small Cap 9.6%	Large Cap 13.7%	Large Cap 15.7%	Large Cap 12.0%
Broad U.S. Equities 26.0%	Bank Loans -1.1%	Large Cap 28.7%	Small Cap 20.0%	Broad U.S. Equities 31.0%	Core Bond 10.0%	Intl Small Cap 33.0%	High Yield 17.1%	Large Cap 1.4%	Mid Cap 13.2%	Broad U.S. Equities 15.2%	Broad U.S. Equities 11.5%
Intl Large Cap 18.2%	High Yield -11.2%	Broad U.S. Equities 25.7%	Large Cap 18.4%	Mid Cap 30.5%	High Yield -2.1%	Broad Intl Equities 27.2%	Mid Cap 13.8%	Core Bond 0.5%	Broad U.S. Equities 12.6%	Mid Cap 12.7%	Mid Cap 9.4%
Mid Cap 17.2%	Core Bond -13.0%	Mid Cap 22.6%	Emerging Markets 18.3%	Small Cap 25.5%	Large Cap -4.4%	Intl Large Cap 25.0%	Broad U.S. Equities 12.7%	Broad U.S. Equities 0.5%	Core Bond 6.0%	Small Cap 10.0%	Small Cap 7.2%
Small Cap 16.9%	Intl Small Cap -14.5%	Small Cap -14.8%	Mid Cap 17.1%	Intl Small Cap 25.0%	Broad U.S. Equities -5.2%	Large Cap 21.8%	Large Cap 12.0%	Bank Loans -0.4%	Small Cap 4.9%	Commodities 10.0%	Intl Small Cap 4.8%
Broad Intl Equities 15.6%	Broad Intl Equities -16.0%	Intl Large Cap 11.3%	Intl Small Cap 12.3%	Intl Large Cap 22.0%	Mid Cap -9.1%	Broad U.S. Equities 21.1%	Commodities 11.4%	Intl Large Cap -0.8%	High Yield 2.5%	Intl Large Cap 0.2%	High Yield 4.6%
High Yield 13.4%	Mid Cap -17.3%	Intl Small Cap 10.1%	Broad Intl Equities 10.7%	Broad Intl Equities 21.5%	Small Cap -11.0%	Mid Cap 18.5%	Emerging Markets -11.2%	Mid Cap -2.4%	Bank Loans 2.1%	Broad Intl Equities 7.1%	Bank Loans 4.4%
Intl Small Cap 13.2%	Large Cap -18.1%	Broad Intl Equities 7.8%	Intl Large Cap 7.8%	Emerging Markets 18.4%	Intl Large Cap -15.0%	Small Cap 14.6%	Bank Loans 9.9%	Small Cap -4.4%	Emerging Markets -2.2%	Intl Small Cap 6.6%	Intl Large Cap 4.3%
Bank Loans 13.0%	Broad U.S. Equities -19.2%	Bank Loans 3.4%	Core Bond 7.5%	Commodities 17.6%	Commodities -13.8%	High Yield 7.5%	Broad Intl Equities 4.5%	High Yield -4.5%	Broad Intl Equities -3.9%	Bank Loans 5.6%	Broad Intl Equities 3.8%
Emerging Markets 7.8%	Emerging Markets -20.1%	High Yield 5.3%	High Yield 7.1%	High Yield 14.3%	Broad Intl Equities -14.2%	Commodities 5.8%	Core Bond 2.6%	Broad Intl Equities -5.7%	Intl Large Cap -4.9%	High Yield 5.4%	Emerging Markets 2.7%
Core Bond 8.5%	Small Cap -20.4%	Core Bond 1.5%	Bank Loans 2.8%	Core Bond 8.7%	Emerging Markets -14.1%	Bank Loans 4.2%	Intl Small Cap 2.2%	Emerging Markets -14.9%	Intl Small Cap -4.9%	Emerging Markets 2.7%	Core Bond 1.6%
Commodities -4.3%	Intl Small Cap -21.4%	Emerging Markets -2.8%	Commodities -23.7%	Bank Loans 8.2%	Intl Small Cap -17.9%	Core Bond 3.5%	Intl Large Cap 1.0%	Commodities -32.9%	Commodities -33.1%	Core Bond 11.1%	Commodities -3.6%

Source: Bloomberg as of December 31, 2023. Please see end of document for benchmark information.

Mr. Obed noted the Index Summary below underscores the strong returns in the fourth quarter for both domestic and international equities. Fixed Income returns also increased in the last quarter of 2023.

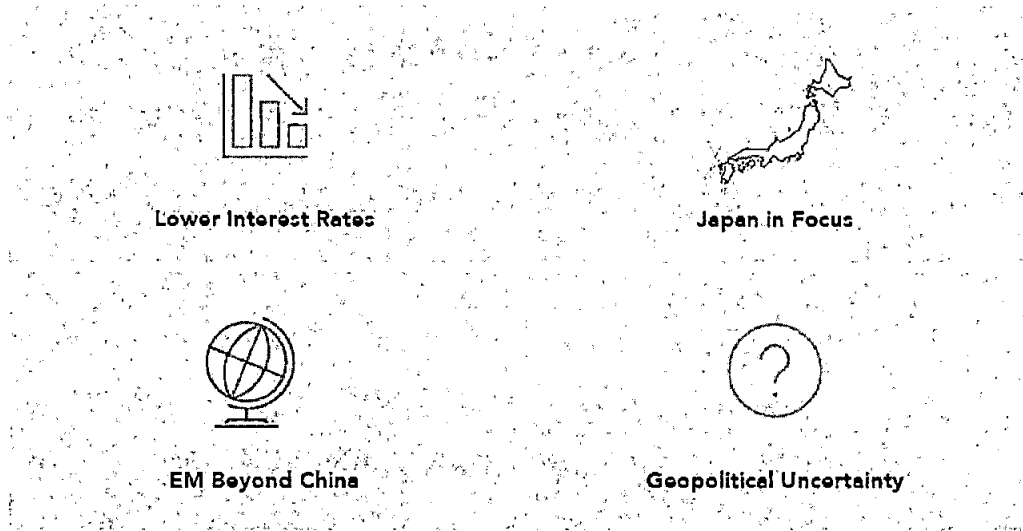
Index summary



Source: Bloomberg as of December 31, 2023

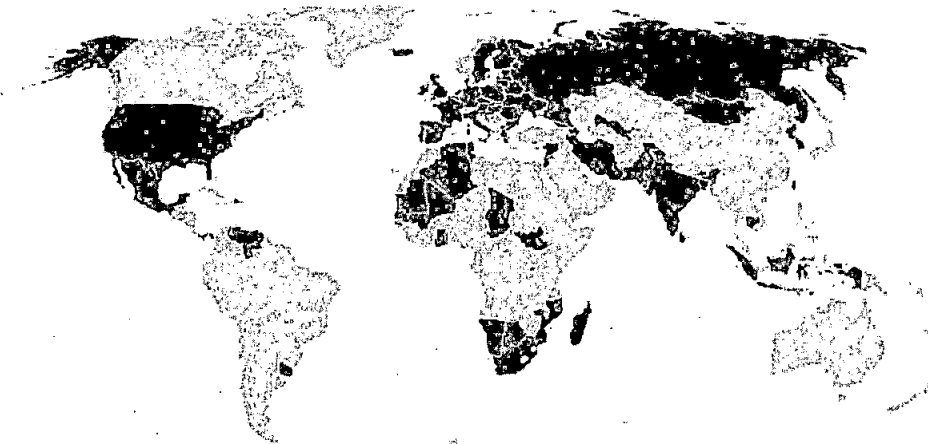
Mr. Obed stated that there are four main themes with the international markets in 2024. He noted that 2024 is a big election year across the globe and while elections are good opportunities for change, they can also lead to uncertainty. Markets are currently projected to be good for 2024 but the uncertainty could lead to volatility.

Four key themes within international equity markets for 2024



2024 will be the ultimate election year

There are national elections expected in more than 60 countries this year, and uncertainty surrounding results could lead to market volatility



Performance Overview - General Employees' Pension Plan

Mr. Obed stated that the General Plan had strong returns for the year, although there was some underperformance from some managers compared to the benchmark. He added that Growth stocks dominated 2023, with Value stocks lagging behind.

He provided the Board with the following current preliminary market values (MTD – Month to Date; FYTD – Fiscal Year to Date; YTD – Year to Date) as of December 31, 2023.

MTD Performance (as of 12/31/2023)

Total Fund Composite: 4.9%
 Total Fund Policy Benchmark: 5.3%

FYTD Performance (as of 12/31/2023)

Total Fund Composite: 4.5%
 Total Fund Policy Benchmark: 5.5%

YTD Performance (as of 12/31/2023)

Total Fund Composite: 12.7%
 Total Fund Policy Benchmark: 13.6%

Mr. Obed showed the top and bottom performers for the month in the General Plan and noted that no changes are recommended at this time.

COA General Employees' Manager Contribution – YTD Performance

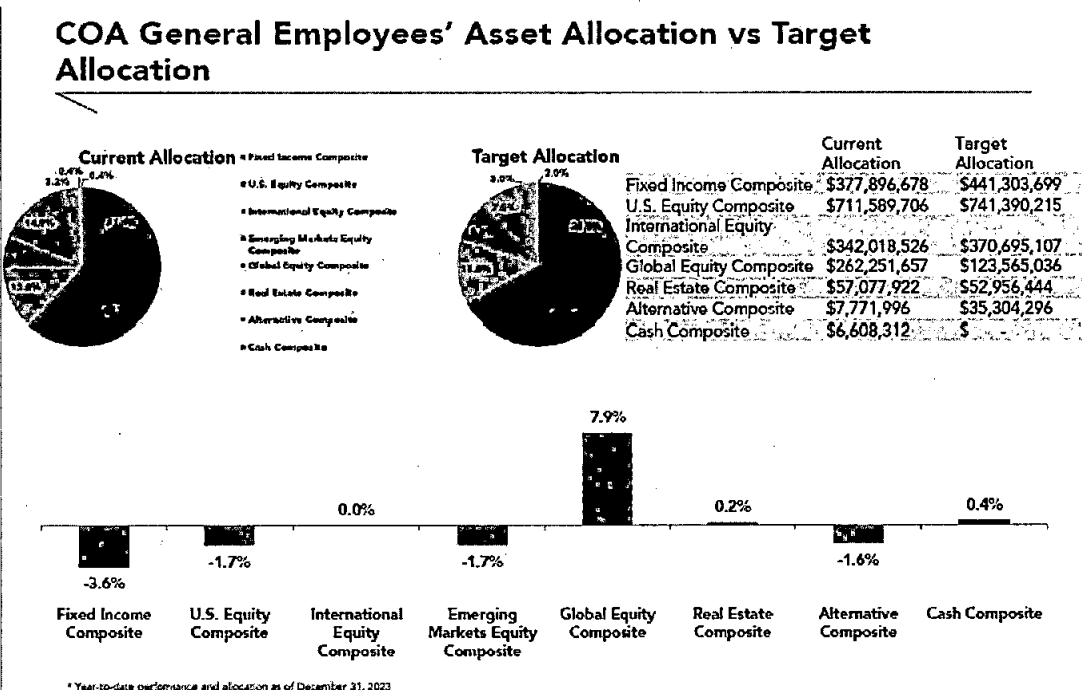
Top Performers	Absolute Performance	Benchmark Performance	Strategy
Channing SCV	19.8%	14.6%	U.S. Equity
Artisan	22.9%	18.2%	International Equity
Brown ISC	20.4%	15.7%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Hardman Johnston	5.7%	15.6%	International Equity
Legato SCG	11.7%	18.7%	U.S. Equity
Union Heritage	21.0%	26.3%	U.S. Equity

COA General Employees' – Manager Excess Performance

	Benchmark	Ending December 31, 2023	
		3 Mo Perf vs Benchmark	6 Mo Perf vs Benchmark
Total Fund Composite	Total Fund Index Benchmark	-5.5%	-1.0%
Fixed Income Composite	Bloomberg US Aggregate TR	6.1%	4.2%
U.S. Equity Composite	Dow Jones US Aggregate TR	-0.5%	0.0%
International Equity Composite	Dow Jones US Aggregate TR	1.8%	-2.5%
Global Equity Composite	Dow Jones US Aggregate TR	-0.1%	-2.3%
Real Estate Composite	Russell 2000	-1.1%	2.0%
Alternative Composite	S&P 500	-1.2%	-1.0%
Cash Composite	S&P 500	-2.3%	0.5%
	S&P 500	0.0%	0.0%
	S&P 400 MidCap	0.8%	0.0%
	Russell 2000	-2.4%	-2.6%
	Russell 2000	-4.5%	0.4%
	Russell 2000	-2.0%	-1.7%
	Russell 2000 Growth	-1.5%	-2.0%
	Russell 2000 Growth	-3.3%	-1.7%
	Russell 2000 Growth	-2.1%	0.1%
	Russell 2000 Growth	-3.1%	-5.5%
	Russell 2000 Growth	-0.1%	1.1%
	Russell 2000 Growth	-1.3%	-2.2%
	MSCI EAFE	-1.1%	-3.7%
	MSCI EAFE	0.2%	1.4%
	MSCI ACWI ex USA	-4.5%	-8.0%
	MSCI ACWI ex US Small Cap	-1.4%	-1.5%
	MSCI Emerging Markets	4.3%	4.7%
	MSCI Emerging Markets	1.0%	0.9%
	MSCI Emerging Markets	-1.5%	-3.2%
	MSCI ACWI	-2.3%	-1.9%
	Global Benchmark	0.5%	0.7%
	MSCI ACWI Vietnam Excl. Vn Index	0.5%	0.5%
	NF1000E	0.8%	0.1%
	NF1000E	0.0%	1.2%
	NF1000E	0.0%	-2.6%
	Custom Alternative Target Benchmark	0.8%	0.0%
	Consistent Alt Bd	0.0%	0.0%
	Burges US M Private Equity	-	-
	Burges Global Infrastructure	-	-

Mr. Obed discussed the current allocation in the plan compared to the target allocations and noted that classes which are above their targeted percent will be rebalanced to fund the classes currently below their target.



Performance Overview – Police Officers’ Pension Plan

Mr. Obed provided the Board with the following current preliminary market values (MTD – Month to Date; FYTD – Fiscal Year to Date; YTD – Year to Date) as of December 31, 2023. The Police Officers’ Plan had returns very similar to the General Plan and overall was up 12.9% in 2023.

MTD Performance (as of 12/31/2023)

Total Fund Composite: 5.4%
 Total Fund Policy Benchmark: 5.6%

FYTD Performance (as of 12/31/2023)

Total Fund Composite: 5.2%
 Total Fund Policy Benchmark: 5.6%

YTD Performance (as of 12/31/2023)

Total Fund Composite: 12.9%
 Total Fund Policy Benchmark: 13.4%

Mr. Obed showed the top and bottom performers for the month in the Police Plan and noted that no changes are recommended at this time.

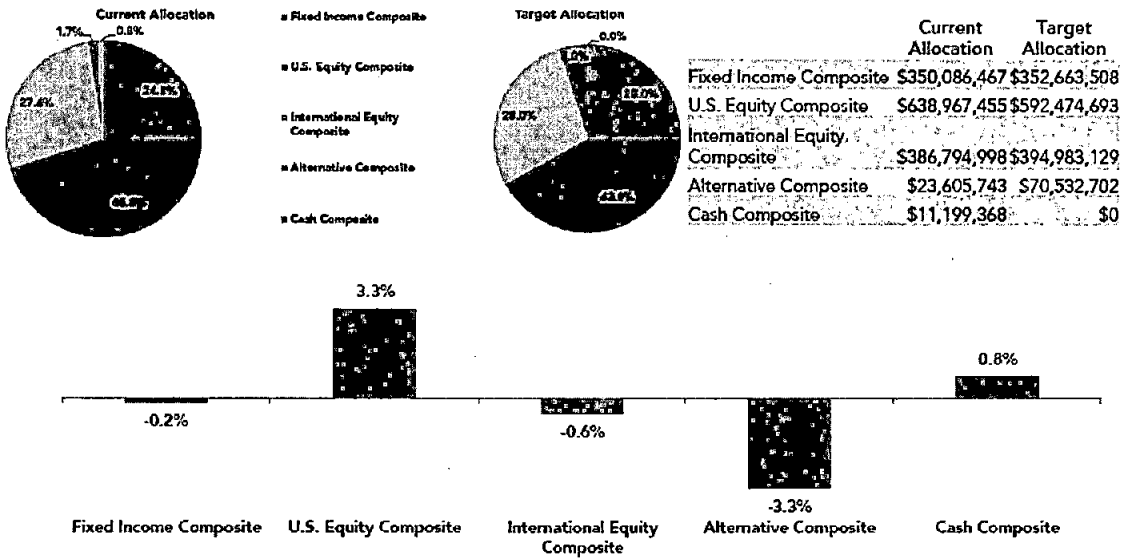
COA Police Officers’ Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Artisan	22.9%	18.2%	International Equity
Brown ISC	20.4%	15.7%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Hardman Johnston	5.7%	15.6%	International Equity
Macquarie SCC	12.8%	16.9%	U.S. Equity
Earnest SCC	13.6%	16.9%	U.S. Equity

Mr. Obed discussed the current allocation in the plan compared to the target allocations and noted that classes which are above their targeted percent will be rebalanced to fund the classes currently below their target.

COA Police Officers' Asset Allocation vs Target Allocation



Performance Overview – Firefighters’ Pension Plan

Mr. Obed provided the Board with the following current preliminary market values (MTD – Month to Date; FYTD – Fiscal Year to Date; YTD – Year to Date) as of December 31, 2023. He noted the Firefighters’ Plan had a little better result when compared to the benchmark for the year.

MTD Performance (as of 12/31/2023)

Total Fund Composite: 5.5%
 Total Fund Policy Benchmark: 5.6%

FYTD Performance (as of 12/31/2023)

Total Fund Composite: 5.4%
 Total Fund Policy Benchmark: 5.5%

YTD Performance (as of 12/31/2023)

Total Fund Composite: 13.1%
 Total Fund Policy Benchmark: 13.1%

Mr. Obed showed the top and bottom performers for the month in the Fire Plan and noted that no changes are recommended at this time.

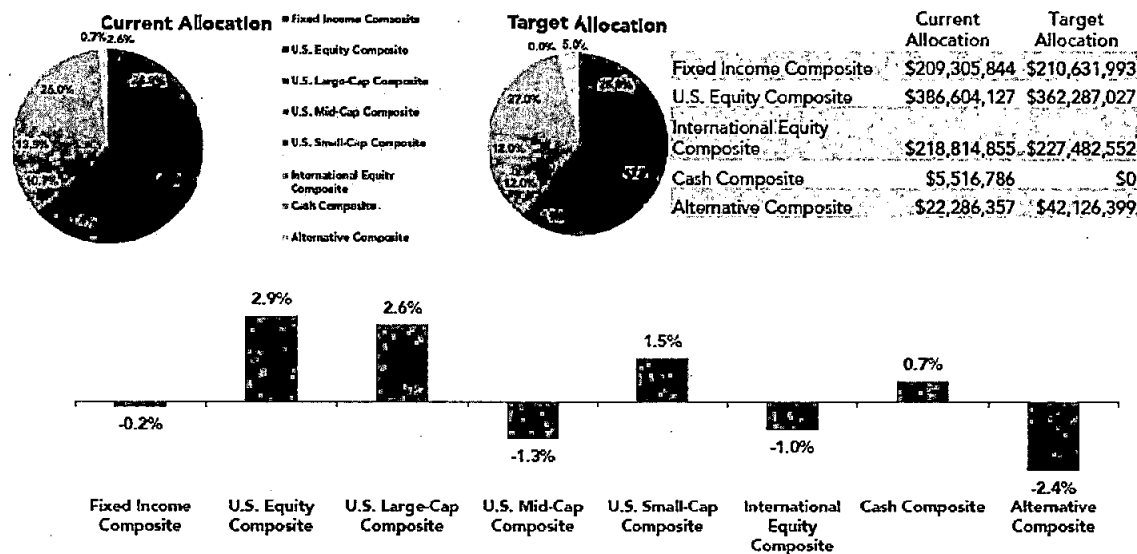
COA Firefighters' Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Ativo	25.0%	15.6%	International Equity
Brown ISC	20.4%	15.7%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Hardman Johnston	5.6%	15.6%	International Equity
Earnest SCC	13.2%	16.9%	U.S. Equity

Mr. Obed discussed the current allocation in the plan compared to the target allocations and noted that classes which are above their targeted percent will be rebalanced to fund the classes currently below their target.

COA Firefighters' Asset Allocation vs Target Allocation



Mr. Rivera discussed the amounts currently held in the Grayco / Consequent funds for each plan. The General Plan has approximately \$7.1 million left, the Police Plan has approximately \$5.3 million left and the Fire Plan has approximately \$3.8 million left. Mr. Brand noted that BluePrint is doing the liquidation and will be in Atlanta within the next few weeks to provide an update. He stated that he would invite Mr. Berry to any meetings since the General Administrative Committee has questions about the status of the accounts. Mr. Brand also noted that a total of approximately \$7 million had been distributed to the three Plans in December 2023.

VII. NEW BUSINESS

Annual Audit Presentation – Mauldin & Jenkins

Ms. Weston presented the June 30, 2023 Defined Benefit Plans Audit results. She began with information about Mauldin & Jenkins and the firm's experience performing audits. For the Defined Benefit Plans, Mauldin and Jenkins produced an unmodified audit report or "clean opinion". Ms. Weston showed the Financial Statement Summary, which showed the impact of unrealized gains and losses on the Plans' assets. Ms. Weston also reviewed the Audit Procedures used for the audit.

Next, Ms. Weston presented the Compliance Report and Material Weaknesses. She noted that error rates have been reduced from prior years. Ms. Weston also noted that Mauldin & Jenkins is required to communicate that management is in charge of selecting and using the accounting policies used to guide the plans. Ms. Weston also gave an update on the Defined Contribution Plan audit findings. She then presented other matters for communication to Management for the Defined Benefit Plans.

A motion was made by Mr. Brand to accept the audit report as presented. The motion was seconded by Mr. Berry. The motion unanimously carried and the Audit Report was accepted.

Mr. Balla thanked Mauldin & Jenkins and the COA Audit Team for their work.

Update on Plan Design

Mr. Kirkland stated that Segal provided results for the Plan Design study to the Board back in the fall, and Segal has also met with the Mayor to discuss the results. He stated that Segal is waiting on direction from the City on how to move forward.

A motion was made by Mr. Hullender for the Investment Board to provide a favorable recommendation to the City to move forward with the Plan Design updates. The motion was seconded by Ms. Benjamin. The motion unanimously carried.

2024 Actuarial Valuation

Ms. Carr began discussion on the 2024 Actuarial Valuation and Ms. Shah noted that a firm would need to be engaged to prepare the 2024 data. Mr. Balla added that the City is currently going through the selection process for a new actuarial firm based on the RFI results. He recommended that the City continue its service arrangements with Segal and Southern Actuarial through the rest of the year so that they can perform the 2024 Actuarial Valuation, as well as prepare the GASB 67 and 68 reports.

A motion was made by Mr. Hullender to retain Segal as the Actuary for the General Plan and Southern Actuarial as the Actuary for the Fire and Police Plans to perform the 2024 Actuarial Valuation and prepare the GASB 67 and 68 reports. The motion was seconded by Mr. Balla. The motion unanimously carried.

VIII. OLD BUSINESS

There was no Old Business to discuss this month.

IX. QUESTIONS AND COMMENTS FROM AUDIENCE

There were no questions or comments from the audience.

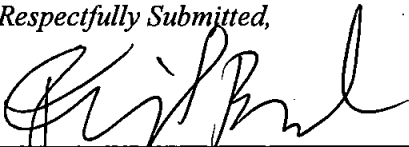
X. DATE OF NEXT MEETING

The next Board meeting is scheduled for February 21, 2024 at 9:30 a.m.; however, this is the same date as a city-wide town hall scheduled by Mayor Dickens and is tentative at this time. The following meeting is scheduled for March 20, 2024. Both meetings will be in person at Atlanta City Hall in Committee Room 1.

XI. ADJOURNMENT

There being no further business to be brought before the Board at this time at 11:00 a.m. Chairman Brand called for adjournment.

Respectfully Submitted,



David Brand, Chairman

These minutes were adopted on March 20, 2024