

**CITY OF ATLANTA DEFINED BENEFIT
PENSION INVESTMENT BOARD MEETING**

March 20, 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	Virtual
Howard Shook	Atlanta City Council Member	Present
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 Pocock	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
Fumnanya Johnson	City of Atlanta, Finance
Karen Sutton	City of Atlanta, Finance
Agatha Hector	City of Atlanta, Pension
Michael Morning	City of Atlanta, Human Resources
Melissa Wessels	City of Atlanta Police Department
Kweku Obed	Marquette Associates
Chelsea Deppert	Morris, Manning & Martin
Ed Emerson	Morris, Manning & Martin
Bob Killorin	Faruqi & Faruqi Law Firm
Marlon Kimpson	Motley Rice Law Firm
Jeanette Cooper	Segal
Ben Kirkland	Segal
Claudiu Besoaga	Northern Trust
Lori Parris	Northern Trust
Benjamin Hymes	Legato

I. CALL TO ORDER

Chairman Brand called the meeting to order at 10:04 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 Ms. Benjamin to approve the Agenda as presented. The motion was seconded by Mr. Winston. 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 February 1, 2024 regularly scheduled meeting, which were distributed in advance and reviewed by the Fund Professionals as customary.

Following review of the February 1, 2024 Minutes, a motion was made by Mr. Shook to approve the Minutes as presented. The motion was seconded by Mr. Winston. The motion unanimously carried and the February Minutes were approved.

V. ATTORNEY'S REPORT

Mr. Emerson stated that ten firms responded to the RFI for additional securities litigation monitoring firms and a working group of the Investment Board met to review the responses. He added that the working group recommended that all ten firms be engaged in addition to the five firms that are currently engaged. Mr. Emerson stated that adding all ten respondents would result in more than the typical number of securities litigation firms being retained. Ms. Benjamin stated that the initial proposal was to add one to two firms, but more importantly, to develop a process for adding firms to the approved list in a competitive way. Mr. Brand noted that the firms don't charge fees to do the monitoring services and when they do recommend cases, money is brought back to the plans. Mr. Berry stated that he read through the responses and would be opposed to adding all ten firms and hoped to pare it down to two or three of the respondents.

Following further discussion, a motion was made by Mr. Balla to request the working committee reconvene and provide a recommendation of two to three additional firms. The motion was seconded by Mr. Berry. The motion unanimously carried and the working group recommendation was approved.

Mr. Emerson presented information about Georgia Senate Bill 26 which was recently signed into law by the Governor in February. This Bill amends the Georgia Open Meetings Act to allow groups like the Investment Board and Administrative Committees to conduct meetings telephonically and establish quorum through telephonic attendance by members. Mr. Emerson presented amended by-laws that would allow for the Investment Board and Administrative Committees to conduct and attend meetings telephonically in accordance with the new law.

Following further discussion, a motion was made by Mr. Berry to approve the amended by-laws. The motion was seconded by Mr. Hullender. The motion unanimously carried and the amendments to the by-laws were approved.

VI. INVESTMENT CONSULTANT REPORT – Marquette Associates

Mr. Obed walked through the market environment for February 2024. He noted that the February numbers were good overall, with the domestic equity market up 7.1% YTD. Fixed income was still down which has been a recurring discussion due to interest rates. Many believe that later this year the Fed could begin to lower interest rates.

Year-to-date returns

YTD	2023	2022	2021	2020	2019	2018	2017	2016	2015	5yr	10yr
Large Cap 7.1%	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 37.3%	Small Cap 21.3%	Intl Small Cap 9.6%	Large Cap 14.3%	Large Cap 12.6%
Broad U.S. Equities 6.6%	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 0.0%	Intl Small Cap 33.0%	High Yield 17.1%	Large Cap 1.4%	Broad U.S. Equities 13.5%	Broad U.S. Equities 12.0%
Commodities 5.4%	Intl Large Cap 18.2%	High Yield -1.2%	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%	Mid Cap 10.1%	Mid Cap 9.5%
Mid Cap 4.1%	Mid Cap 17.2%	Core Bond -13.0%	Mid Cap 22.6%	Emerging Markets 21.3%	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%	Commodities 7.8%	Small Cap 7.0%
Intl Large Cap 2.4%	Small Cap 16.9%	Intl Large 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%	Intl Large Cap 6.9%	Intl Small Cap 4.8%
Bank Loans 1.7%	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%	Small Cap 6.8%	Intl Large Cap 4.8%
Small Cap 1.5%	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%	Broad Intl Equities 5.3%	High Yield 4.5%
Broad Intl Equities 1.5%	Intl Small Cap 13.2%	Large Cap -18.1%	Broad Intl Equities -7.8%	Intl Large Cap 7.6%	Emerging Markets 18.4%	Intl Large Cap -13.8%	Small Cap 14.6%	Bank Loans 9.9%	Small Cap -4.4%	Bank Loans 5.2%	Bank Loans 4.4%
High Yield 0.3%	Bank Loans 13.0%	Broad U.S. Equities -19.2%	Bank Loans 5.4%	Core Bond 7.5%	Commodities 17.6%	Commodities -13.8%	High Yield 7.5%	Broad Intl Equities 4.5%	High Yield -4.5%	Intl Small Cap 4.6%	Broad Intl Equities 4.2%
Emerging Markets -0.1%	Emerging Markets 19.8%	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%	High Yield 4.4%	Emerging Markets 2.9%
Intl Small Cap -1.3%	Core Bond 5.5%	Small Cap -20.4%	Core Bond 11.5%	Bank Loans 2.8%	Core Bond 8.7%	Emerging Markets -14.6%	Bank Loans 4.2%	Intl Small Cap 2.2%	Emerging Markets -14.9%	Emerging Markets 11.0%	Bank Core Bond 4.6%
Core Bond -1.7%	Commodities 4.3%	Intl Small Cap -21.4%	Emerging Markets 2.5%	Commodities -23.7%	Bank Loans 8.2%	Intl Small Cap -17.9%	Core Bond 13.5%	Intl Large Cap 1.0%	Commodities -32.9%	Core Bond 0.8%	Commodities -3.0%

Source: Bloomberg as of February 29, 2024. Please see end of document for benchmark information.

Mr. Obed noted the Equity Markets are off to a good start in 2024 and that Growth stocks are still dominating over Value and Core offerings.

U.S. equity performance

All major domestic equity indices notched positive returns in February, as growth-oriented stocks continue to lead the market

	MTD (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Indices							
Dow Jones	2.5	3.8	3.8	22.0	10.2	10.9	11.6
Wilshire 5000	5.4	6.5	6.5	28.6	9.1	13.5	11.7
Russell 3000	5.4	6.6	6.6	28.6	9.9	13.9	12.0
Large-Cap Market Indices							
S&P 500	5.3	7.1	7.1	30.5	11.9	14.8	12.7
Russell 1000	5.4	6.9	6.9	29.8	10.7	14.4	12.4
Russell 1000 Value	3.7	3.8	3.8	14.0	8.4	9.4	8.7
Russell 1000 Growth	6.8	9.5	9.5	45.9	12.5	18.8	15.7
Mid-Cap Market Indices							
Russell Mid-Cap	5.6	4.1	4.1	15.5	5.5	10.3	9.4
Russell Mid-Cap Value	4.8	2.9	2.9	10.9	6.8	8.9	8.2
Russell Mid-Cap Growth	7.5	6.9	6.9	25.0	3.1	11.6	10.9
Small-Cap Market Indices							
Russell 2000	5.7	1.5	1.5	10.0	-0.9	6.9	7.1
Russell 2000 Value	3.3	-1.4	-1.4	5.6	2.5	6.6	6.5
Russell 2000 Growth	8.1	4.7	4.7	14.2	-4.6	6.5	7.3

Source: Bloomberg as of February 29, 2024

Performance Overview - General Employees' Pension Plan

Mr. Obed stated that the General Plan was up 2.6% for the month which is a little behind the benchmark, but still positive.

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 February 29, 2024.

MTD Performance (as of 2/29/2024)

Total Fund Composite: 2.6%
 Total Fund Policy Benchmark: 2.8%

FYTD Performance (as of 2/29/2024)

Total Fund Composite: 6.3%
 Total Fund Policy Benchmark: 7.7%

YTD Performance (as of 2/29/2024)

Total Fund Composite: 1.9%
 Total Fund Policy Benchmark: 2.2%

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	+4.1%	-1.4%	U.S. Equity
Goldman Sachs	+1.8%	-0.1%	Emerging Markets Equity
Brown SC	+1.0%	-0.7%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Earnests EM	-4.4%	-0.1%	Emerging Markets Equity
Earnest SCC	-2.0%	+1.5%	U.S. Equity
Union Heritage	+5.9%	+7.1%	U.S. Equity

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 February 29, 2024. The Police Officers’ Plan was up 2.8% for the month, slightly ahead of the benchmark.

MTD Performance (as of 2/29/2024)

Total Fund Composite: 2.8%
 Total Fund Policy Benchmark: 2.7%

FYTD Performance (as of 2/29/2024)

Total Fund Composite: 7.7%
 Total Fund Policy Benchmark: 8.0%

YTD Performance (as of 2/29/2024)

Total Fund Composite: 2.5%
 Total Fund Policy Benchmark: 2.3%

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
Driehaus SCG	+15.6%	+4.7%	U.S. Equity
Goldman Sachs	+1.8%	-0.1%	Emerging Markets Equity
Brown SC	+1.0%	-0.7%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Earnest SCC	-2.1%	+1.5%	U.S. Equity
Macquarie SCC	-0.5%	+1.5%	U.S. Equity

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 February 29, 2024. He noted the Firefighters’ Plan was up 2.9% for the month, also slightly ahead of the benchmark.

MTD Performance (as of 2/29/2024)

Total Fund Composite: 2.9%
 Total Fund Policy Benchmark: 2.7%

FYTD Performance (as of 2/29/2024)

Total Fund Composite: 8.1%
 Total Fund Policy Benchmark: 7.7%

YTD Performance (as of 2/29/2024)

Total Fund Composite: 2.7%
 Total Fund Policy Benchmark: 2.2%

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
Driehaus SCG	+15.6%	+4.7%	U.S. Equity
Ativo	+3.5%	+1.5%	International Equity
Goldman Sachs	+1.8%	-0.1%	Emerging Markets Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Earnest SCC	-2.1%	+1.5%	U.S. Equity

VII. NEW BUSINESS

Financial Disclosure Statements

Ms. Pocock reminded all Board members to go online and fill out their Financial Disclosure Statements no later than April 1, 2024.

Securities Lending Presentation

Ms. Parris presented information on the Northern Trust Securities Lending program, including benefits and risks. After the presentation, Mr. Dec stated that he has reviewed the presentation and paperwork from Northern Trust. He noted that securities lending is not a riskless endeavor and that some changes were needed with the agreement, particularly with regards to the indemnification and protection sections.

Mr. Hullender and Mr. Light stated that the Fire and Police plans were not interested in moving forward with Securities Lending at this time.

After further discussion, a motion was made by Mr. Berry to approve that the General Employees' Pension Plan move forward with Securities Lending pending legal approval of the contract with Northern Trust. The motion was seconded by Mr. Light. The motion unanimously carried.

VIII. OLD BUSINESS

There was no Old Business to discuss this month.

IX. QUESTIONS AND COMMENTS FROM AUDIENCE

Mr. Hullender stated that since the Board amended the by-laws to approve remote meetings, the City should consider a better technology setup in the Committee rooms to ensure that people joining telephonically can clearly hear conversations. Mr. Winston noted that there are planned technology upgrades coming.

X. DATE OF NEXT MEETING

The next Board meeting is scheduled for April 17, 2024 at 10:00 a.m. The meeting 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 10:59 a.m. Chairman Brand called for adjournment.

Respectfully Submitted,



David Brand, Chairman

These minutes were adopted on April 16, 2024