

CITY OF ATLANTA DEFINED BENEFIT
PENSION INVESTMENT BOARD MEETING

January 22, 2025

Virtual Meeting Via WebEx

10:00 A.M – 12:00 P.M.

Investment Board Members

Garry Bridgeman	Chairman	Present
LaChandra Burks	Vice-Chairman, COO	Present
Mohamed Balla	City of Atlanta, CFO	Present
Calvin Blackburn	City of Atlanta, Interim HR Commissioner	Present
Antonio Lewis	Atlanta City Council Member	Absent
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
Karen Sutton	City of Atlanta, Finance
Beryl Taylor	City of Atlanta, Finance
James Salmon	City of Atlanta, HR Director
Patrick Collins	City of Atlanta, HR
Agatha Hector	City of Atlanta, Pension
Sam Teich	City of Atlanta, Pension
Rosie Woods	City of Atlanta, Pension
Santana Kempson-Wright	City of Atlanta, General Employees' Pension Plan
Kweku Obed	Marquette Associates
Ed Emerson	Morris, Manning & Martin
Caroline Dorsey	Morris, Manning & Martin
Jeanette Cooper	Segal
Daniel Anderson	Maulden & Jenkins
Doug Moses	Maulden & Jenkins
Alvaro Carillo-Black	Blackrock
Benjamin Hymes	Legato
Derek Batts	Union Heritage
Jason Simpson	Garcia Hamilton
Lauren Albanese	FIN News
Trey Smith	Blackrock

I. CALL TO ORDER

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

II. ADOPTION OF AGENDA

Chairman Bridgeman presented the agenda. Mr. Balla asked to have a New Business Item added to discuss the Actuarial RFP.

A motion was made by Mr. Shook to approve the Agenda as amended. The motion was seconded by Mr. Blackburn. The motion unanimously carried and the amended Agenda was approved.

III. PUBLIC COMMENT

The was no public comment at this time.

IV. APPROVAL OF PREVIOUS MEETING MINUTES

The Board reviewed the Minutes of the December 18, 2024 regularly scheduled meeting, which were distributed in advance and reviewed by the Fund Professionals as customary.

Following review of the December 18, 2024 Minutes, a motion was made by Mr. Light to approve the Minutes as presented. The motion was seconded by Mr. Blackburn. The motion unanimously carried and the December Minutes were approved.

V. ATTORNEY'S REPORT

Mr. Emerson and Mr. Dec did not have anything to report.

VI. INVESTMENT CONSULTANT REPORT – *Marquette Associates*

Mr. Obed walked through the market environment for December, 2024. He noted that there was solid performance in the plans for all of 2024 as well as FYTD. He added there was a lot of volatility in the Fixed Income class, which has had a challenging time since the COVID pandemic.

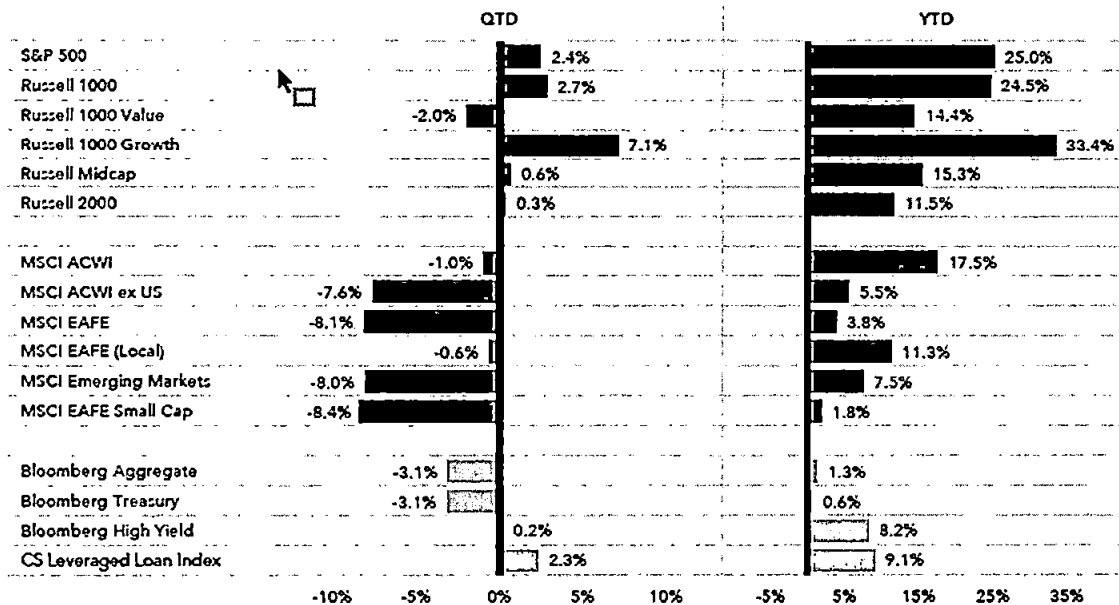
Calendar year returns

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	5yr	10yr
Large Cap 25.0%	Large Cap 25.3%	Commodities 26.0%	Commodities 40.4%	Broad U.S. Equities 20.9%	Large Cap 31.5%	Bank Loans 1.1%	Emerging Markets 17.9%	Small Cap 21.5%	Intl Small Cap 9.6%	Large Cap 14.5%	Large Cap 13.1%
Broad U.S. Equities 23.8%	Broad U.S. Equities 26.0%	Bank Loans -1.1%	Large Cap 24.7%	Small Cap 20.0%	Broad U.S. Equities 31.0%	Care Bond 0.0%	Intl Small Cap 33.0%	High Yield 17.1%	Large Cap 14.4%	Broad U.S. Equities 13.9%	Broad U.S. Equities 12.5%
Mid Cap 15.3%	Intl Large Cap 18.2%	High Yield -11.2%	Broad U.S. Equities 25.7%	Large Cap 10.4%	Mid Cap 30.5%	High Yield -2.1%	Broad Intl Equities 27.2%	Mid Cap 13.8%	Care Bond 0.8%	Mid Cap 9.9%	Mid Cap 9.6%
Small Cap 11.5%	Mid Cap 17.2%	Care Bond -13.8%	Mid Cap 22.6%	Emerging Markets 12.7%	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%	Small Cap 7.4%	Small Cap 9.6%
Commodities 9.3%	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%	Commodities 7.1%	Intl Small Cap 5.5%
Bank Loans 9.1%	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%	Bank Loans 5.7%	Intl Large Cap 5.2%
High Yield 8.2%	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 11.7%	Mid Cap -2.4%	Intl Large Cap 4.7%	High Yield 5.2%
Intl Small Cap 7.8%	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 -13.8%	Small Cap 14.6%	Bank Loans 9.9%	Small Cap -4.4%	High Yield 4.2%	Bank Loans 5.1%
Broad Intl Equities 5.5%	Bank Loans 13.0%	Broad U.S. Equities -19.2%	Bank Loans 5.4%	Care 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 4.1%	Broad Intl Equities 4.8%
Intl Large Cap 3.8%	Emerging Markets 9.2%	Emerging Markets -21.1%	High Yield 5.3%	High Yield 7.1%	High Yield 14.3%	Broad Intl Equities -14.2%	Commodities 5.8%	Care Bond 2.6%	Broad Intl Equities -5.7%	Intl Small Cap 2.3%	Emerging Markets 7.4%
Intl Small Cap 1.8%	Care Bond 8.8%	Small Cap -20.4%	Care Bond -1.8%	Bank Loans 2.8%	Care Bond 0.7%	Emerging Markets 14.4%	Bank Loans 4.2%	Intl Small Cap 2.2%	Emerging Markets 5.8%	Emerging Markets 1.7%	Care Bond 1.8%
Care Bond 1.3%	Commodities -4.3%	Intl Small Cap -21.4%	Emerging Markets 2.3%	Commodities -23.7%	Bank Loans 8.2%	Intl Small Cap -17.9%	Care Bond 3.5%	Intl Large Cap 1.0%	Commodities -32.9%	Care Bond 0.3%	Commodities 1.2%

Source: Bloomberg as of December 31, 2024. Please see end of document for benchmark information.

Mr. Obed reported that post-election, the prospect of tariffs show in a selloff in the international indices.

Index summary



Source: Bloomberg as of December 31, 2024

Mr. Obed stated that with the new Administration being sworn in this week, much is unknown – positive and negative – with relation to the economy.













A new administration and a new plan

New government policies will likely have a mixed economic impact, which means details and sequencing matter

Policy	Detail	Impact on Growth	Impact on Inflation	Impact on Deficit
Expiring Trump Tax Cuts	<ul style="list-style-type: none"> Extend individual and reinstate expiring business provisions New tax cuts will be marginal 	Positive	Neutral	Increase
IRA Renewable Tax Credits	<ul style="list-style-type: none"> Targeted repeal of credits Eliminate DOE Grants 	Neutral	Neutral	Decrease
Tariffs	<ul style="list-style-type: none"> Tariffs will increase but less than rhetoric China a specific target 	Negative	Increase	Decrease
Immigration	<ul style="list-style-type: none"> Close border and restart wall End Temporary Protected Status Symbolic deportations 	Negative	Neutral to Increase	Neutral
Deregulation	<ul style="list-style-type: none"> Energy permitting More industry friendly regulatory agency Banking changes 	Positive	Lower	Neutral
Spending Cuts	<ul style="list-style-type: none"> DOGE could reduce spending marginally Real cuts require Congress 	Neutral to Negative	Neutral	Neutral to Decrease
Social Security/Medicare	<ul style="list-style-type: none"> No major changes 	Neutral	Neutral	Increase

Winners and losers

Economic policies will create opportunities within sectors, which should translate to tailwinds for active managers

WINNERS	MIXED	LOSERS
 Airlines	 Autos	 Healthcare
 Defense	 Consumer	 Renewables
 Financials	 Housing	 Technology
 Traditional Energy	 Retail	
 Utilities		

Mr. Obed noted that Fixed Income ended up 1.3% for the calendar year. These assets provide a conservative ballast across the portfolios.

Fixed income performance

Despite rate volatility, fixed income indices were mostly positive in 2024; long-dated indices fared poorly as back-end rates increased

		MTD (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Index	Blm Aggregate	-1.6	-3.1	1.3	1.3	-2.4	-0.3	1.3
Intermediate Index	Blm Int. Gov./Credit	-0.6	-1.6	3.0	3.0	-0.2	0.9	1.7
Government Only Indices	Blm Long Gov.	-5.3	-8.6	-6.4	-6.4	-11.9	-5.2	-0.6
	Blm Int. Gov.	-0.6	-1.7	2.4	2.4	-0.5	0.5	1.2
	Blm 1-3 Year Gov.	0.2	-0.1	4.0	4.0	1.4	1.4	1.4
	Blm U.S. TIPS	-1.6	-2.9	1.8	1.8	-2.3	1.9	2.2
Credit Indices	Blm U.S. Long Credit	-4.3	-6.3	-2.0	-2.0	-6.8	-1.9	2.1
	Blm High Yield	-0.4	0.2	8.2	8.2	2.9	4.2	5.2
	CS Leveraged Loan Index	0.6	2.3	9.1	9.1	6.8	5.7	5.1
Securitized Bond Indices	Blm MBS	-1.6	-3.2	1.2	1.2	-2.1	-0.7	0.9
	Blm ABS	-0.1	-0.1	5.0	5.0	2.0	2.0	2.1
	Blm CMBS	-0.5	-1.4	5.0	5.0	-0.5	1.0	2.2
Non-U.S. Indices	Blm Global Aggregate Hedged	-0.8	-0.9	3.4	3.4	-0.6	0.5	2.0
	JPM EMBI Global Diversified	-1.4	-1.9	6.5	6.5	-0.9	0.1	3.1
	JPM GBI-EM Global Diversified	-1.9	-7.0	-2.4	-2.4	-1.0	-1.9	0.4
Municipal Indices	Blm Municipal 5 Year	-0.7	-1.0	1.2	1.2	0.0	0.9	1.7
	Blm HY Municipal	-1.7	-1.1	6.3	6.3	0.3	2.7	4.3

Mr. Obed discussed the U.S. Equities market and noted phenomenal returns for the calendar year with many indices up over 20%. Growth stocks dominated for the year.

U.S. equity performance

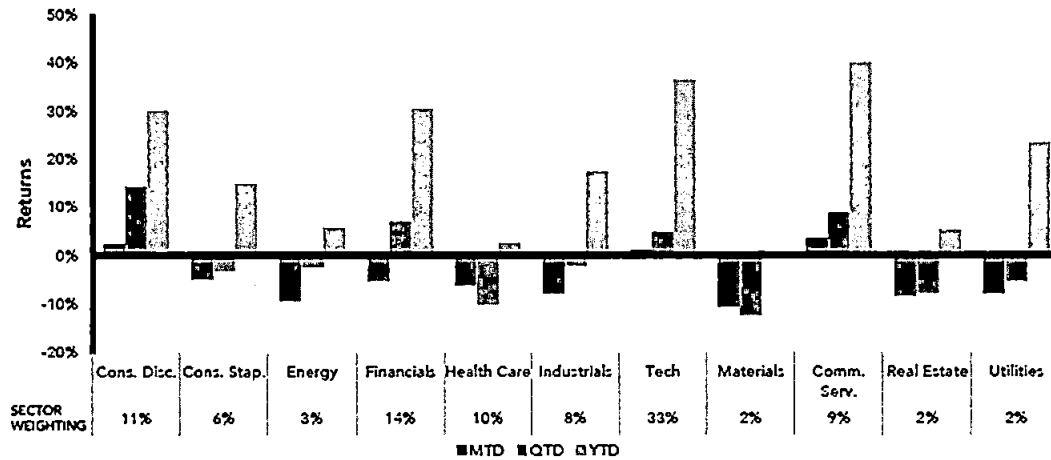
Most major U.S. equity indices generated double-digit returns in 2024; small-cap equities posted their worst relative December historically

		MTD (%)	QTD (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Broad Market Indices	Dow Jones	-5.1	0.9	15.0	15.0	7.6	10.6	11.6
	Wilshire 5000	-3.0	2.9	24.2	24.2	7.8	13.7	12.4
	Russell 3000	-3.1	2.6	23.8	23.8	8.0	13.9	12.5
Large-Cap Market Indices	S&P 500	-2.4	2.4	25.0	25.0	8.9	14.5	13.1
	Russell 1000	-2.8	2.7	24.5	24.5	8.4	14.3	12.9
	Russell 1000 Value	-6.8	-2.0	14.4	14.4	5.6	8.7	8.5
	Russell 1000 Growth	0.9	7.1	33.4	33.4	10.5	19.0	16.8
Mid-Cap Market Indices	Russell Mid-Cap	-7.0	0.6	15.3	15.3	3.8	9.9	9.6
	Russell Mid-Cap Value	-7.3	-1.7	13.1	13.1	3.9	8.6	8.1
	Russell Mid-Cap Growth	-6.2	-8.1	22.1	22.1	4.0	11.5	11.5
Small-Cap Market Indices	Russell 2000	-8.3	0.3	11.5	11.5	1.2	7.4	7.8
	Russell 2000 Value	-8.3	-1.1	8.1	8.1	1.9	7.3	7.1
	Russell 2000 Growth	-8.2	1.7	15.2	15.2	0.2	6.9	8.1

Mr. Obed stated that Technology and Communications stocks were 41% of the market and had a very strong year.

S&P 500 sector performance

Nearly all sectors of the S&P 500 Index gained in 2024, as dispersion between the best and worst performing sectors reached 40%



Mr. Obed reported that global equities had headwinds due to an under allocation in technology and impacts due to a high US dollar. He added that the Plans' portfolios are biased towards US equities so there wasn't a high impact to plan returns.

Global equity valuations

While valuations of U.S. large-cap stocks continue to appear expensive, non-U.S. equity indices have more attractive multiples

Valuation Metrics	S&P 500		MSCI EAFE		MSCI EM		MSCI EAFE/SC	
	Current	Historical Percentile (%)	Current	Historical Percentile (%)	Current	Historical Percentile (%)	Current	Historical Percentile (%)
P/E	27.1	95.2	14.7	38.3	12.7	59.1	14.4	37.1
Forward P/E	21.6	98.6	14.0	69.3	11.8	69.7	12.5	30.6
P/B	5.1	99.3	1.8	54.5	1.7	47.1	1.4	40.0
P/S	3.0	96.9	1.3	89.2	1.3	60.9	0.9	67.4
P/CF	21.9	98.6	10.1	59.5	6.9	17.6	7.8	24.1
EV/EBITDA	16.1	96.9	10.0	18.5	10.0	93.2	9.6	31.2
Average		98		55		58		38

Source: Bloomberg as of December 31, 2024, data compiled on January 8, 2024. P/E is adjusted for negative earnings; percentiles are based on data dating back to 1999 (except for FP/E, which goes back to 2005).

Performance Overview - General Employees' Pension Plan

Mr. Obed stated that the General Plan was up 4.5% FYTD and 9.9% for 2024. He added there may be a modest change to the returns as final year-to-date numbers are completed.

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, 2024.

MTD Performance (as of 12/31/2024)

Total Fund Composite: -3.3%
 Total Fund Policy Benchmark: -3.1%

FYTD Performance (as of 12/31/2024)

Total Fund Composite: 4.5%
 Total Fund Policy Benchmark: 4.9%

YTD Performance (as of 12/31/2024)

Total Fund Composite: 9.9%
 Total Fund Policy Benchmark: 10.9%

Mr. Obed reviewed the performance of the top and bottom performing investment managers and stated no changes are recommended at this time.

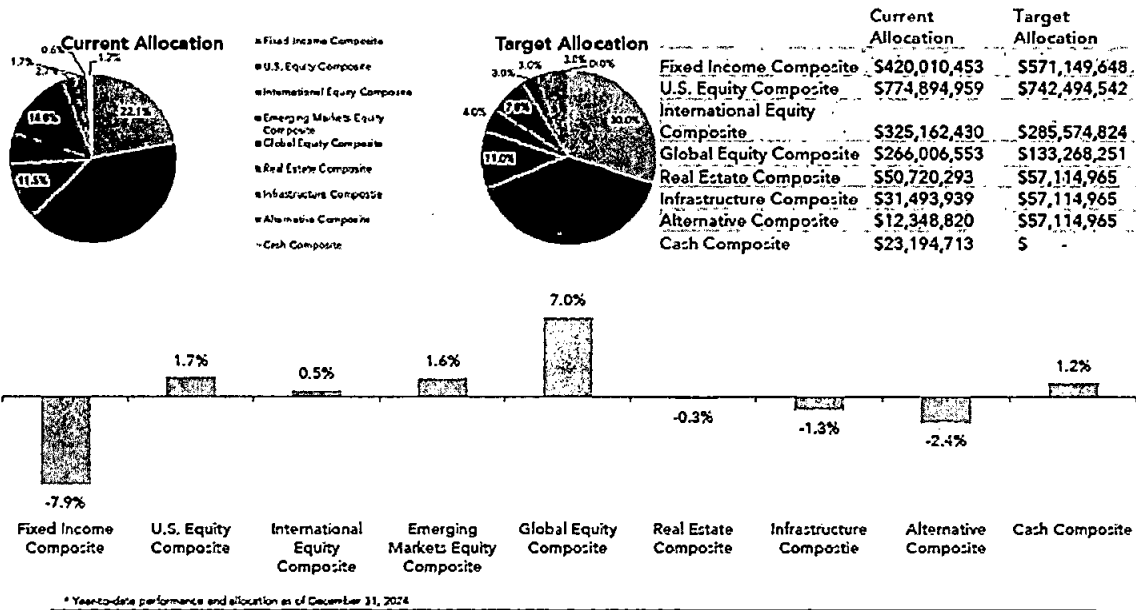
COA General Employees' Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Hardman Johnston	+13.1%	+5.5%	International Equity
Brown SC	+8.5%	+3.4%	International Equity
Legato	+18.4%	+15.2%	U.S. Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Earnest SCC	+0.3%	+11.5%	U.S. Equity
Earnests EM	+1.7%	+7.5%	Emerging Markets Equity
Union Heritage	+16.5%	+25.0%	U.S. Equity

Mr. Obed reviewed the target allocations and noted rebalancing is in process.

COA General Employees' Asset Allocation vs Target Allocation



Performance Overview – Police Officers’ Pension Plan

Mr. Obed stated that the Police Plan also showed strong returns, up 5.1% FYTD and 11.1% for 2024.

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, 2024.

MTD Performance (as of 12/31/2024)

Total Fund Composite: -3.8%
 Total Fund Policy Benchmark: -3.6%

FYTD Performance (as of 12/31/2024)

Total Fund Composite: 5.1%
 Total Fund Policy Benchmark: 5.1%

YTD Performance (as of 12/31/2024)

Total Fund Composite: 11.1%
 Total Fund Policy Benchmark: 10.6%

Mr. Obed reviewed the performance of the top and bottom performing investment managers and stated no changes are recommended at this time.

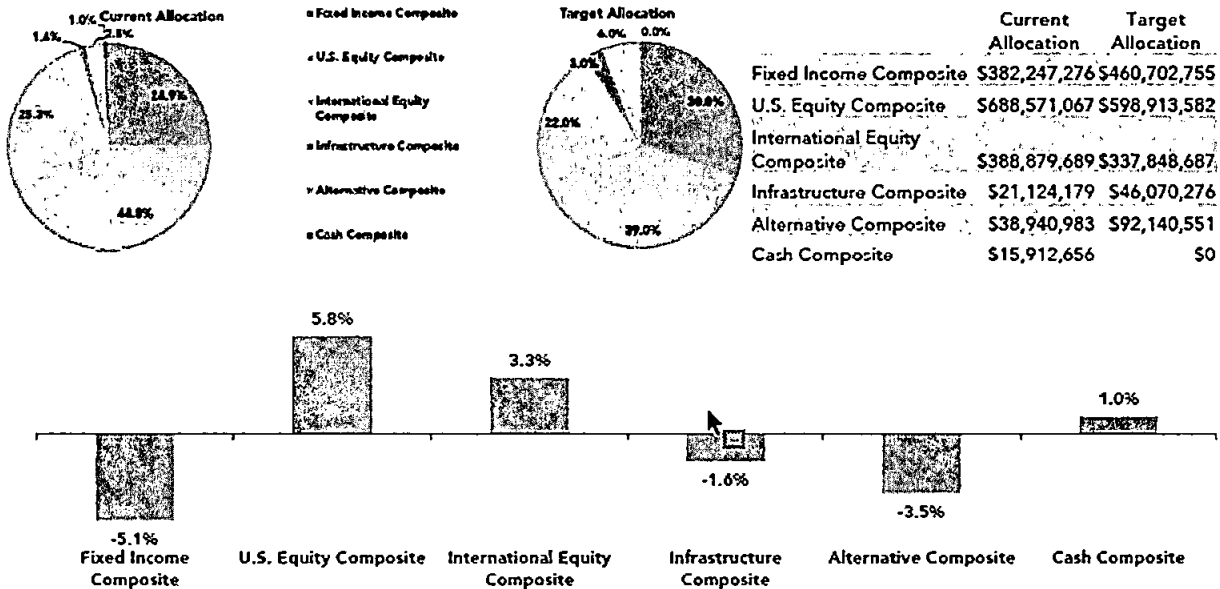
COA Police Officers' Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Driehaus SCG	+27.7%	+15.2%	U.S. Equity
Hardman Johnston	+13.1%	+5.5%	International Equity
Brown SC	+8.5%	+3.4%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Earnest SCC	+0.3%	+11.5%	U.S. Equity
Intercontinental	-5.0%	-2.0%	U.S. Real Estate
Garcia Hamilton (G/C)	+1.4%	+3.0%	Fixed Income

Mr. Obed reviewed the target allocation and noted rebalancing is in process.

COA Police Officers' Asset Allocation vs Target Allocation



* Year-to-date performance and allocation as of December 31, 2024

Performance Overview – Firefighters’ Pension Plan

Mr. Obed stated that the Fire Plan performed in line with the other plans this month, up 5.0% FYTD and 10.8% for 2024.

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, 2024.

MTD Performance (as of 12/31/2024)

Total Fund Composite: -3.3%
 Total Fund Policy Benchmark: -3.3%

FYTD Performance (as of 12/31/2024)

Total Fund Composite: 5.0%
 Total Fund Policy Benchmark: 5.4%

YTD Performance (as of 12/31/2024)

Total Fund Composite: 10.8%
 Total Fund Policy Benchmark: 11.0%

Mr. Obed reviewed the performance of the top and bottom performing investment managers and stated no changes are recommended at this time.

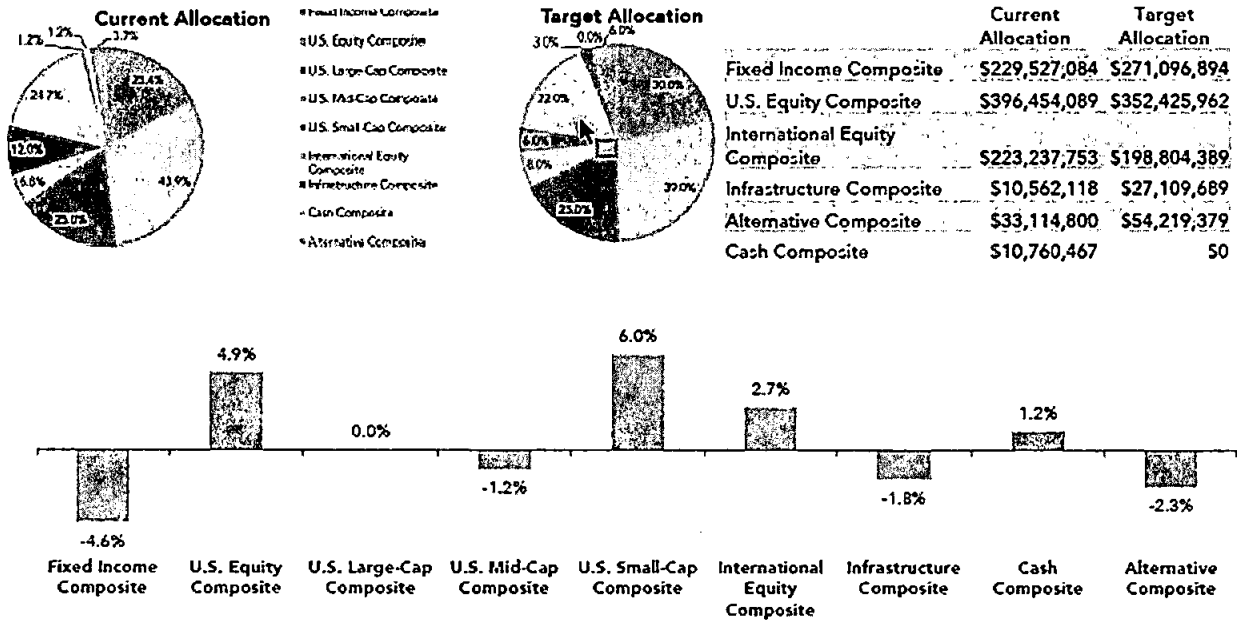
COA Firefighters’ Manager Contribution – YTD Performance

Top Performers	Absolute Performance	Benchmark Performance	Strategy
Driehaus SCG	+27.7%	+15.2%	U.S. Equity
Hardman Johnston	+13.1%	+5.5%	International Equity
Brown SC	+8.5%	+3.4%	International Equity

Bottom Performers	Absolute Performance	Benchmark Performance	Strategy
Earnest SCC	+0.3%	+11.5%	U.S. Equity
Intercontinental	-5.0%	-2.0%	U.S. Real Estate
Garcia Hamilton (Core)	-0.2%	+1.3%	Fixed Income

Mr. Obed reviewed the target allocation and noted rebalancing is in process.

COA Firefighters' Asset Allocation vs Target Allocation



* Year-to-date performance and allocation as of December 31, 2024

Mr. Obed also presented an update on Mesirow, one of the Investment Managers in the Plans. Mesirow currently has approximately \$600 million invested with the City Pension Plans - \$230 million in the General Plan, \$211 million in the Police Plan and \$163 million in the Fire Plan. MetLife Investment Management (MIM) has purchased several lines of the Mesirow business, including the core Fixed Income products in the Plans' portfolios. Marquette expects that results in these funds now with MIM will be similar to the Mesirow results, but Marquette has put the strategy on "Watch" for the next few quarters and will closely monitor transactions and results.

VII. NEW BUSINESS

Election for Board Representatives – SBA

Ms. Shah noted that Ms. Pocock will be sending out information on the Financial Disclosure required by all Investment Board members. This is usually due in late March to early April.

Ms. Shah then presented the results of the election for representatives from each of the three pension plans and congratulated the four incumbents who were re-elected.

General Employees' – City Representative: Alfred Berry Jr.

General Employees – APS Representative: Quentin Hutchins

Police Officers' Representative: Rick Light

Fire Fighters' Representative: Brent Hullender

A motion was made by Mr. Balla to accept the election results for the General Employees', Police Officers' and Fire Fighters' representatives to the Defined Benefit Pension Plan Investment Board as outlined above. The motion was seconded by Mr. Shook. The motion unanimously carried and the re-elected representatives were approved.

Actuarial Firm Selection

Mr. Balla reported that previously, the Board started the process of an RFP to select a single actuarial firm to represent all three Pension Plans. He added that the RFP was put on hold during the redesign study with Segal, but he would now like to restart the review process. Mr. Balla requested that Aon and Segal be invited to present their proposals to the Investment Board as soon as possible so the RFP could be finalized. Mr. Berry asked for information as to what was presented in the September 28, 2023 meeting with three of the actuary firms. Ms. Shah stated that was a working session and the decision was made to defer a selection until after the plan redesign was completed. Mr. Balla proposed that a working group review the Aon and Segal presentations and then make a recommendation to the full Board. Ms. Shah will coordinate the working group and presentations as soon as possible.

Auditor Presentation – Mauldin & Jenkins

Mr. Moses and Mr. Anderson from Mauldin & Jenkins presented the results of their audit of the City of Atlanta Pension Plans. Mr. Anderson stated that Mauldin & Jenkins issued an unmodified audit report, i.e., “clean opinion” for the three Plans. This is the highest rating and belief that the Plans are free of material misstatements. Mr. Anderson presented the Financial Statement Summary that shows investments, assets and net positions increased from the prior fiscal year. He provided a summary of significant audit procedures that tested year end account data, census data and contributions to the Plans. Mr. Anderson noted that the compliance report noted no material weaknesses for this year and that prior year weaknesses were substantially corrected. While a few exceptions were uncovered, they were deemed to be immaterial. Mr. Balla noted that for the past decade there have been material findings in the census data and he thanked all parties that worked to clean up the data. Mr. Anderson noted that for the three Plans, there were non-significant exceptions related to strengthening documentation.

Mr. Anderson also presented results of their audit of the Defined Contribution Plans.

VIII. OLD BUSINESS

There was no Old Business to discuss at this time.

IX. QUESTIONS AND COMMENTS FROM THE AUDIENCE

There were no questions or comments from the Audience at this time.

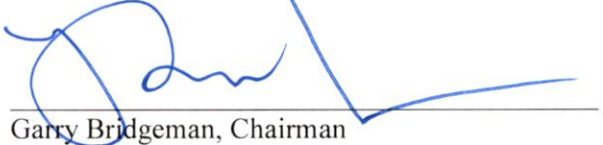
X. DATE OF NEXT MEETING

The next Board meeting is scheduled for February 19, 2025 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 11:06 a.m. Chairman Bridgeman called for adjournment.

Respectfully Submitted,



Garry Bridgeman, Chairman

These minutes were adopted on February 19, 2025