

**EMPLOYEE PENSION PLAN
BOARD OF TRUSTEES MEETING
TUESDAY, JANUARY 24, 2023
3:00 PM
MACK GASTON COMMUNITY CENTER**

A G E N D A

Call To Order

Minutes

- [1.](#) Pension Minutes 11-29-22

Unfinished Business

- [2.](#) Monthly Performance Report - December 31, 2022

New Business

3. Election of Officers

- [4.](#) 2023 Pension Meeting Dates

Retirees

5. Christopher McDonald - Police Department
6. Julie Dyer - Senior Center
7. Rosa Lee Mosteller - Senior Center/ Parks & Recreation
8. Randy Rogers - Fire Department
9. Terry Whaley - Public Works
10. Brian Summery - Dalton Utilities
11. Candice Peele - Dalton Utilities

Invoices

- [12.](#) Southeastern Advisory Services, Inc. - Pension Plan Consulting Services
Invoice #230 - \$2,040.00

- [13.](#) Hartford Billing Company - Fidelity bond for Pension Board of Trustees
Invoice #2120642 - \$308.00

- [14.](#) Georgia Association of Public Pension Trustees - Membership Renewal
Invoice #5662 - \$125.00

Reports

- [15.](#) Minimum Balance Requirement Calculation for MetLife Guaranteed Annuities.
- [16.](#) Unaudited Financial Report as of 12/31/22
17. MBR - November 30, 2022

Adjournment

THE CITY OF DALTON
EMPLOYEES PENSION PLAN – BOARD OF TRUSTEES
REGULAR MEETING
NOVEMBER 29, 2022

The regular meeting of the Board of Trustees of the City of Dalton Employees' Pension Plan was held this afternoon at 3:00 p.m. in the Council Chambers of City Hall. Present for the meeting were Chairman Gary Hill, Mike Sloan, Vernon Ray and Dwayne Carvell and Council member Dennis Mock, absent were Mayor David Pennington and Chairman of the Water, Light & Sinking Fund Commission Joe Yarbrough.

MINUTES

The Trustees were presented written copies of the minutes of the meeting of September 27, 2022. On the motion of Trustee Carvell, second Trustee Ray, the minutes were approved. The vote was unanimous in favor.

MONTHLY PERFORMANCE REPORT – OCTOBER 31, 2022

Hilda Thompson from SEAS presented the Monthly Performance Report for October 31, 2022. Thompson stated it was good news for the Plan in October with a very strong equity market. Thompson stated the Plan ended 3rd quarter at \$121,023,353 which she stated was a gain of over 5 million dollars. Thompson further stated it was a nice come back and at the end of October the Plan was valued at \$125,567,685. Thompson continued stating that the Asset allocation remains in compliance with the policy.

Thompson reviewed the Asset Allocation & Performance of the Plans funds stating it will be only the 5th year since 1999, the Plan has had a negative Return. Thompson stated after review, SEAS feels the Plan is well diversified and they are not looking at adding/changing any further asset classes. On the motion of Trustee Mock, second Trustee Carvell, the Board approved the report. The vote was unanimous in favor. A copy of the complete report is a part of these minutes.

ATTORNEY UPDATE

There was no attorney update.

RETIREEES

Shane Sowder – Fire Department

On the motion of Trustee Ray, second Trustee Mock, the Board ratified payment to Shane Sowder – Fire Department for early retirement. Copies of the application for retirement, retirement benefit calculations and Authorization to Commence Retirement Payment forms are a part of these minutes. The vote was unanimous in favor.

Bruce Brock – Solid Waste Authority

On the motion of Trustee Mock, second Trustee Carvell, the Board ratified payment to Bruce Brock- Solid Waste Authority for normal retirement. Copies of the application for retirement, retirement benefit calculations and Authorization to Commence Retirement Payment forms are a part of these minutes. The vote was unanimous in favor.

INVOICES

On the motion of Trustee Sloan, second Trustee Carvell, the Board approved the following:

- Legal service provided for pension matters
Invoice #13963 \$75.00
Invoice #14062 \$112.50
Invoice #14100 \$37.50

The vote was unanimous in favor.

On the motion of Trustee Carvell, second Trustee Sloan, the Board approved the following:

- Southeastern Advisory Services, Inc. for October 2022.
Invoice #228 in the amount of \$2,040.00

The vote was unanimous in favor.

REPORTS

Financial Report as of 9/30/22

Pension financials as of 10/31/2022

MBR for 3rd quarter.

Market Indices Performance Reports for September 30, 2022 and October 31, 2022.

ADJOURNMENT

Chairman Hill thanked everyone for coming. There being no further business to come before the trustees, on the motion of Trustee Mock, second Trustee Sloan, the meeting was adjourned at 3:12 p.m.

Gary Hill, Chairman

ATTEST:

Mike Sloan, Secretary

RECORDED

APPROVED



CITY OF DALTON EMPLOYEE'S PENSION PLAN

MONTHLY PERFORMANCE REPORT
As of December 31, 2022

Hilda A. Thompson, Senior Consultant
hthompson@seadvisory.com

Wallace W. Wilson, Senior Consultant
wwilson@seadvisory.com

(404) 237-3156



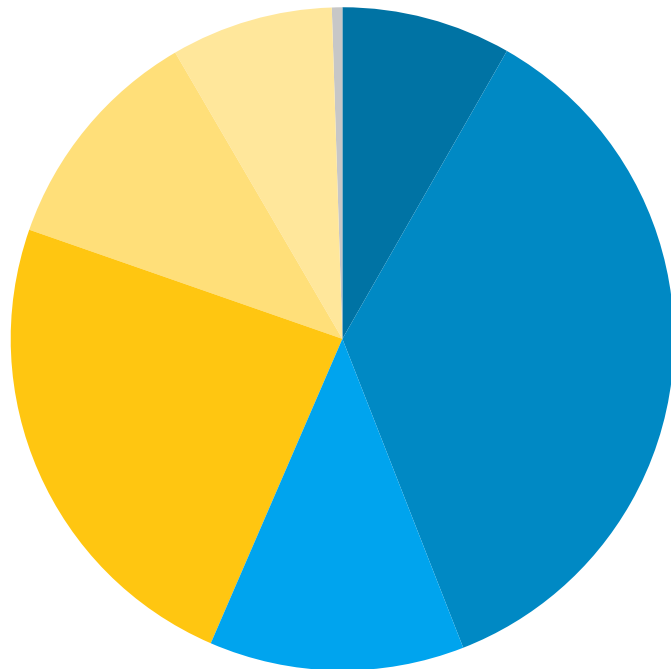
Financial Reconciliation

1 Month Ending December 31, 2022

	Market Value 12/01/2022	Contributions	Distributions	Gain/Loss	Market Value 12/31/2022
MetLife Equity Index	11,259,665	142,104	-365,413	-650,008	10,386,348
Vanguard Inst 500 Index	47,786,158	-	-	-2,755,587	45,030,571
Total Large Cap Equity	59,045,822	142,104	-365,413	-3,405,594	55,416,918
Vanguard Small-Cap Index	16,628,635	-	-	-988,507	15,640,129
Total Small Cap Equity	16,628,635	-	-	-988,507	15,640,129
MetLife Core Bond Index Fund	30,292,048	106,578	-275,660	-142,200	29,980,766
Vanguard Total Bond Mkt Index	14,229,804	-	-	-84,983	14,144,822
Goldman Sachs Fund	10,043,242	35,526	-95,151	-43,624	9,939,992
Total Fixed Income	54,565,094	142,104	-370,811	-270,807	54,065,579
Cash Account	641,449	1,012,804	-1,010,012	-67	644,175
Total Fund	130,881,001	1,297,011	-1,746,236	-4,664,975	125,766,801

December 31, 2022 : \$125,766,801

	Market Value	Allocation (%)
MetLife Equity Index	\$10,386,348	8.3
Vanguard Inst 500 Index	\$45,030,571	35.8
Vanguard Small-Cap Index	\$15,640,129	12.4
MetLife Core Bond Index Fund	\$29,980,766	23.8
Vanguard Total Bond Mkt Index	\$14,144,822	11.2
Goldman Sachs Fund	\$9,939,992	7.9
Cash Account	\$644,175	0.5



	Allocation		Performance (%)							
	Market Value	%	1 Month	Quarter To Date	FYTD	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
Total Fund	\$125,766,801	100.0	-3.57	5.03	-15.64	13.44	13.24	19.89	-2.78	12.70
Policy Index			-3.15	4.68	-14.88	11.57	13.91	19.12	-2.44	11.52
Total Large Cap Equity	\$55,416,918	44.1	-5.78	7.53	-18.20	28.74	18.40	31.49	-4.48	21.77
S&P 500 Index			-5.76	7.56	-18.11	28.71	18.40	31.49	-4.38	21.83
MetLife Equity Index	\$10,386,348	8.3	-5.84	7.45	-18.44	28.96	18.43	31.51	-4.05	21.81
S&P 500 Index			-5.76	7.56	-18.11	28.71	18.40	31.49	-4.38	21.83
Vanguard Inst 500 Index	\$45,030,571	35.8	-5.77	7.55	-18.14	28.67	18.39	31.46	-4.84	21.71
S&P 500 Index			-5.76	7.56	-18.11	28.71	18.40	31.49	-4.38	21.83
Total Small Cap Equity	\$15,640,129	12.4	-5.94	7.96	-17.60	17.73	19.12	27.40	-9.32	16.25
CRSP U.S. Small Cap TR Index			-5.95	7.95	-17.64	17.71	19.07	27.35	-9.33	16.24
Vanguard Small-Cap Index	\$15,640,129	12.4	-5.94	7.96	-17.60	17.73	19.12	27.40	-9.32	16.25
CRSP U.S. Small Cap TR Index			-5.95	7.95	-17.64	17.71	19.07	27.35	-9.33	16.24
Total Fixed Income	\$54,065,579	43.0	-0.50	1.87	-12.43	-1.57	7.53	8.49	0.21	3.19
Blmbg. U.S. Aggregate Index			-0.45	1.87	-13.01	-1.55	7.51	8.72	0.01	3.54
MetLife Core Bond Index Fund	\$29,980,766	23.8	-0.47	1.94	-12.95	-1.62	7.44	8.80	-0.04	3.49
Blmbg. U.S. Aggregate Index			-0.45	1.87	-13.01	-1.55	7.51	8.72	0.01	3.54
Vanguard Total Bond Mkt Index	\$14,144,822	11.2	-0.60	1.67	-13.15	-1.67	7.74	8.78	N/A	N/A
Blmbg. U.S. Aggregate Index			-0.45	1.87	-13.01	-1.55	7.51	8.72	0.01	3.54
Goldman Sachs Fund	\$9,939,992	7.9	-0.44	1.93	-9.83	-1.25	7.63	7.36	0.90	2.26
Blmbg. Intermed. U.S. Government/Credit			-0.18	1.54	-8.24	-1.44	6.43	6.80	0.88	2.14
Cash Account	\$644,175	0.5	-0.01	-0.05	-0.88	0.00	0.00	0.29	0.49	0.42
90 Day U.S. Treasury Bill			0.36	0.84	1.46	0.05	0.67	2.28	1.87	0.86

Fee Schedule

As of December 31, 2022

	Estimated Annual Fee (%)	Estimated Annual Fee	Market Value As of 12/31/2022	Fee Schedule	Fee Notes
MetLife Equity Index	0.125	\$12,943	\$10,386,348	0.180 % of First \$5 M 0.075 % of Next \$5 M 0.050 % Thereafter	
Vanguard Inst 500 Index	0.035	\$15,761	\$45,030,571	0.035 % of Assets	
Total Large Cap Equity	0.052	\$28,704	\$55,416,918		
Vanguard Small-Cap Index	0.040	\$6,256	\$15,640,129	0.040 % of Assets	
Total Small Cap Equity	0.040	\$6,256	\$15,640,129		
MetLife Core Bond Index Fund	0.097	\$28,985	\$29,980,766	0.100 % of First \$25 M 0.080 % of Next \$25 M 0.060 % Thereafter	
Vanguard Total Bond Mkt Index	0.035	\$4,951	\$14,144,822	0.035 % of Assets	
Goldman Sachs Fund	0.488	\$48,480	\$9,939,992	0.550 % of First \$3 M 0.500 % of Next \$3 M 0.450 % of Next \$5 M 0.400 % of Next \$15 M 0.300 % of Next \$50 M 0.200 % Thereafter	
Total Fixed Income	0.152	\$82,415	\$54,065,579		
Cash Account	N/A	-	\$644,175		
Total Fund	0.093	\$117,375	\$125,766,801		

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SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor

190 Ottley Drive NE Ste B2A Atlanta GA 30324
seadvisory.com / (404) 237-3156

2023 Pension Meeting Dates

- January 24, 2023
- March 28, 2023
- May 23, 2023
- July 25, 2023
- September 26, 2023
- November 28, 2023



SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor

190 Ottley Drive NE, STE B-2A
Atlanta, GA 30324
Phone 404 237 3156

DATE: January 3, 2023
INVOICE # 230
FOR: Dec-22

Bill To:

City of Dalton Employee's Pension Fund
C/O Ms. Cindy Jackson, C.P.A.
300 W. Waugh Street
P.O. Box 1205
Dalton, GA 30720
Via email: cjackson@daltonga.gov

INVOICE

DESCRIPTION	AMOUNT
Investment Consulting Services Monthly Retainer for December 2022 Annual fee of \$24,480/yr per contract ($\$24,480 / 12 = \$2,040$)	\$2,040
TOTAL	\$2,040

Please pay by ACH transfer:

Regions Bank
ABA# 061101375
AC# 0094346011

If you have any questions concerning this invoice, contact:
Hilda Thompson, 404 229 5464, hthompson@seadvisory.com

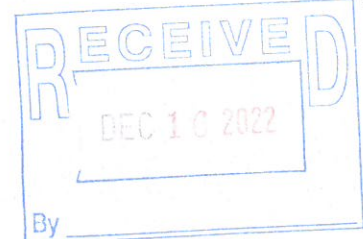
Thank you for your business!



THE HARTFORD
Billing Company:
Hartford Fire Insurance Company

Insurance Bill

Bill Date: 11/08/22



Need Help?

Visit business.thehartford.com to pay bills, view policy documents, get certificates, and more.

Need Help? Chat online or call us at 1-866-467-8730. We're here Monday - Friday.

Named Insured: CITY OF DALTON
Agent: MCGRUFF INSURANCE SERVICES INC

Pay The Minimum By The Due Date

Bill Account Number	12120642
Due Date	12/01/22
Minimum Due	\$308.00
Balance	\$308.00

Your Upcoming Bill Installments

Due Date	Minimum Due
12/01/22	\$308.00

Important Messages:

- If you didn't intend to buy or renew this policy, let us know as soon as possible.
- Please make sure to pay the minimum due by the due date on your invoice. Otherwise, you'll be charged a \$35.00 late fee.

Billing Details For Your Policies

Policy Number	Policy Type	Policy Period	Policy Status	Bill Plan	Balance	Minimum Due
22BDDEW1313	Fidelity	12/01/19-12/01/22	Active	Full Pay	\$0.00	\$0.00
22BDDEW1313	Fidelity	12/01/22-12/01/25	Down Payment Billing		\$308.00	\$308.00
TOTALS					\$308.00	\$308.00

Pay your bill online at business.thehartford.com. Make a one-time payment, or sign up for Autopay and never worry about missing a payment.

Please detach here and insert with your payment. Write the account number on the check and make payable to The Hartford.

Account Number: **12120642**

Amount Enclosed: _____

Payment Due Date	12/01/22
Minimum Due	\$308.00
Balance	\$308.00

Mail Payments To:

The Hartford
P O Box 660916
Dallas, TX 75266-0916

MB 01 012448 65921 H 53 A

CITY OF DALTON
300 W WAUGH STREET
DALTON, GA 30720-3143



221212064267274024000000308000000030800810007



Policy Credits: Some things, like audit results or endorsement changes, might put a credit back on your account. If your account has a balance, instead of issuing a refund, we use those credits toward your future payments. If your account has an overall credit balance, the refund will be issued to you using the same method you used to make your last payment (Electronic Funds Transfer, credit card or check).

State/Local Surcharges or Fees: Some states or municipalities require us to collect an extra amount on top of your premium.

012448 2/2



Georgia Association of Public Pension Trustees
P. O. Box 468447
Atlanta, GA 31146
770-295-8209 ~ www.gappt.org

INVOICE 5662



City of Dalton Employee Pension Board
PO Box 1205
Dalton, Georgia 30720
United States

Invoice # 5662
Invoice Date 12/18/2022
Invoice Due 03/31/2023

Amount Due	\$ 125.00
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Transactions

Description	Amount
Membership Renewal - Plan Sponsor (through Mar 31, 2024) - 1 year - \$125.00	\$ 125.00

Total Amount	\$ 125.00
Amount Paid	-\$ 0.00
Amount Due	\$ 125.00

Please contact Sue Reynolds at execdiretor@gappt.org with any questions or concerns. We appreciate your support of the Georgia Association of Public Pension Trustees!

Remit payment to:
Georgia Association of Public Pension Trustees (GAPPT)
P. O. Box 468447
Atlanta, GA 31146

**CITY OF DALTON PENSION
MBR CALCULATION**

Period Ended	<u>12/31/19</u>	<u>12/31/20</u>	<u>12/31/21</u>	<u>12/31/22</u>
MBR	\$ 28,467,408	\$ 28,753,560	\$ 25,901,487	\$ 19,482,666
<i>Equities:</i>				
Large Cap Index Fund	14,449,358	18,338,135	15,963,869	10,386,348
Small Cap Index Fund	-	-	-	-
Sub-total	14,449,358	18,338,135	15,963,869	10,386,348
Equities at 75%	10,837,019	13,753,601	11,972,902	7,789,761
Fixed income at 100%	47,096,050	51,549,519	48,627,452	39,920,758
Payment fund at 100%	610,462	601,968	598,097	644,175
Recognized assets	58,543,531	65,905,088	61,198,451	48,354,694
Minimum required balance	28,467,408	28,753,560	25,901,487	19,482,666
Excess (deficit) assets	\$ 30,076,123	\$ 37,151,528	\$ 35,296,964	\$ 28,872,028

CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

DECEMBER 31, 2022

City of Dalton
Pension Trust Fund
Statement of Net Position
December 31, 2022 and 2021

	2022	2021
	Unaudited	Audited
Assets		
Cash and cash equivalents:		
Cash	\$ 706	\$ 14,115
Payment fund	644,175	610,302
Prepaid expense	-	100
Contribution receivable	239,963	-
Investments, at fair value		
MetLife large cap index equity fund	10,386,347	15,963,869
MetLife fixed income - core bond index	29,980,766	36,794,490
MetLife fixed income - Goldman Sachs	9,939,992	11,832,962
Vanguard - 500 index fund	45,030,570	55,009,283
Vanguard - small cap index fund	15,640,128	18,981,860
Vanguard - bond index fund	14,144,821	16,286,237
Total Assets	\$ 126,007,468	\$ 155,493,218
Liabilities		
Accounts payable	2,790	10,452
Total Liabilities	2,790	10,452
Total Net Position	\$ 126,004,678	\$ 155,482,766

City of Dalton
Pension Trust Fund
Statement of Change in Net Position
For the Twelve Months Ended December 31, 2022
With Comparative Amounts for 2021 (Audited)
(Unaudited)

	2022	2021
Additions		
Contributions:		
Employer	\$ 2,600,285	\$ 3,251,149
Plan members	647,018	646,835
Total contributions	3,247,303	3,897,984
Investment income:		
Interest, dividends and realized gains	33,911,959	7,108,671
Net increase (decrease) in fair value investments	(57,962,593)	11,667,399
Total investment income	(24,050,634)	18,776,070
Less: investment expense	166,665	184,613
Net investment income	(24,217,299)	18,591,457
Total Additions	(20,969,996)	22,489,441
Deductions		
Pension benefits	8,464,661	7,845,115
Legal fees	300	550
Fiduciary insurance	651	9,695
Training and education	1,200	1,200
Accounting and audit fees	-	8,000
Actuarial fees	15,200	15,475
Consulting fees	24,480	24,480
Administrative fees	1,500	1,500
Miscellaneous	100	100
Total Deductions	8,508,092	7,906,115
Change in Net Position	(29,478,088)	14,583,326
Net Position Beginning of Year	155,482,766	140,899,440
Net Position End of Period	\$ 126,004,678	\$ 155,482,766

City of Dalton
Pension Trust Fund
Supplemental Schedule
For the Twelve Months Ended December 31, 2022
With Comparative Amounts for 2021 (Audited)
(Unaudited)

	<u>2022</u>	<u>2021</u>
Investment income:		
Interest income:		
City's cash account interest	\$ 1,366	\$ 261
MetLife credited interest	-	33
Payment fund interest	(542)	7
	<u>824</u>	<u>301</u>
Investment income:		
Index equity large cap	204,997	257,931
Fixed Income - core bond index	790,986	702,597
Fixed income - Goldman Sachs	242,301	174,785
Vanguard - 500 index fund	764,765	679,635
Vanguard - small cap index fund	239,704	234,522
Vanguard - bond index fund	352,677	251,668
	<u>2,595,430</u>	<u>2,301,138</u>
Realized gains (losses):		
Index equity large cap	31,106,593	2,460,991
Fixed Income - core bond index	(51,979)	424,010
Fixed income - Goldman Sachs	(472,841)	34,810
Vanguard - 500 index fund	722,543	1,855,596
Vanguard - bond index fund	11,389	31,825
	<u>31,315,705</u>	<u>4,807,232</u>
Total investment income	<u>\$ 33,911,959</u>	<u>\$ 7,108,671</u>
Change in fair value:		
Index equity large cap	(34,076,183)	1,972,177
Fixed Income - core bond index	(5,422,447)	(1,752,492)
Fixed income - Goldman Sachs	(911,027)	(364,092)
Vanguard - 500 index fund	(11,466,019)	9,721,366
Vanguard - small cap index fund	(3,581,435)	2,624,626
Vanguard - bond index fund	(2,505,482)	(534,186)
	<u>\$ (57,962,593)</u>	<u>\$ 11,667,399</u>
Total change in fair value	<u>\$ (57,962,593)</u>	<u>\$ 11,667,399</u>
Investment expense:		
Payment fund		
Risk charges	\$ 9,840	\$ 11,027
Fund charges	59,792	63,443
	<u>69,632</u>	<u>74,470</u>
Investment funds		
Index equity large cap	14,136	16,913
Fixed Income - core bond index	31,191	35,352
Fixed income - Goldman Sachs	51,706	57,878
	<u>97,033</u>	<u>110,143</u>
Total investment expense	<u>\$ 166,665</u>	<u>\$ 184,613</u>

Market Indices Performance
As of November 30, 2022
(%) Returns

	<u>1 Month</u>	<u>Q-T-D</u>	<u>Y-T-D</u>	<u>1 Year</u>	<u>3 Year</u>
<u>Equities</u>					
S&P 500	5.59	14.14	-13.10	-9.22	10.90
Russell 1000 Growth	4.56	10.67	-23.26	-21.65	11.79
Russell 1000 Value	6.25	17.14	-3.65	2.43	8.40
Russell 2000	2.34	13.60	-14.91	-13.02	6.43
MSCI EAFE	11.26	17.25	-14.52	-10.15	1.92
MSCI Emerging Markets	14.83	11.27	-18.95	-17.44	0.14
<u>Fixed Income</u>					
Barclays US Aggregate	3.68	2.33	-12.62	-12.85	-2.59
Barclays Intermediate G/C	2.17	1.72	-8.07	-8.19	-1.16
Barclays 1-3 Year G/C	0.82	0.70	-3.87	-4.02	-0.30
Barclays US Corp High Yield	2.17	4.83	-10.63	-8.96	0.92
90 Day T Bills	0.29	0.54	1.16	1.17	0.64