



**EMPLOYEE PENSION PLAN
TUESDAY, MARCH 25, 2025
3:00 PM
DALTON CITY HALL - COUNCIL CHAMBERS**

A G E N D A

Call To Order

Minutes

- [1.](#) Pension Minutes 01-28-2025

Unfinished Business

- [2.](#) Monthly Performance Report - February 28, 2025
Statement of Investment Policy - January 28, 2025

New Business

- [3.](#) Chuck Carr
- [4.](#) SAS Actuarial Valuation - January 1, 2025

Retirees

- [5.](#) Michael Russell - Fire Department

Invoices

- [6.](#) Southeastern Advisory Services, Inc. - January 2025 Monthly Services
Invoice #255 | \$2,150.00
- [7.](#) Southeastern Advisory Services, Inc. - February 2025 Monthly Services
Invoice #256 | \$2,150.00
- [8.](#) The Minor Firm, LLC- Pension Board Attendance
Invoice #190367 | \$100.00

Reports

- [9.](#) Pension Financial Statements - 01-31-2025
- [10.](#) Market Indices - January 31 and February 28, 2025

Adjournment

THE CITY OF DALTON
EMPLOYEES PENSION PLAN – BOARD OF TRUSTEES
REGULAR MEETING
JANUARY 28, 2024

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. at City Hall. Present for the meeting were Chairman Gary Hill, and Vernon Ray, Mike Sloan, Jerome Key, Mayor Annalee Sams, Council member Dennis Mock and Chairman of the Water, Light & Sinking Fund Commission Joe Yarbrough.

ELECTION OF OFFICERS

On the motion of Mayor Sams, second Council member Mock, the Board elected the following Officers:

Mike Sloan Chairman

Gary Hill Vice Chairman

Jerome Key Secretary

The vote was unanimous in favor.

2025 PENSION MEETING DATES

On the motion of Trustee Yarbrough, second Trustee Ray, the following meeting dates were approved for 2025:

- January 28, 2025
- March 25, 2025
- May 27, 2025
- July 22, 2025
- September 23, 2025
- December 2, 2025

The vote was unanimous in favor.

MINUTES

The Trustees were presented written copies of the minutes of the meeting of December 3, 2024. On the motion of Trustee Hill, second Trustee Ray, the minutes were approved. The vote was unanimous in favor.

QUARTERLY PERFORMANCE REPORT – DECEMBER 31, 2024

Hilda Thompson from SEAS reviewed the Quarterly Performance Report as of December 31, 2024. Thompson stated the Plan ended the year with a Market Value of \$157.7 million and an actuary assumption of 14.1% versus the Plans Actuarial Assumption of 6.75%. Thompson stated it was another great year for the Plan that has seen 6 of the last 7 years with double digit Returns. Thompson further stated that all funds are performing as expected.

ASSET ALLOCATION

Thompson continued stating that it has been such a huge year in equities that its been difficult to monitor the asset allocation. Thompson reported that thru 2024 the Plan is at the maximum on equity allocation and the minimum on the bond allocation. Thompson further stated SEAS recommends a rebalancing and move \$5 million out of equity and put it in fixed income to remain in compliance with the investment policy. Thompson stated this would equate to moving 4 million from large cap and move \$1 million from small cap. Or, Thompson stated, an alternative would be to amended the Investment Policy to increase the equity maximum from 50% to 55% and 25% minimum in fixed income. On the motion of Council member Mock, second Mayor Sams, the Board voted to amended the Investment Policy as stated. The vote was unanimous in favor.

On the motion of Trustee Ray, second Trustee Yarbrough, SEAS report was approved. The vote was unanimous in favor.

RETIREEES

Hunter R. Hall - Dalton Utilities

On the motion of Trustee Hill, second Trustee Ray, the Board ratified payment to Hunter R. Hall - Dalton Utilities 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.

Michael E. Bandy - Dalton Utilities

On the motion of Trustee Hill, second Trustee Ray, the Board ratified payment to Michael E. Bandy - Dalton Utilities 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 Yarbrough, second Trustee Ray, the Board approved the following:

- The Minor Firm, LLC- Pension Board Attendance
Invoice #190123 | \$200.00

The vote was unanimous in favor.

On the motion of Trustee Hill, second Trustee Ray, the Board approved the following:

- Georgia Association of Public Plan Trustees | Membership Renewal
Invoice# 7881 | \$150.00

The vote was unanimous in favor.

INVOICES

Continued

On the motion of Trustee Hill, second Trustee Ray, the Board approved the following:

- Georgia Association of Public Plan Trustees | Online Session Consultation
Invoice# 7882 | \$1,440.00

The vote was unanimous in favor.

On the motion of Trustee Ray, second Trustee Hill, the Board approved the following:

- Southeastern Advisory Services, Inc. – November and December Invoice for Monthly Services
Invoice #253 + #254 | \$2,150.00 each

The vote was unanimous in favor.

REPORTS

Market Indices - November 30 and December 31, 2024

Financial Report FYE 12/31/24

ADJOURNMENT

Chairman Sloan thanked everyone for coming. There being no further business to come before the trustees, the meeting was adjourned at 3:18 p.m.

Mike Sloan, Chairman

ATTEST:

Jerome Key, Secretary

RECORDED

APPROVED



CITY OF DALTON EMPLOYEE'S PENSION PLAN

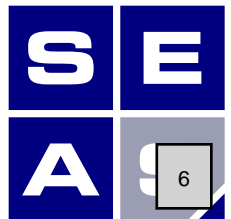
MONTHLY PERFORMANCE REPORT

As of February 28, 2025

Hilda A. Thompson
hthompson@seadvisory.com

Kit Connick
kit@seadvisory.com

Summer Adams
summer@seadvisory.com



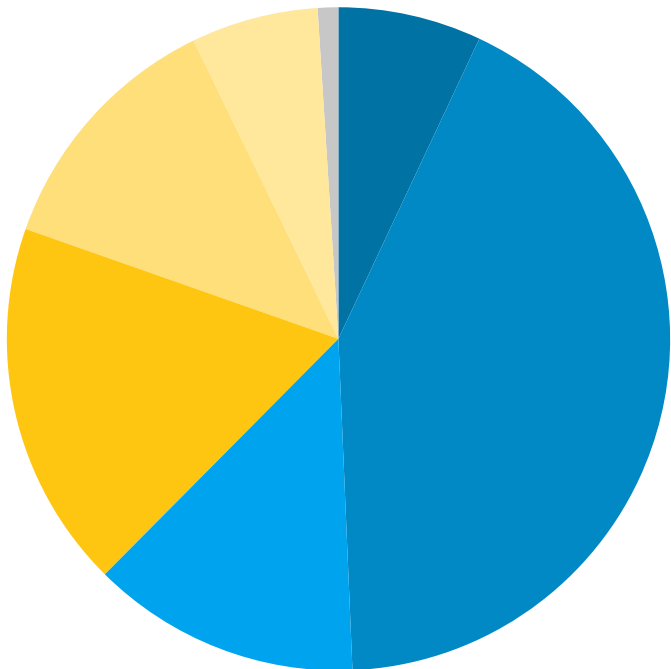
Financial Reconciliation

1 Month Ending February 28, 2025

	Market Value 02/01/2025	Contributions	Distributions	Gain/Loss	Market Value 02/28/2025
MetLife Equity Index	11,514,702	189,823	-424,323	-152,871	11,127,331
Vanguard Inst 500 Index	68,327,992	-	-	-892,605	67,435,387
Total Large Cap Equity	79,842,694	189,823	-424,323	-1,045,475	78,562,718
Vanguard Small-Cap Index	21,943,695	-	-	-1,060,224	20,883,471
Total Small Cap Equity	21,943,695	-	-	-1,060,224	20,883,471
MetLife Core Bond Index Fund	28,131,273	142,367	-319,690	622,865	28,576,815
Vanguard Total Bond Mkt Index	19,391,543	-	-	405,929	19,797,472
Goldman Sachs Fund	9,753,396	47,456	-109,769	171,676	9,862,758
Total Fixed Income	57,276,212	189,823	-429,460	1,200,471	58,237,046
Cash Account	1,595,140	846,395	-845,641	2,641	1,598,536
Total Fund	160,657,740	1,226,041	-1,699,424	-902,587	159,281,770

February 28, 2025 : \$159,281,770.5

	Market Value	Allocation (%)
MetLife Equity Index	\$11,127,331	7.0
Vanguard Inst 500 Index	\$67,435,387	42.3
Vanguard Small-Cap Index	\$20,883,471	13.1
MetLife Core Bond Index Fund	\$28,576,815	17.9
Vanguard Total Bond Mkt Index	\$19,797,472	12.4
Goldman Sachs Fund	\$9,862,758	6.2
Cash Account	\$1,598,536	1.0



	Allocation		Performance (%)							
	Market Value	%	1 Month	Quarter To Date	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
Total Fund	\$159,281,770	100.0	-0.56	1.54	1.54	12.28	6.48	8.51	7.91	7.40
Policy Index			-0.06	1.59	1.59	10.99	5.50	7.70	7.35	6.83
Total Large Cap Equity	\$78,562,718	49.3	-1.31	1.44	1.44	18.39	12.53	16.85	13.75	12.96
S&P 500 Index			-1.30	1.44	1.44	18.41	12.55	16.85	13.77	12.98
MetLife Equity Index	\$11,127,331	7.0	-1.33	1.43	1.43	18.55	12.64	16.97	13.90	13.08
S&P 500 Index			-1.30	1.44	1.44	18.41	12.55	16.85	13.77	12.98
Vanguard Inst 500 Index	\$67,435,387	42.3	-1.31	1.44	1.44	18.36	12.51	16.82	13.67	N/A
S&P 500 Index			-1.30	1.44	1.44	18.41	12.55	16.85	13.77	12.98
Total Small Cap Equity	\$20,883,471	13.1	-4.83	-1.13	-1.13	9.64	5.81	11.51	8.82	8.55
CRSP U.S. Small Cap TR Index			-4.84	-1.13	-1.13	9.61	5.74	11.46	8.77	8.56
Vanguard Small-Cap Index	\$20,883,471	13.1	-4.83	-1.13	-1.13	9.64	5.81	11.51	8.82	N/A
CRSP U.S. Small Cap TR Index			-4.84	-1.13	-1.13	9.61	5.74	11.46	8.77	8.56
Total Fixed Income	\$58,237,046	36.6	2.10	2.70	2.70	5.90	-0.17	-0.29	1.78	1.56
Blmbg. U.S. Aggregate Index			2.20	2.74	2.74	5.81	-0.44	-0.52	1.66	1.51
MetLife Core Bond Index Fund	\$28,576,815	17.9	2.21	2.77	2.77	5.80	-0.41	-0.54	1.66	N/A
Blmbg. U.S. Aggregate Index			2.20	2.74	2.74	5.81	-0.44	-0.52	1.66	1.51
Vanguard Total Bond Mkt Index	\$19,797,472	12.4	2.09	2.75	2.75	5.85	-0.38	-0.50	N/A	N/A
Blmbg. U.S. Aggregate Index			2.20	2.74	2.74	5.81	-0.44	-0.52	1.66	1.51
Goldman Sachs Fund	\$9,862,758	6.2	1.76	2.43	2.43	6.31	0.85	0.77	2.27	N/A
Blmbg. Intermed. U.S. Government/Credit			1.39	1.97	1.97	5.86	1.19	0.68	2.17	1.81
Cash Account	\$1,598,536	1.0	0.17	0.35	0.35	1.47	-0.34	-0.20	-0.04	0.03
90 Day U.S. Treasury Bill			0.32	0.69	0.69	5.09	4.13	2.55	2.42	1.83

Fee Schedule

As of February 28, 2025

	Estimated Annual Fee (%)	Estimated Annual Fee	Market Value As of 02/28/2025	Fee Schedule	Fee Notes
MetLife Equity Index	0.120	\$13,314	\$11,127,331	0.180 % of First \$5 M 0.075 % of Next \$5 M 0.050 % Thereafter	
Vanguard Inst 500 Index	0.035	\$23,602	\$67,435,387	0.035 % of Assets	
Total Large Cap Equity	0.047	\$36,916	\$78,562,718		
Vanguard Small-Cap Index	0.040	\$8,353	\$20,883,471	0.040 % of Assets	
Total Small Cap Equity	0.040	\$8,353	\$20,883,471		
MetLife Core Bond Index Fund	0.097	\$27,861	\$28,576,815	0.100 % of First \$25 M 0.080 % of Next \$25 M 0.060 % Thereafter	
Vanguard Total Bond Mkt Index	0.035	\$6,929	\$19,797,472	0.035 % of Assets	
Goldman Sachs Fund	0.488	\$48,132	\$9,862,758	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	0.142	\$82,923	\$58,237,046		
Cash Account	N/A	-	\$1,598,536		
Total Fund	0.080	\$128,192	\$159,281,770		

- This report was prepared using market index and universe data provided by Investment Metrics PARis, as well as information provided by and received from the client, custodian, and investment managers. Southeastern Advisory Services does not warrant the accuracy of data provided to us by others, although we do take reasonable care to obtain and utilize only reliable information.
- Gross / Net Return Calculations - Southeastern Advisory Services tracks asset management fees and shows an estimate of gross -v- net performance at the total plan level. We also track the management fees of each manager within the plan structure. Consistent with industry standards, our reporting will show individual asset manager performance gross of management fees. In specific cases and on client request, we will break out the net-of-fee performance of individual managers.
- Illiquid and alternative strategies often have delayed reporting, with statements and corresponding valuations lagging by a quarter or more. Clients whose fees are based on a fixed percentage of assets recognize that these valuations may lag and that our fees are based on currently available information.
- Southeastern Advisory Services is a Registered Investment Advisor. We are a completely independent advisor and have taken great care to eliminate any real or even perceived conflicts of interest. We receive fees only from our clients.
- While we are always optimistic, we never guarantee investment results.

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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

City of Dalton Employee's Pension Plan

Statement of Investment Policy

**January 9, 1998
Modified August 10, 2005
Modified September 27, 2016
Modified September 26, 2017
Modified March 22, 2022
Modified January 28, 2025**

Purpose of This Statement

This Statement of Investment Policy ("the Statement") has been established by the Board of Trustees (Board) of the Mayor & Council of the City of Dalton Employee's Pension Plan, to assist the Board as it monitors and evaluates the investment of the assets of the City of Dalton Employee's Pension Plan ("the Plan").

This Statement summarizes the Plan's investment guidelines and objectives. The Statement will be reviewed periodically and changed, as appropriate, to reflect changing capital market conditions, the Plan's actuarial and operational characteristics, and the Board's expectations.

In establishing this Statement, the Board has acted to discharge its fiduciary responsibilities with regard to the Plan solely in the interests of the Plan's participants and beneficiaries. The basic goal underlying the establishment of this Statement is to ensure that the assets of the Plan, in combination with any contributions made to the Plan, will be invested in a prudent manner so that such assets will meet the obligations of the Plan as those obligations come due.

The Board is a fiduciary of the Plan and has the responsibility to control, manage and invest the assets. In this capacity, the Board will have the authority to employ persons to render advice with respect to its responsibilities under the Plan, appoint and discharge investment managers and other advisors, and manage the assets of the Plan.

The Board's responsibilities include but are not limited to:

- Adopting and revising the Plan's Investment Policy Statement.
- Monitoring the investment performance and compliance with this Investment Policy by third parties that have been given investment discretion over the Plan's assets.
- Establishing and periodically reviewing the appropriateness of the Plan's asset allocation policy for participation in and commitment of funds to various asset classes.
- Appointing and reviewing the appointment of advisors such as the Plan's actuary, auditor, and investment consultant.

Risk Posture

The Board has examined the Plan's ability to tolerate risk and willingness to assume volatility of investment returns, and has concluded that the risk posture is moderately conservative. This determination was based on a consideration of:

- The Plan's ratio of assets to liabilities
- The average age of the Plan's participants
- The Plan's actuarial requirements, and
- The Plan's ratios of active employees to retirees

Asset Mix Guidelines

The Board has established the following market value asset mix guidelines to reflect the Plan's risk posture. The Plan's assets will be allocated within these guidelines. The allocation percentages may need to be periodically adapted to reflect the cost/book value of the assets as required by the Georgia State Code Section 47-20-82 c.

Asset Class	Minimum	Target	Maximum
Equities	40%	50%	70%
Domestic-Large Cap	35%	40%	55%
Domestic-Small Cap	5%	10%	20%
Fixed Income	30%	50%	60%
Domestic-Core	25%	37.5%	50%
Intermediate Core	0%	12.5%	20%
Cash Equivalents	0%	0%	5%

Investment Objectives

The Board has developed time-weighted investment return objectives for the overall Plan and for each of the asset classes utilized in the Plan's portfolio. Returns will be provided by the Plan's managers at least quarterly. In conducting the periodic Investment Policy review, as set forth hereinafter, the Board will measure and evaluate such returns over a 3 to 5 year period.

- The Plan's overall returns should meet or exceed the return of a weighted index comprised of the following:

40% S&P 500 Stock Index
10% CRSP Small Cap Index
37.5% Barclays Aggregate Bond Index
12.5% Barclays Intermediate Gov/Credit Index
- Each asset class passive investment should meet the return of its respective index (shown in the prior bullet).
- Each asset class active investment should exceed the return of its respective index (shown in the prior bullet), and rank in the upper half of a broad universe of managers with similar styles and objectives.
- The Plan's overall returns should rank in the upper half of a universe of funds with similar asset mix guidelines and investment objectives.

Investment Guidelines

The following guidelines have been established by the Board to ensure the Plan's assets are managed in a manner consistent with the Plan's risk posture and investment objectives.

Domestic Equities

- Equity issues must be traded on the New York or American Stock Exchanges, on the NASDAQ system, or on any other major exchange.
- Single securities may not comprise more than 5% (measured at market value) of the Plan's equity assets. If this limit is exceeded because of market shifts, the manager has 30 days to bring the portfolio back into compliance.

Domestic Fixed Income

- All issues should be of investment grade quality.
- Average credit quality of the Plan's fixed income assets should be at least A (as measured by S&P or Moody's).

Other

- Derivative investments may not be used.
- The investment manager is restricted from using financial leverage or engaging in short sale techniques.
- International equities may not be utilized.

Exemptions

Although the following vehicles are expected to comply with “the spirit” of this investment policy, they are exempt from the provisions of this policy and as such the prospectus and/or appropriate fund documents will replace this policy as the legal governing document for such funds:

- Mutual funds
- Commingled funds
- Group trusts
- Common trust funds

Investment Policy Review

The Board will review this Statement periodically to ensure it remains consistent with their objectives and the actuarial status of the Plan.

The Plan's investment managers must manage the Plan's assets in accordance with the provisions of this Statement, and with the care, skill and diligence a prudent investment professional would exercise in the investment of those assets. The Plan's investment managers must also manage the Plan's assets in accordance with State of Georgia Code. The Plan's investment managers also should maintain regular communications with the Board regarding the investment of the Plan's assets and the management of the Plan's assets within the guidelines set forth in this Statement. The Board will meet quarterly with the Plan's investment consultant to review the Plan's investment portfolios and performance, and the Board may, at any time, modify this Statement as it deems appropriate.

Mayor and Council of the
City of Dalton
Employees' Pension Plan

Actuarial Valuation
As of January 1, 2025

Determines the Contribution
For the 2026 Fiscal Year



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March 19, 2025

Introduction

This report presents the results of the January 1, 2025 actuarial valuation of the Mayor and Council of the City of Dalton Employees' Pension Plan. This valuation is based upon the participant data and asset information provided as of January 1, 2025 by the City of Dalton and Dalton Utilities. Except for a cursory review for reasonableness, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of January 1, 2025 and to determine the minimum required contribution under Georgia Code Section 47-20-10 for the 2026 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the minimum required contribution rate.

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2026 plan year. The minimum required contribution is \$3,884,335 (or 32.16% of covered payroll), which represents a decrease of \$342,187 (or a decrease of 1.82% of covered payroll) from the prior year.

Table I-C provides a breakdown of the sources of change in the contribution rate. Significantly, the rate decreased by 48.13% of covered payroll due to investment gains, increased by 14.26% of covered payroll due to demographic experience, and increased by another 32.05% of covered payroll due to the retiree COLA that was granted effective January 1, 2025. The market value of assets earned 13.86% during the 2024 plan year, whereas a 6.75% annual investment return was required to maintain a stable contribution rate.



Georgia Code Section 47-20-10 sets forth many of the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the City will meet the minimum funding requirement if the employer contributions are at least equal to the annual required contribution under GASB 25/27. In addition, Georgia Code Section 47-20-13 exempts public plan sponsors from the minimum funding requirements if the plan's actuarial value of assets exceeds 150% of the present value of accumulated retirement system benefits.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$181,199,389 without regard to future administrative expenses after 2026. As illustrated in Table I-A, current assets are sufficient to cover \$157,747,864 of this amount, the employer's 2025 contribution will cover \$4,226,522 of this amount, the employer's 2026 contribution will cover \$3,884,335 of this amount, and future employee contributions will cover \$987,969 of this amount, leaving \$14,352,699 in anticipated overfunding without regard to future administrative expenses after 2026. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.

Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. For example, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term (for example, if the plan provides an actuarial equivalent lump sum payment option and a large number of participants are expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help



the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

Another source of risk is demographic experience. This is the risk that participants will receive salary increases that are different than the amount assumed, that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases, the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

A third source of risk is the risk that the plan sponsor (or other contributing entities) will not make, or will not have the ability to make, the contributions that are required to keep the plan funded at a sufficient level. Material changes in the number of covered employees, covered payroll, and, in some cases, hours worked by active participants can also significantly impact the plan's liabilities and the level of contributions received by the plan.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rates over time. The Trustees have adopted the projected unit credit funding method for this plan. Under this method, the contribution requirement is expected to increase over time as the active participants age.

Contents of the Report

Tables I-D through I-H provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of January 1, 2025, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Certification

This actuarial valuation was prepared by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate and, in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Georgia Code Section 47-20-10. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material change in plan costs or required contribution rates have been taken into account in the valuation.



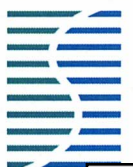
For the firm,

Charles T. Carr

Charles T. Carr
Consulting Actuary
Southern Actuarial Services Company, Inc.

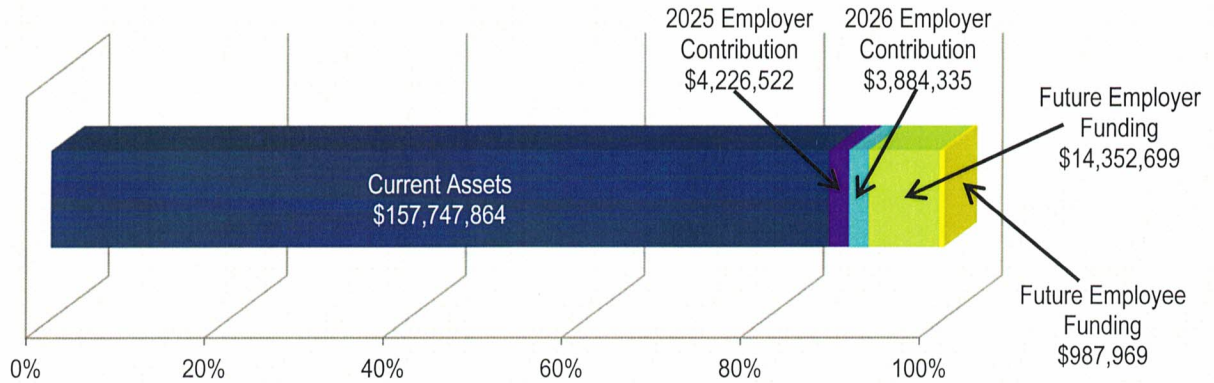
Enrolled Actuary No. 23-04927

The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.



Minimum Required Contribution

Table I-A



For the 2026 Plan Year

Normal Cost for the 2025 Plan Year	\$2,339,512
Unfunded Liability Amortization Payment for the 2025 Plan Year	\$1,943,549
Expense Allowance for the 2025 Plan Year	\$75,000
Expected Employee Contribution for the 2025 Plan Year	(\$582,067)
	<hr/>
	\$3,775,994

Interest Adjustment to Reflect Contributions After January 1, 2025	<hr/>	\$108,341
--	-------	-----------

Required Employer Contribution for the 2026 Plan Year **\$3,884,335**

Exemption Test Under Georgia Code Section 47-20-13

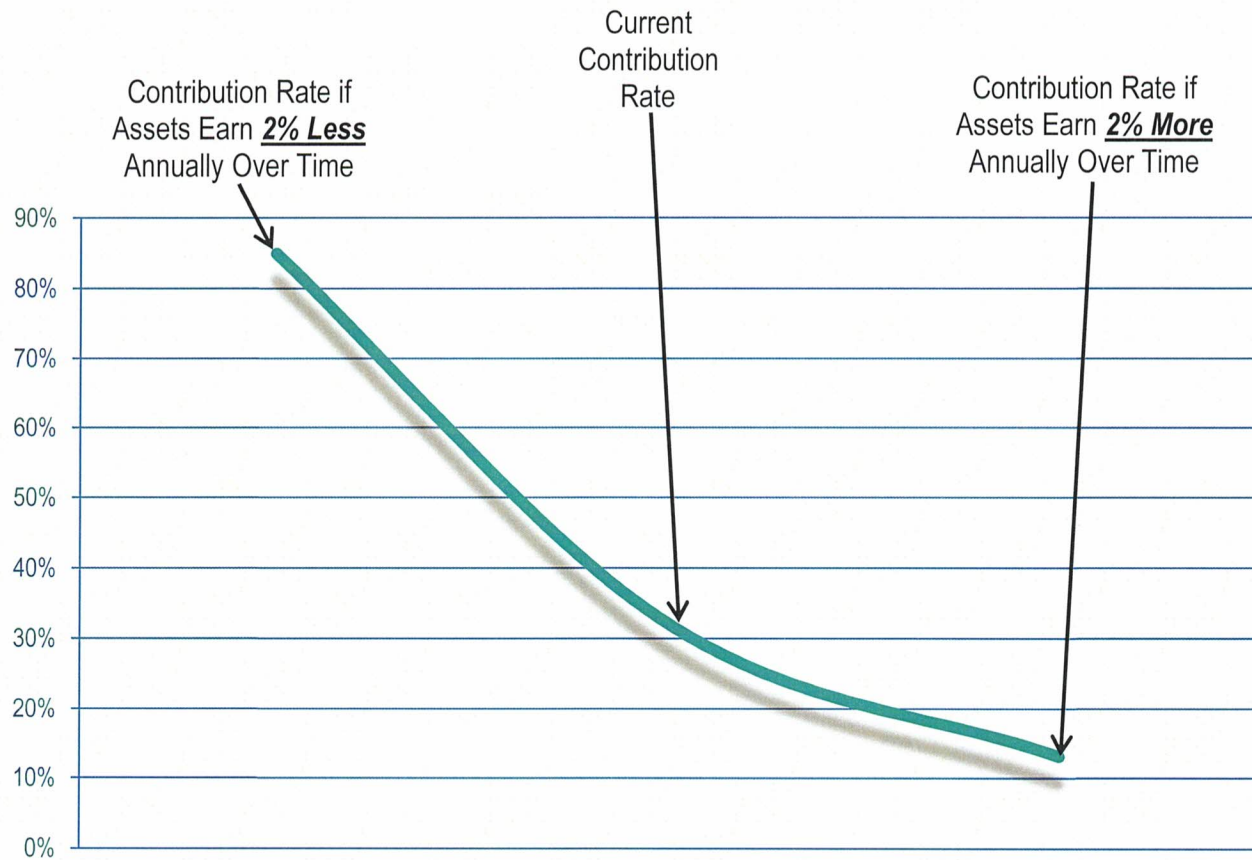
Actuarial Value of Assets	\$157,747,864
Present Value of Accumulated Retirement System Benefits	\$170,381,141
Funded Ratio	92.59%

(If the funded ratio is at least 150%, then the plan is exempt from the State minimum funding standards.)



Sensitivity Analysis

Table I-B



The line above illustrates the sensitivity of the contribution rate to changes in the long-term investment return.



Gain and Loss Analysis

Table I-C

Previous minimum required contribution rate	33.98%
Increase (decrease) due to investment gains and losses	-48.13%
Increase (decrease) due to demographic experience	14.26% *
Increase (decrease) due to plan amendments	32.05%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current minimum required contribution rate	<u>32.16%</u>

* balancing item

Source of Change in the Unfunded Liability

Previous unfunded liability	\$23,783,008
Increase due to interest	\$1,448,787
Decrease due to amortization payments	(\$2,319,502)
Increase (decrease) due to plan experience	(\$8,707,557)
Increase (decrease) due to plan amendments	\$3,834,630
Increase (decrease) due to actuarial assumption changes	\$0
Increase (decrease) due to actuarial method changes	\$0
Current unfunded liability	<u>\$18,039,366</u>



Present Value of Future Benefits

Table I-D

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$68,264,999	\$68,264,999	\$68,264,999
Termination benefits	\$431,706	\$431,706	\$431,706
Disability benefits	\$0	\$0	\$0
Death benefits	\$34,599	\$34,599	\$34,599
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$68,731,304	\$68,731,304	\$68,731,304
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,568,083	\$1,568,083	\$1,568,083
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,568,083	\$1,568,083	\$1,568,083
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$95,466,281	\$101,543,508	\$101,543,508
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$7,751,909	\$8,245,383	\$8,245,383
DROP participants	\$0	\$0	\$0
Sub-total	\$103,218,190	\$109,788,891	\$109,788,891
<u>Grand Total</u>	<u>\$173,517,577</u>	<u>\$180,088,278</u>	<u>\$180,088,278</u>
Present Value of Future Payroll	\$19,759,428	\$19,759,428	\$19,759,428
Present Value of Future Employee Contribs.	\$987,969	\$987,969	\$987,969
Present Value of Future Employer Contribs.	\$15,892,855	\$22,463,556	\$22,463,556



Present Value of Accrued Benefits

Table I-E

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$58,626,198	\$58,626,198	\$58,626,198
Termination benefits	\$367,885	\$367,885	\$367,885
Disability benefits	\$0	\$0	\$0
Death benefits	\$30,084	\$30,084	\$30,084
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$59,024,167	\$59,024,167	\$59,024,167
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,568,083	\$1,568,083	\$1,568,083
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,568,083	\$1,568,083	\$1,568,083
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$95,466,281	\$101,543,508	\$101,543,508
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$7,751,909	\$8,245,383	\$8,245,383
DROP participants	\$0	\$0	\$0
Sub-total	\$103,218,190	\$109,788,891	\$109,788,891
<u>Grand Total</u>	<u>\$163,810,440</u>	<u>\$170,381,141</u>	<u>\$170,381,141</u>

Funded Percentage

96.30%

92.59%

92.59%

(Note: Funded percentage is equal to the ratio of the usable portion of the market value of assets divided by the present value of accrued benefits.)



Present Value of Vested Benefits

Table I-F

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$58,626,198	\$58,626,198	\$58,626,198
Termination benefits	\$367,885	\$367,885	\$367,885
Disability benefits	\$0	\$0	\$0
Death benefits	\$30,084	\$30,084	\$30,084
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$59,024,167	\$59,024,167	\$59,024,167
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,568,083	\$1,568,083	\$1,568,083
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,568,083	\$1,568,083	\$1,568,083
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$95,466,281	\$101,543,508	\$101,543,508
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$7,751,909	\$8,245,383	\$8,245,383
DROP participants	\$0	\$0	\$0
Sub-total	\$103,218,190	\$109,788,891	\$109,788,891
<u>Grand Total</u>	<u>\$163,810,440</u>	<u>\$170,381,141</u>	<u>\$170,381,141</u>



Projected Unit Credit Accrued Liability

Table I-G

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<u>Actively Employed Participants</u>			
Retirement benefits	\$63,991,395	\$63,991,395	\$63,991,395
Termination benefits	\$406,216	\$406,216	\$406,216
Disability benefits	\$0	\$0	\$0
Death benefits	\$32,645	\$32,645	\$32,645
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$64,430,256	\$64,430,256	\$64,430,256
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,568,083	\$1,568,083	\$1,568,083
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,568,083	\$1,568,083	\$1,568,083
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$95,466,281	\$101,543,508	\$101,543,508
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$7,751,909	\$8,245,383	\$8,245,383
DROP participants	\$0	\$0	\$0
Sub-total	\$103,218,190	\$109,788,891	\$109,788,891
<u>Grand Total</u>	<u>\$169,216,529</u>	<u>\$175,787,230</u>	<u>\$175,787,230</u>
less Actuarial Value of Assets	(\$155,011,793)	(\$157,747,864)	(\$157,747,864)
<u>Unfunded Accrued Liability</u>	<u>\$14,204,736</u>	<u>\$18,039,366</u>	<u>\$18,039,366</u>



Projected Unit Credit Normal Cost

Table I-H

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$2,321,605	\$2,321,605	\$2,321,605
Termination benefits	\$16,611	\$16,611	\$16,611
Disability benefits	\$0	\$0	\$0
Death benefits	\$1,296	\$1,296	\$1,296
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,339,512	\$2,339,512	\$2,339,512
<u>Deferred Vested Participants</u>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$0	\$0	\$0
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<u>Grand Total</u>	<u>\$2,339,512</u>	<u>\$2,339,512</u>	<u>\$2,339,512</u>



Unfunded Liability Bases

Table I-I

<u>Description</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Amortization Payment</u>	<u>Years Rem.</u>
	Total	\$18,039,366	\$1,943,549	
1/1/2023 Fresh Start UAAL	\$33,848,895	\$31,528,366	\$3,191,742	15
2023 Experience Gain	(\$8,943,503)	(\$8,616,073)	(\$872,240)	15
1/1/2025 Retiree COLA	\$3,834,630	\$3,834,630	\$505,548	10
2024 Experience Gain	(\$8,707,557)	(\$8,707,557)	(\$881,501)	15



Actuarial Value of Assets

Table II-A

Market Value of Assets as of January 1, 2025 \$157,747,864

Minus advance employer contributions \$0

Actuarial Value of Assets as of January 1, 2025 \$157,747,864

Historical Actuarial Value of Assets

January 1, 2016	\$84,855,903
January 1, 2017	\$91,950,265
January 1, 2018	\$104,453,266
January 1, 2019	\$101,903,850
January 1, 2020	\$122,508,482
January 1, 2021	\$140,899,437
January 1, 2022	\$155,482,766
January 1, 2023	\$125,998,147
January 1, 2024	\$138,994,823
January 1, 2025	\$157,747,864

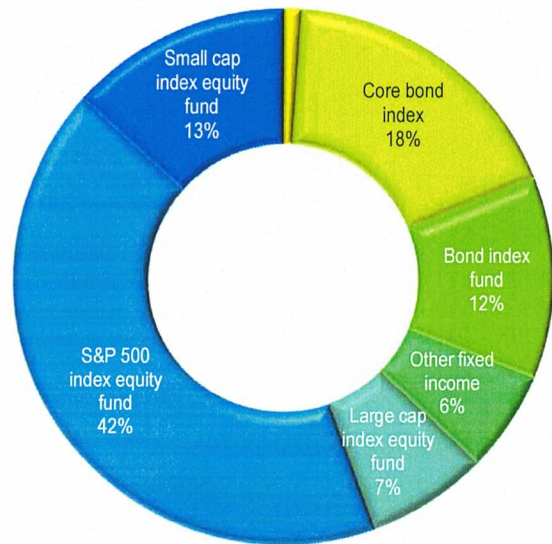


Market Value of Assets

Table II-B

As of January 1, 2025

Market Value of Assets	<u>\$157,747,864</u>
Cash and cash equivalents	\$1,603,710
Core bond index	\$28,133,742
Bond index fund	\$19,267,387
Other fixed income	\$9,744,248
Large cap index equity fund	\$11,399,258
S&P 500 index equity fund	\$66,480,314
Small cap index equity fund	\$21,121,930
Accounts payable	(\$2,725)

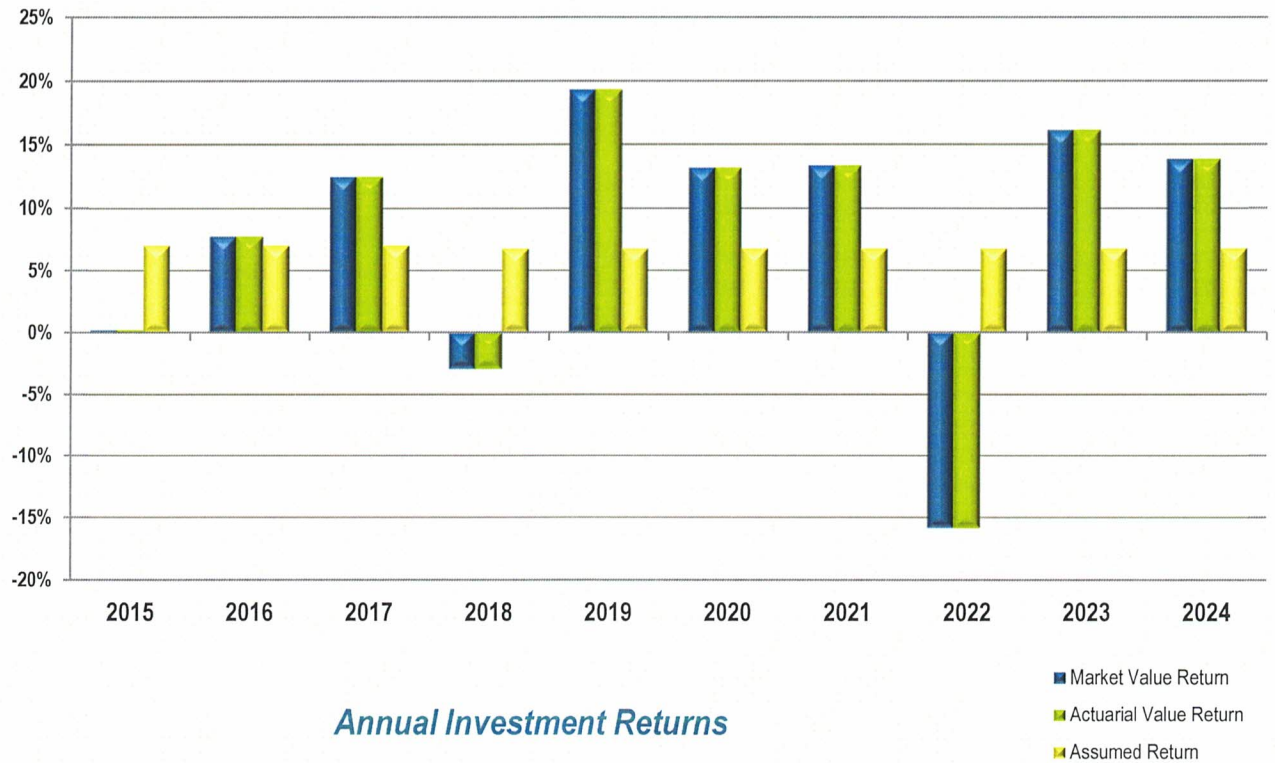
**Historical Market Value of Assets**

January 1, 2016	\$84,855,903
January 1, 2017	\$92,134,902
January 1, 2018	\$104,453,266
January 1, 2019	\$101,903,850
January 1, 2020	\$122,508,482
January 1, 2021	\$140,899,437
January 1, 2022	\$155,482,766
January 1, 2023	\$125,998,147
January 1, 2024	\$138,994,823
January 1, 2025	\$157,747,864



Investment Return

Table II-C

*Annual Investment Returns*

Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2015	0.23%	0.23%	7.00%
2016	7.77%	7.77%	7.00%
2017	12.49%	12.51%	7.00%
2018	-2.92%	-2.92%	6.75%
2019	19.33%	19.33%	6.75%
2020	13.21%	13.21%	6.75%
2021	13.39%	13.39%	6.75%
2022	-15.84%	-15.84%	6.75%
2023	16.14%	16.14%	6.75%
2024	13.86%	13.86%	6.75%
10yr. Avg.	7.24%	7.24%	6.82%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of January 1, 2024	\$138,994,823	\$138,994,823
<i>Increases Due To:</i>		
Employer Contributions	\$8,218,086	\$8,218,086
Employee Contributions	\$593,940	\$593,940
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$8,812,026</u>	<u>\$8,812,026</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$1,469,012	
Unrealized Gains (Losses)	<u>\$17,913,193</u>	
Total Investment Income	\$19,382,205	\$19,232,475
Other Income	\$0	
Total Income	<u>\$28,194,231</u>	<u>\$28,044,501</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$9,241,439)	(\$9,241,439)
Refund of Employee Contributions	\$0	\$0
Total Benefit Payments	<u>(\$9,241,439)</u>	<u>(\$9,241,439)</u>
Investment Expenses	(\$149,730)	
Administrative Expenses	(\$50,021)	(\$50,021)
Advance Employer Contribution		\$0
Total Expenses	<u>(\$9,441,190)</u>	<u>(\$9,291,460)</u>
As of January 1, 2025	<u><u>\$157,747,864</u></u>	<u><u>\$157,747,864</u></u>



Historical Trust Fund Detail

Table II-E

Income

Plan	Employer	Employee	Service		Realized	Unrealized	
<u>Year</u>	<u>Contribs.</u>	<u>Contribs.</u>	<u>Purchase</u>	<u>Interest /</u>	<u>Gains /</u>	<u>Gains /</u>	<u>Other</u>
			<u>Contribs.</u>	<u>Dividends</u>	<u>Losses</u>	<u>Losses</u>	<u>Income</u>
2015	\$7,099,693	\$784,870	\$0	\$1,166,608	\$3,496,413	-\$4,313,054	\$602
2016	\$6,841,734	\$769,248	\$0	\$0	\$4,321,811	\$2,492,238	\$9,853
2017	\$7,225,029	\$727,343	\$0	\$0	\$3,994,252	\$7,749,037	\$0
2018	\$7,311,443	\$688,300	\$0	\$0	\$3,421,230	-\$6,300,899	\$0
2019	\$7,728,729	\$663,908	\$0	\$0	\$4,121,853	\$15,839,031	\$0
2020	\$9,130,197	\$677,164	\$0	\$0	\$5,561,843	\$10,950,286	\$0
2021	\$3,251,149	\$646,835	\$0	\$0	\$7,108,674	\$11,667,399	\$0
2022	\$2,600,285	\$647,018	\$0	\$0	\$33,911,051	-\$57,962,592	\$0
2023	\$1,651,195	\$608,829	\$0	\$0	\$3,705,031	\$16,231,176	\$0
2024	\$8,218,086	\$593,940	\$0	\$0	\$1,469,012	\$17,913,193	\$0

Expenses

Plan	Benefit	Admin.	Invest.
<u>Year</u>	<u>Payments</u>	<u>Expenses</u>	<u>Expenses</u>
2015	\$6,513,876	\$61,983	\$158,113
2016	\$6,904,592	\$42,900	\$208,393
2017	\$7,133,475	\$59,239	\$184,583
2018	\$7,440,532	\$50,901	\$178,057
2019	\$7,499,751	\$70,763	\$178,375
2020	\$7,662,936	\$79,278	\$186,321
2021	\$7,845,115	\$61,000	\$184,613
2022	\$8,464,660	\$49,056	\$166,665
2023	\$8,994,541	\$51,592	\$153,422
2024	\$9,241,439	\$50,021	\$149,730

Other Actuarial Adjustments

Advance
Employer
<u>Contribs.</u>
\$0
\$184,627
-\$184,627
\$0
\$0
\$0
\$0
\$0
\$0
\$0

Note: Realized gains and losses include interest and dividends after 2015.



Other Reconciliations

Table II-F

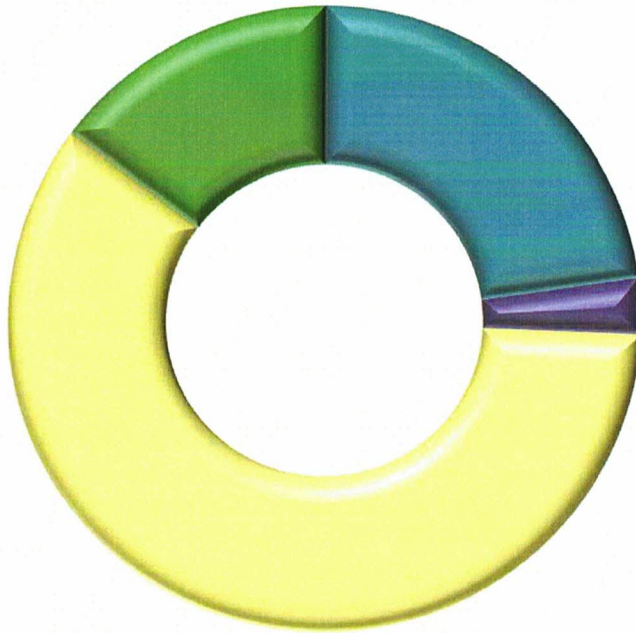
Advance Employer Contribution

Advance Employer Contribution as of January 1, 2024	\$0
Additional Employer Contribution	\$8,218,086
Minimum Required Contribution	(\$5,482,015)
Additional Contribution for the Retiree COLA	(\$2,736,071)
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of January 1, 2025	\$0



Summary of Participant Data

Table III-A

As of January 1, 2025**Participant Distribution by Status**Actively Employed Participants

Active Participants	125
DROP Participants	0

Inactive Participants

Deferred Vested Participants	16
Due a Refund of Contributions	0
Deferred Beneficiaries	0

Participants Receiving a Benefit

Service Retirements	327
Disability Retirements	0
Beneficiaries Receiving	81

Total Participants 549Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
January 1, 2016	268	0	12	346	626
January 1, 2017	249	0	14	357	620
January 1, 2018	227	0	16	364	607
January 1, 2019	211	0	18	355	584
January 1, 2020	198	0	19	368	585
January 1, 2021	188	0	18	373	579
January 1, 2022	178	0	18	371	567
January 1, 2023	158	0	19	382	559
January 1, 2024	140	0	17	394	551
January 1, 2025	125	0	16	408	549



Data Reconciliation

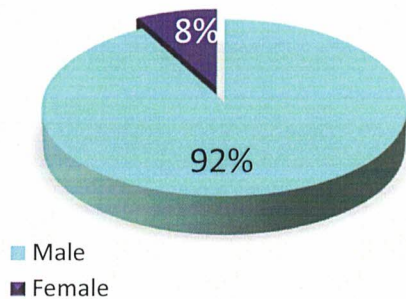
Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>January 1, 2024</u>	140	0	17	0	0	320	0	74	551
<u>Change in Status</u>									
Re-employed									
Terminated									
Retired	(14)		(1)			15			
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died	(1)					(8)		(3)	(12)
<u>Participation Began</u>									
Newly Hired									
Transferred In									
New Beneficiary								10	10
<u>Other Adjustment</u>									
<u>January 1, 2025</u>	125	0	16	0	0	327	0	81	549



Active Participant Data

Table III-C

Gender Mix**As of January 1, 2025**

Average Age	52.4 years
Average Service	26.5 years
Total Annualized Compensation for the Prior Year	\$11,274,906
Total Expected Compensation for the Current Year	\$11,641,340
Average Increase in Compensation for the Prior Year	8.71%
Expected Increase in Compensation for the Current Year	3.75%

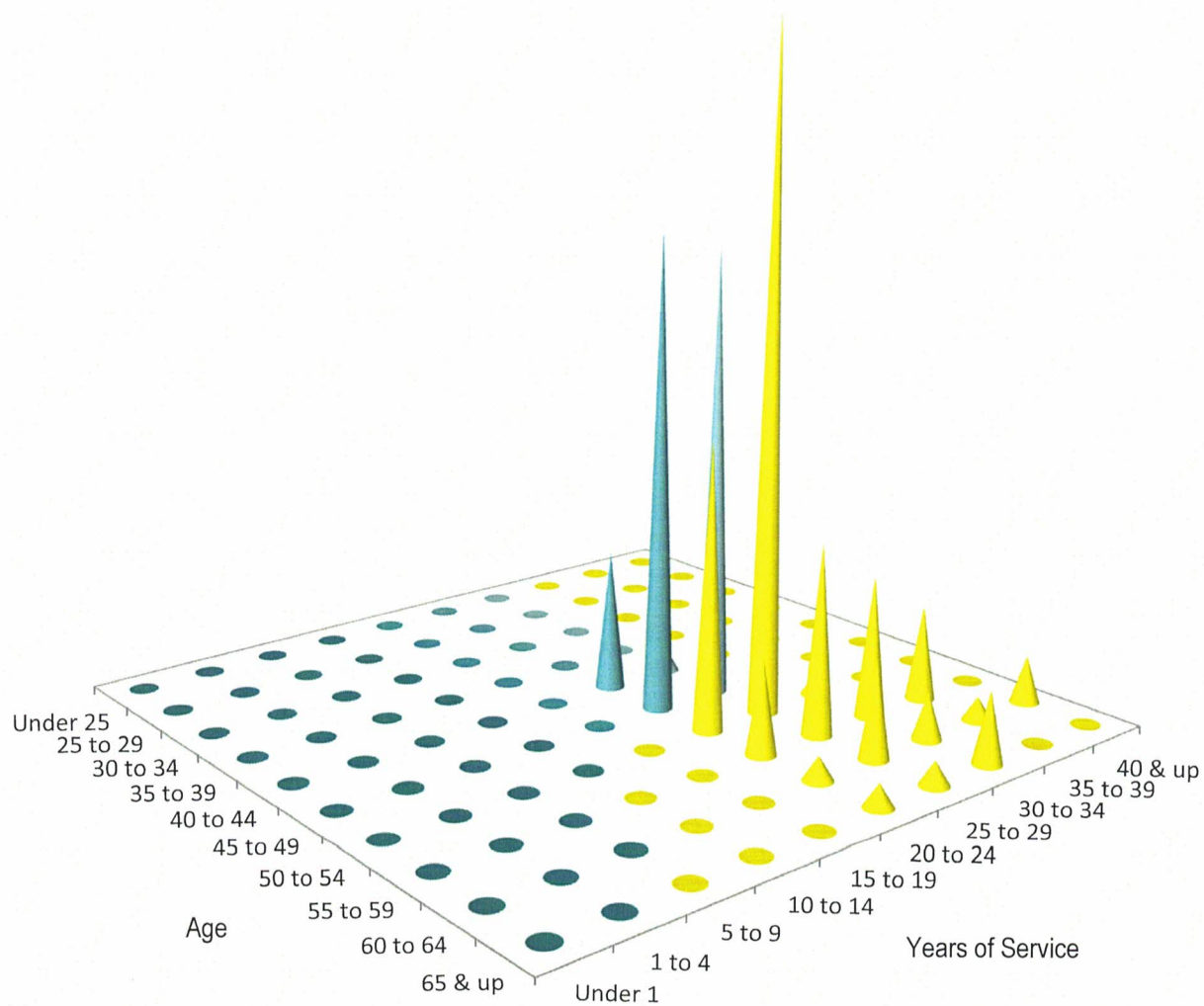
Actual vs. Expected Salary Increases**Active Participant Statistics From Prior Valuations**




	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
January 1, 2016	48.3	19.5	\$56,533	4.00%	3.21%
January 1, 2017	49.1	20.3	\$58,362	4.00%	3.33%
January 1, 2018	49.2	20.9	\$60,121	4.00%	3.20%
January 1, 2019	49.8	21.6	\$62,990	3.75%	3.81%
January 1, 2020	50.4	22.3	\$65,080	3.75%	2.52%
January 1, 2021	50.9	23.1	\$70,788	3.75%	10.06%
January 1, 2022	51.6	23.9	\$70,903	3.75%	-0.17%
January 1, 2023	51.7	24.6	\$77,633	3.75%	9.62%
January 1, 2024	51.9	25.7	\$82,926	3.75%	4.75%
January 1, 2025	52.4	26.5	\$90,199	3.75%	8.71%



Active Age-Service Distribution

Table III-D



-  *Eligible to retire*
-  *May be eligible to retire*
-  *Not eligible to retire*



Active Age-Service-Salary Table

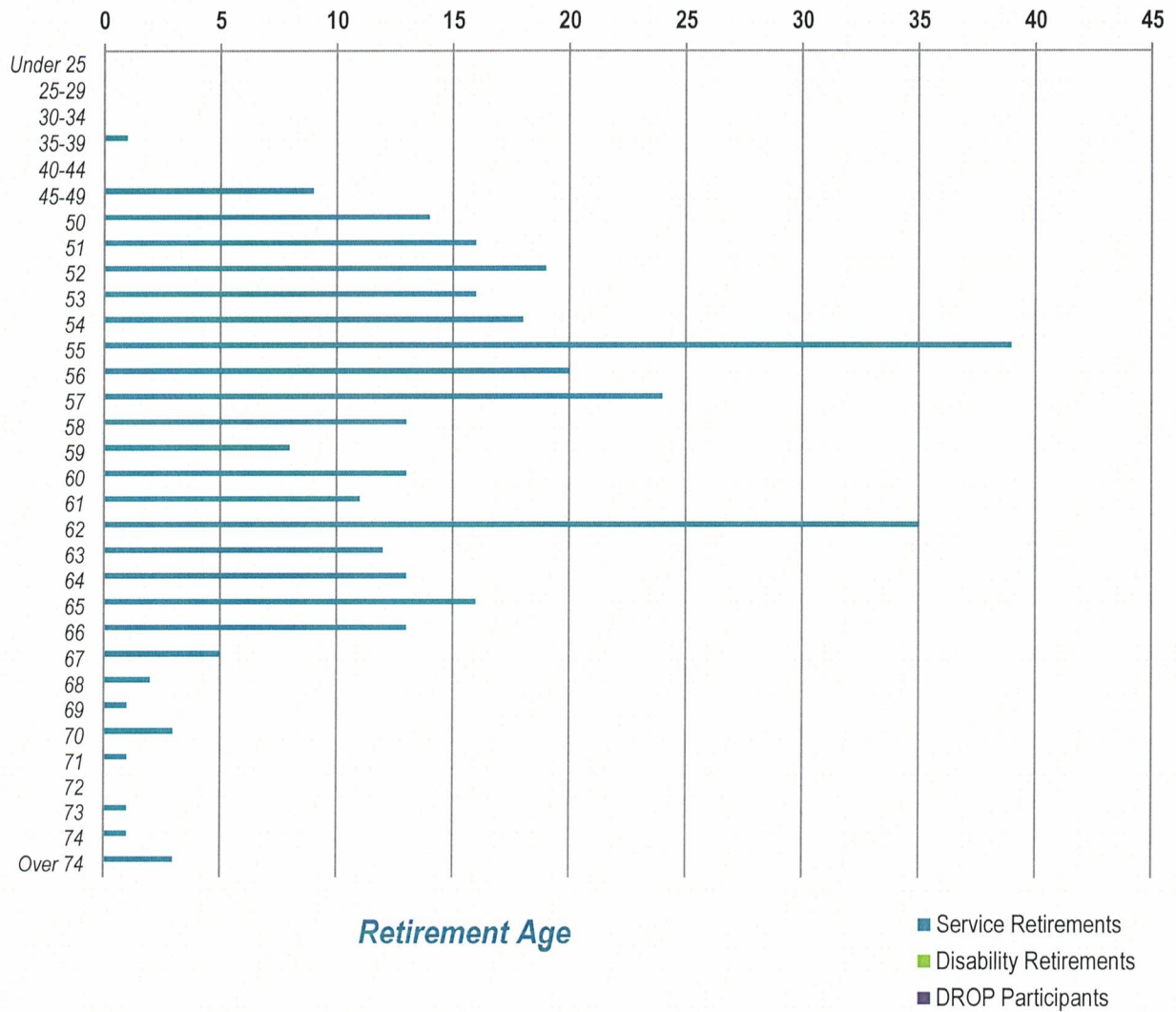
Table III-E

Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	6	1	0	0	0	7
Avg.Pay	0	0	0	0	0	76,844	66,604	0	0	0	75,381
45 to 49	0	0	0	0	0	20	19	1	0	0	40
Avg.Pay	0	0	0	0	0	90,866	83,271	60,031	0	0	86,488
50 to 54	0	0	0	0	0	12	28	1	0	0	41
Avg.Pay	0	0	0	0	0	74,393	102,647	150,447	0	0	95,544
55 to 59	0	0	0	0	0	4	8	6	4	0	22
Avg.Pay	0	0	0	0	0	65,736	63,816	133,667	120,234	0	93,473
60 to 64	0	0	0	0	0	1	4	2	1	2	10
Avg.Pay	0	0	0	0	0	90,231	95,830	96,086	101,288	98,368	96,375
65 & up	0	0	0	0	0	1	1	3	0	0	5
Avg.Pay	0	0	0	0	0	48,331	63,239	79,570	0	0	70,056
Total	0	0	0	0	0	44	61	13	5	2	125
Avg.Pay	0	0	0	0	0	81,196	89,836	111,028	116,445	98,368	90,199



Inactive Participant Data

Table III-F

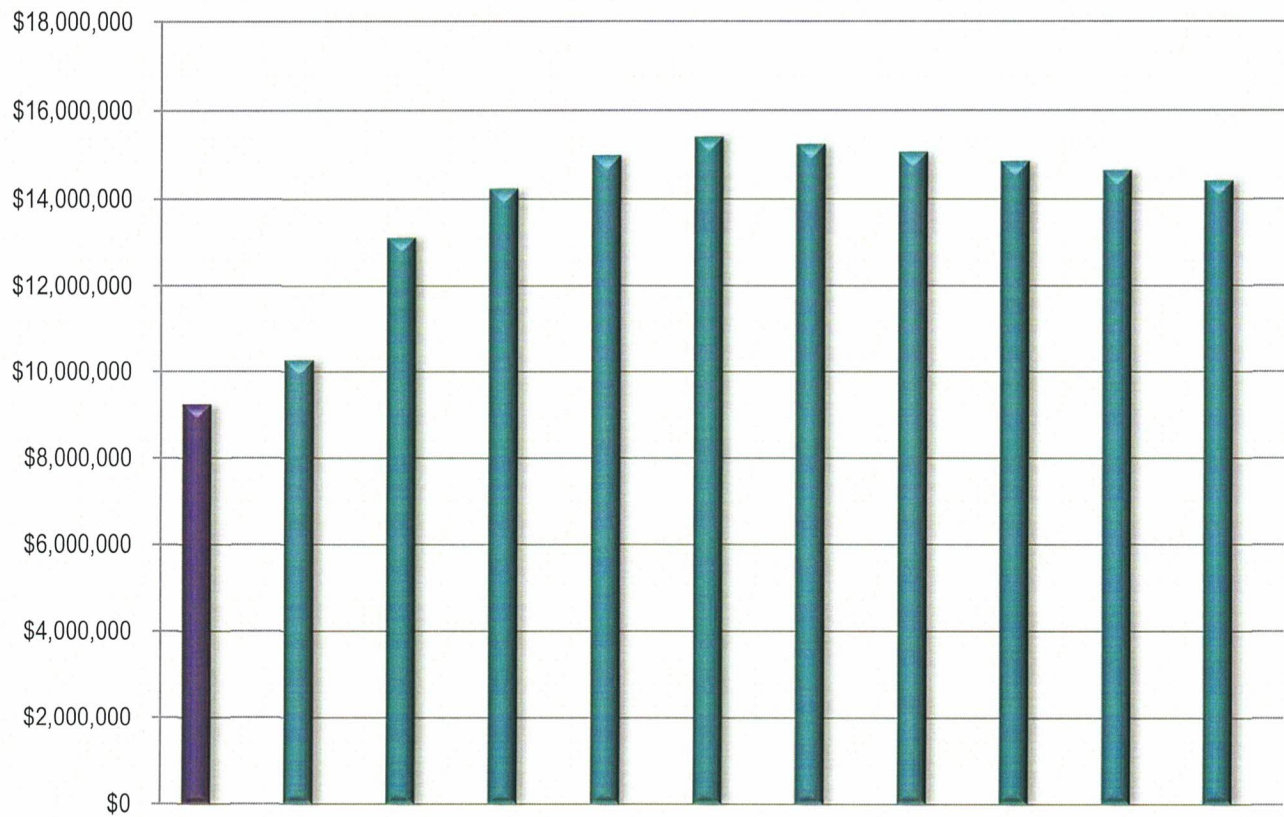
Average Monthly Benefit

Service Retirements	\$2,328.82
Disability Retirements	Not applicable
Beneficiaries Receiving	\$1,029.66
DROP Participants	Not applicable
Deferred Vested Participants	\$1,549.99
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G

Actual

For the period January 1, 2024 through December 31, 2024

\$9,241,439

Projected

For the period January 1, 2025 through December 31, 2025

\$10,274,210

For the period January 1, 2026 through December 31, 2026

\$13,123,126

For the period January 1, 2027 through December 31, 2027

\$14,239,868

For the period January 1, 2028 through December 31, 2028

\$14,988,062

For the period January 1, 2029 through December 31, 2029

\$15,409,579

For the period January 1, 2030 through December 31, 2030

\$15,242,487

For the period January 1, 2031 through December 31, 2031

\$15,058,489

For the period January 1, 2032 through December 31, 2032

\$14,863,102

For the period January 1, 2033 through December 31, 2033

\$14,649,207

For the period January 1, 2034 through December 31, 2034

\$14,425,833



Summary of Actuarial Methods and Assumptions

Table IV-A

NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.

1. **Actuarial Cost Method**

Projected unit credit cost method. Under this actuarial cost method, the actuarial accrued liability is equal to the accumulated benefits earned to the valuation date for all participants, but adjusted to reflect expected increases in each participant's final average compensation. The normal cost is equal to one additional year's benefit accrual for all active participants on the same basis.

2. **Amortization Method**

The unfunded actuarial accrued liability is amortized over a 20-year period from January 1, 2020 with level-dollar payments, except that the increase in the unfunded actuarial accrued liability attributable to the January 1, 2025 retiree COLA is amortized over a 10-year period from January 1, 2025 with level-dollar payments.

3. **Asset Method**

The actuarial value of assets is equal to the market value of assets.

4. **Interest (or Discount) Rate**

6.75% per annum

5. **Salary Increases**

Plan compensation is assumed to increase at the rate of 3.25% per annum, unless actual plan compensation is known for a prior plan year.

6. **Decrement**

- Pre-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2020
- Post-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2020
- Disabled mortality: Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2020



Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

- **Disability:** Rates of disability increase with age up to age 60; sample rates for males include a 0.04% probability of disability at age 20, a 0.10% probability of disability at age 30, a 0.23% probability of disability at age 40, a 0.64% probability of disability at age 50, and a 2.24% probability of disability at age 65; sample rates for females include a 0.02% probability of disability at age 20, a 0.07% probability of disability at age 30, a 0.18% probability of disability at age 40, a 0.50% probability of disability at age 50, and a 1.27% probability of disability at age 65.
- **Termination:** Rates of employment termination decrease with age up to age 55; sample rates include a 23.00% probability of termination at age 20, a 23.00% probability of termination at age 25, a 20.50% probability of termination at age 30, an 11.50% probability of termination at age 35, a 6.50% probability of termination at age 40, a 5.50% probability of termination at age 45, a 5.00% probability of termination at age 50, and a 4.00% probability of termination at age 55.
- **Retirement:** Employees are assumed to retire at the earliest of the following ages: (i) any age upon the completion of 30 years of service; (ii) age 55 upon the completion of 25 years of service; or (iii) age 65 upon the completion of five years of service.

No decrements are assumed to occur during the first year immediately following the valuation date.

7. Contingent Annuitants

80% of male participants and 60% of female participants are assumed to have a surviving spouse of the opposite gender; males are assumed to be three years older than females for this purpose.

8. Expenses

Administrative expenses of \$75,000 per year have been assumed. In addition, the interest rate set forth in item 4. above is assumed to be net of investment expenses and commissions.

9. Data-Related Assumptions

For active employees, service is assumed to be based on the period following their date of hire. No active employees are assumed to have incurred any breaks in their service, to have purchased additional service credit, or to have elected the special \$100 monthly pension described in plan section 3.03.



Changes in Actuarial Methods and Assumptions

Table IV-B

No assumptions or methods were changed since the completion of the previous valuation.

The following additional assumption and method changes were made during the past several years:

- (1) Effective January 1, 2022, the mortality improvement scale was updated from Scale MP-2017 to Scale MP-2020.*
- (2) Effective January 1, 2022, assumed administrative expenses were increased from \$50,000 per year to \$75,000 per year.*
- (3) Effective January 1, 2020, the mortality basis was changed from the RP-2000 Combined Mortality Table with full generational improvements in mortality using Scale AA to the PUB-2010 Mortality Table for general employees with full generational improvements in mortality using Scale MP-2017.*
- (4) Effective January 1, 2020, the amortization period was extended from 10 years to 20 years.*
- (5) Effective January 1, 2018, the assumed interest (or discount) rate was decreased from 7.00% per annum to 6.75% per annum.*
- (6) Effective January 1, 2018, the assumed increase in future salaries was decreased from 4.00% per year to 3.25% per year.*
- (7) Effective January 1, 2018, the mortality basis was changed from a 2015 projection of the RP-2000 Mortality Table to the RP-2000 Combined Mortality Table with full generational improvements in mortality using Scale AA.*



Summary of Plan Provisions

Table V-A

1. **Monthly Accrued Benefit**

1.80% of Average Monthly Compensation multiplied by Years of Service (§1.21)

2. **Normal Retirement Age and Benefit**

- **Age**

Earliest of: (i) any age with at least 30 Years of Service;
(ii) age 55 with at least 25 Years of Service; or
(iii) age 65 with at least five Years of Service (§3.01)

- **Amount**

Monthly Accrued Benefit (§3.01)

- **Form of Payment**

10-year certain and life annuity, with a 55% survivor annuity payable to the participant's eligible spouse after the expiration of the certain period; for this purpose, an eligible spouse is one to which the participant has been married for at least one year. (§§3.02 and 6.01)

3. **Early Retirement Age and Benefit**

- **Age**

Earlier of: (i) age 50 with at least 15 Years of Service, or
(ii) age 55 with at least 10 Years of Service (§4.01)

- **Amount**

Monthly Accrued Benefit (*payable at Normal Retirement Age*); or
Monthly Accrued Benefit reduced by 0.5% for each month by which the participant's Early Retirement Age precedes his Normal Retirement Age (*payable at Early Retirement Age*)
(§§1.01 and 4.02)

- **Form of Payment**

Same as for Normal Retirement (§4.02)

4. **Delayed Retirement Age and Benefit**

- **Age**

After Normal Retirement Age

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Same as for Normal Retirement

(§3)



Summary of Plan Provisions

Table V-A

(continued)

5. Deferred Vested Benefit

- **Age**
Any age with at least 10 Years of Service
- **Amount**
Monthly Accrued Benefit (*payable at age 65*); or
Monthly Accrued Benefit reduced by 0.5% for each month by which the participant's retirement age precedes age 65 (*payable as early as age 55*)
- **Form of Payment**
10-year certain and life annuity
(§8.02)

6. Disability Benefit

None

7. Pre-Retirement Death Benefit

For participants who die prior to retirement and who are eligible for Early or Normal Retirement:

10-year certain annuity, plus a 55% survivor annuity payable to the participant's eligible spouse after the expiration of the certain period; for this purpose, an eligible spouse is one to which the participant has been married for at least one year. (§5.02)

For all other participants who die prior to retirement:

None

8. Average Monthly Compensation

The participant's Average Monthly Compensation is equal to the average of the participant's highest 36 consecutive "basic monthly earnings" during his last 120 months of employment; "basic monthly earnings" are equal to total compensation for a calendar year, excluding lump sum payments for severance and unused sick and vacation leave, and are deemed to be earned uniformly throughout each calendar year; annual compensation is limited to \$200,000 per year (as indexed) pursuant to Internal Revenue Code (IRC) section 401(a)(17). (§§1.02 and 1.15)



Summary of Plan Provisions

Table V-A

(continued)

9. Employee Contribution

Effective January 1, 2008, all participating employees are required to contribute 5% of their pensionable earnings to the plan. Prior to January 1, 2008, the employee contribution rate was 5% for the period through December 31, 1984 and 4% for the period January 1, 1985 through December 31, 2007. (§9.03)

A participant who terminates his employment for any reason (or his eligible beneficiary) and who is not otherwise entitled to a monthly benefit will receive a refund of his Employee Contributions accumulated with interest at the rate of 3% per annum beginning as of the end of the year during which the contribution is made. All other participants may optionally choose to receive a refund of their Employee Contributions accumulated with interest in lieu of receiving any additional benefits under the plan. (§§1.19, 8.01, and 8.02)

10. Years of Service

Years of Service are equal to the years and months of covered employment, where a month of service is granted for each calendar month during which the individual works in covered employment for all or a portion of that month. (§§1.09 and 1.17)

11. Participation Requirement

All full-time employees of a participating employer who were hired prior to July 1, 2002 are eligible to participate in the plan after completing six months of service as a covered employee, except that the Mayor, Councilmen, Commissioners, and Authority Members are not eligible to participate in the plan. Participating employers include: (i) the City of Dalton and the Public Safety Commission, the Water, Light and Sinking Fund Commission, and the Recreation Commission of the City; (ii) the Northwest Georgia Trade and Convention Center Authority; (iii) the Dalton-Whitfield Convention Visitors Bureau; and (iv) the Dalton-Whitfield Regional Solid Waste Management Authority. (§§1.12, 1.13, 2.03, and 2.08)

12. Original Effective Date

January 1, 1967; the current plan was effective on July 1, 1982. (§1.10)



Summary of Plan Amendments

Table V-B

No plan amendments were adopted since the completion of the previous valuation, other than the January 1, 2025 retiree COLA.





SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor

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

DATE: February 3, 2025
INVOICE # 255
FOR: Jan-25

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 January 2025	\$2,150.00
Annual fee of \$25,800/yr per contract ($\$25,800/12 = \$2,150$)	
TOTAL	\$2,150.00

Please pay by ACH transfer:

Regions Bank
ABA# 063104668
AC# 0350538047

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

Thank you for your business!



SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor

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

DATE: March 3, 2025
INVOICE # 256
FOR: Feb-25

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 February 2025 Annual fee of \$25,800/yr per contract ($\$25,800/12 = \$2,150$)	\$2,150.00
TOTAL	\$2,150.00

Please pay by ACH transfer:

Regions Bank

ABA# 063104668

AC# 0350538047

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

Thank you for your business!

The Minor Firm, LLC

745 College Drive
Suite B
DALTON, GA 30720

Bill To:

City of Dalton - Human Resources
P.O. Box 1205
Dalton, GA 30722-1205

INVOICE

Date 02/06/2025

Invoice #: 190367

Matter: Pension Board Matters

File #: 19908.0003

Due Date: Upon Receipt

Payments received after 02/06/2025 are not reflected in this statement.

Professional Services

Date	Details	Hours	Rate	Amount
01/28/2025	JLB Attendance at pension board meeting.	0.40	\$250.00	\$100.00
For professional services rendered		0.40		\$100.00

Invoice Amount \$100.00

Balance Due \$100.00

Payments are now accepted by credit card through our website at <https://www.minorfirm.com/payments>.

Retainer Balance (as of 02/06/2025) \$0.00

Transactions since last invoice

Date	Ref#	Account	Payee	Deposit	Withdrawal
01/17/2025		Operating Acct	City of Dalton	\$200.00	

CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

JANUARY 31, 2025

City of Dalton
Pension Trust Fund
Statement of Net Position
January 31, 2025 and 2024
(Unaudited)

	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents:		
Cash	\$ 8,364	\$ 10,520
Payment fund	1,595,140	482,341
Investments, at fair value		
MetLife large cap index equity fund	11,514,702	9,540,678
MetLife fixed income - core bond index	28,131,272	28,916,572
MetLife fixed income - Goldman Sachs	9,753,396	9,601,690
Vanguard - 500 index fund	68,327,991	57,802,265
Vanguard - small cap index fund	21,943,695	18,003,292
Vanguard - bond index fund	19,391,543	14,919,805
Total Assets	<u>\$ 160,666,103</u>	<u>\$ 139,277,163</u>
 Liabilities		
Accounts payable	<u>2,650</u>	<u>2,725</u>
Total Liabilities	<u>2,650</u>	<u>2,725</u>
 Total Net Position	<u><u>\$ 160,663,453</u></u>	<u><u>\$ 139,274,438</u></u>

City of Dalton
Pension Trust Fund
Statement of Change in Net Position
For the One Month Ended January 31, 2025
With Comparative Amounts for 2024
(Unaudited)

	2025	2024
Additions		
Contributions:		
Employer	\$ 395,854	\$ 455,282
Plan members	50,751	54,201
Total contributions	<u>446,605</u>	<u>509,483</u>
Investment income:		
Interest, dividends and realized gains	(29,046)	(152,933)
Net increase (decrease) in fair value investments	<u>3,360,030</u>	<u>683,166</u>
Total investment income	3,330,984	530,233
Less: investment expense	<u>12,573</u>	<u>12,523</u>
Net investment income	<u>3,318,411</u>	<u>517,710</u>
Total Additions	<u>3,765,016</u>	<u>1,027,193</u>
Deductions		
Pension benefits	845,561	743,646
Training and education	1,440	1,440
Consulting fees	2,150	2,150
Legal fees	-	75
Administrative fees	125	125
Dues and fees	<u>150</u>	<u>150</u>
Total Deductions	<u>849,426</u>	<u>747,586</u>
Change in Net Position	2,915,590	279,607
Net Position Beginning of Year	157,747,863	138,994,831
Net Position End of Period	<u>\$ 160,663,453</u>	<u>\$ 139,274,438</u>

City of Dalton
Pension Trust Fund
Supplemental Schedule
For the One Month Ended January 31, 2025
With Comparative Amounts for 2024
(Unaudited)

	2025	2024
Investment income:		
Interest income:		
City's cash account interest	\$ 25	\$ 20
Payment fund interest	2,910	(1,084)
	<u>2,935</u>	<u>(1,064)</u>
Investment income:		
Index equity large cap	9,993	8,776
Fixed Income - core bond index	85,177	78,822
Fixed income - Goldman Sachs	38,010	30,647
Vanguard - bond index fund	63,184	43,153
	<u>196,364</u>	<u>161,398</u>
Realized gains (losses):		
Index equity large cap	3,712	1,521
Fixed Income - core bond index	(182,397)	(296,727)
Fixed income - Goldman Sachs	(49,659)	(18,061)
	<u>(228,344)</u>	<u>(313,267)</u>
Total investment income	<u><u>\$ (29,046)</u></u>	<u><u>\$ (152,933)</u></u>
Change in fair value:		
Index equity large cap	305,333	149,443
Fixed Income - core bond index	248,898	138,924
Fixed income - Goldman Sachs	75,383	4,975
Vanguard - 500 index fund	1,847,678	953,547
Vanguard - small cap index fund	821,765	(486,722)
Vanguard - bond index fund	60,973	(77,001)
Total change in fair value	<u><u>\$ 3,360,030</u></u>	<u><u>\$ 683,166</u></u>
Investment expense:		
Payment fund		
Risk charges	\$ 677	\$ 691
Fund charges	4,516	4,542
	<u>5,193</u>	<u>5,233</u>
Investment funds		
Index equity large cap	1,121	1,026
Fixed Income - core bond index	2,292	2,352
Fixed income - Goldman Sachs	3,967	3,912
	<u>7,380</u>	<u>7,290</u>
Total investment expense	<u><u>\$ 12,573</u></u>	<u><u>\$ 12,523</u></u>

Market Indices Performance					
As of January 31, 2025					
(%) 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	2.78	2.78	2.78	26.38	11.90
Russell 1000 Growth	1.98	1.98	1.98	32.68	14.57
Russell 1000 Value	4.63	4.63	4.63	19.54	8.08
Russell 2000	2.62	2.62	2.62	19.09	5.62
MSCI EAFE	5.26	5.26	5.26	8.65	5.12
MSCI Emerging Markets	1.79	1.79	1.79	14.75	-0.71
<u>Fixed Income</u>					
Barclays US Aggregate	0.53	0.53	0.53	2.07	-1.52
Barclays Intermediate G/C	0.57	0.57	0.57	3.37	0.51
Barclays 1-3 Year G/C	0.46	0.46	0.46	4.43	2.08
Barclays US Corp High Yield	1.37	1.37	1.37	9.68	4.34
90 Day T Bills	0.38	0.38	0.38	5.36	4.18

Market Indices Performance					
As of February 28, 2025					
(%) 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	-1.30	1.44	1.44	18.41	12.55
Russell 1000 Growth	-3.59	-1.69	-1.69	19.75	14.83
Russell 1000 Value	0.41	5.05	5.05	15.75	8.65
Russell 2000	-5.35	-2.87	-2.87	6.69	3.34
MSCI EAFE	1.94	7.30	7.30	8.77	6.42
MSCI Emerging Markets	0.48	2.28	2.28	10.07	0.46
<u>Fixed Income</u>					
Barclays US Aggregate	2.20	2.74	2.74	5.81	-0.44
Barclays Intermediate G/C	1.39	1.97	1.97	5.86	1.19
Barclays 1-3 Year G/C	0.70	1.16	1.16	5.54	2.47
Barclays US Corp High Yield	0.67	2.05	2.05	10.09	4.94
90 Day T Bills	0.34	0.73	0.73	5.26	4.30