



**EMPLOYEE PENSION PLAN  
BOARD OF TRUSTEES MEETING  
TUESDAY, SEPTEMBER 26, 2023  
3:00 PM  
DALTON CITY HALL - COUNCIL CHAMBERS**

**A G E N D A**

**Call To Order**

**Minutes**

- [1.](#) Pension Minutes - 07-25-2023

**Unfinished Business**

- [2.](#) Quarterly Performance Report - June 30, 2023  
Monthly Performance Report - August 31, 2023

**New Business**

- [3.](#) Estes & Walcott - Pension Audit Results
4. Southeaster Advisory Services - Price Increase

**Retirees**

5. Anthony Johnston - Fire Department
6. Darryl Mathis - Fire Department
7. Hector Chiessa - Fire Department
8. Sandra A. Bennett - Dalton Utilities
9. Timothy J. McNeese - DU/Optilink (Cash in)

**Invoices**

- [10.](#) Estes & Walcott - 2022 Pension Audit  
Invoice #39732 | \$8,000.00
- [11.](#) Southeaster Advisory Services - Pension Plan Consulting Services for July & August 2023.  
Invoice # 225m 238 | \$2,040.00 each.

**Reports**

- [12.](#) Market Indices Performance - July 31, 2023 & August 31, 2023
- [13.](#) July and August 2023 - Financial Reports

**Adjournment**

THE CITY OF DALTON  
EMPLOYEES PENSION PLAN – BOARD OF TRUSTEES  
REGULAR MEETING  
JULY 25, 2023

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 Dalton Fire Department, 404 School Street. Present for the meeting were Trustees Mike Sloan, Vernon Ray and Dwayne Carvell and Council member Dennis Mock, absent were Chairman Gary Hill, Mayor David Pennington and Chairman of the Water, Light & Sinking Fund Commission Joe Yarbrough. Trustee Carvell conducted the meeting.

MINUTES

The Trustees were presented written copies of the minutes of the meeting of May 23, 2023. On the motion of Trustee Mock, second Trustee Ray, the minutes were approved. The vote was unanimous in favor.

MONTHLY PERFORMANCE REPORT - JUNE 30, 2023

Hilda Thompson from SEAS presented and reviewed the preliminary Monthly Performance Report as of June 30, 2023. Thompson stated it was early for the final report.

Thompson stated to the Trustee that the Plan earned a little over \$4 million dollars and is ending the quarter at approximately \$134.3 million, which Thompson stated is a nice return. Thompson further stated that the Asset allocation is slightly overweight and SEAS may make a recommendation in September to rebalance the equity to fixed income, however she stated the Plan is still in compliance with the policy

In reviewing the Asset Allocation & Performance, Thompson stated the preliminary Quarter to Date Total Fund is up to 4.27% and the Fiscal Year to Date is 9.5% versus 8.5% which is well above the 6.7% actuary assumption.

RETIREEES

Kristan Toliver - Public Works

On the motion of Trustee Sloan, second Trustee Ray, the Board ratified payment to Kristan Toliver- Public Works 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.

Thomas Bundros – Dalton Utilities

On the motion of Trustee Mock, second Trustee Ray, the Board ratified payment to Thomas Bundros- Dalton Utilities for deferred 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.

## RETIREEES

Continued

### Michael Cady - Fire Department

On the motion of Trustee Mock, second Trustee Ray, the Board ratified payment to Michael Cady - Fire Department 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

Trustees asked Human Resources Director Greg Batts to explain the McGriff - 2023-2024 Pension Fiduciary Liability Coverage Invoice #5041271 in the amount of \$9,145.00. Batts stated that a previous charge paid to McGriff at the May 23, 2023 meeting in the amount of \$824.00 was for coverage for a month to protect the Board from liability. Batts further stated the charge on this month's agenda for \$9145.00 is for the entire year. Batts reiterated that Fiduciary Liability Policy protects the City and the Pension Board in the event that mistakes are made by the Board as fiduciaries of the Plan.

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

- Mitchell & Mitchell - Pension Legal Services  
Invoice #14259 | \$75.00

The vote was unanimous in favor.

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

- McGriff - 2023-2024 Pension Fiduciary Liability Coverage  
Invoice #5041271 | \$9,145.00

The vote was unanimous in favor.

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

- Southeastern Advisory Services - Pension Plan Consulting Services  
Invoice #235, 236 | \$2,040.00 each

The vote was unanimous in favor.

## QUESTIONS FROM THE AUDIENCE

An Employee asked the Board how many people are actively working that is still on the old defined benefit plan. Human Resources Director Greg Batts responded with roughly 20% of the City's employees.

## MEETING DATE

Trustee Carvell stated the next meeting of the Pension Board will be held at City Hall on September 26, 2023.

REPORTS

- Market Indices - May 31 and June 30, 2023
- Financial Reports 5/31/23 and 6/30/23
- MBR Report 6/30/23

ADJOURNEMENT

There being no further business to come before the trustees, the meeting was adjourned at 3:28 p.m.

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Gary Hill, Chairman

ATTEST:

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Mike Sloan, Secretary

RECORDED

APPROVED







# CITY OF DALTON EMPLOYEE'S PENSION PLAN

## QUARTERLY PERFORMANCE REPORT

*As of June 30, 2023*



Hilda A. Thompson, Senior Consultant  
[hthompson@seadvisory.com](mailto:hthompson@seadvisory.com)

Wallace W. Wilson, Senior Consultant  
[wwilson@seadvisory.com](mailto:wwilson@seadvisory.com)

404. 237. 3156



Benchmark	1 Quarter	1 Year	3 Years	5 Years
S&P 500 Index	8.7	19.6	14.6	12.3
Russell 2000 Index	5.2	12.3	10.8	4.2
MSCI EAFE (Net)	3.0	18.8	8.9	4.4
NCREIF Property Index	-2.0	-6.6	6.8	5.9
Credit Suisse Hedge Fund Index	1.7	3.2	7.0	4.5
Blmbg. U.S. Aggregate Index	-0.8	-0.9	-4.0	0.8
90 Day U.S. Treasury Bill	1.2	3.6	1.3	1.6
CPI - All Urban Consumers (Unadjusted)	1.1	3.0	5.8	3.9

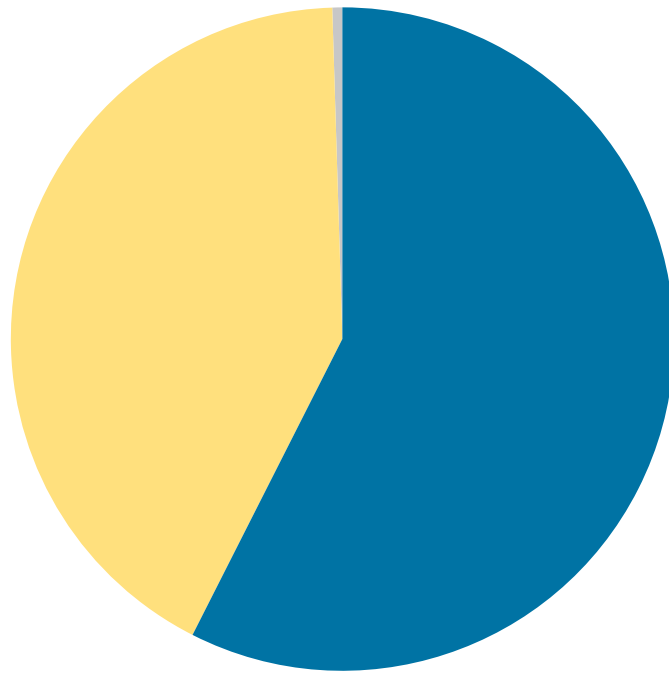
### Reality vs Sentiment

- Developed equity markets performed well through the first half of 2023 generating double digit returns year-to-date. Emerging markets were up 4.9% year-to-date but generated a scant 0.9% for the second quarter.
- U.S. equity markets demonstrated surprising resilience amidst interest rate and corporate profitability concerns. The S&P 500 ended the quarter up 8.7% and 16.9% year-to-date. Large cap and growth equities were again the standout performers for the quarter. However, markets continued to lack breadth as performance within large caps was primarily driven by strong returns for some of the largest technology holdings within indexes, particularly those stocks associated with the artificial intelligence field.
- High quality stocks outperformed low quality stocks within large cap while the reverse was true within small cap. The differential in performance between low and high quality was most pronounced among small cap stocks as low quality outperformed by almost 600 basis points.
- Internationally, the eurozone's economic backdrop has been mixed but, much like the U.S., equities have continued to climb in 2023. Japanese stocks rallied as profit margins remained healthy and valuations were attractive. China's performance weighed on the broader emerging markets return for the quarter as disappointing economic data and concerns about local government debt created headwinds. Declines in the strength of the U.S. dollar have been a boon to international equities.
- After ten straight interest rate hikes, the Federal Reserve Bank (the "Fed") declined to move interest rates at their June meeting. The presumptive skip gives the economy a bit more time to digest the 500 basis points (5%) of interest rate increases that have been implemented over the past 15 months.
- The Bloomberg US Aggregate Bond Index was down modestly on the June quarter. The Treasury yield curve remained inverted as yields rose across all maturities for the quarter. A lot has changed in the past year and a half - Investment grade corporate bonds now yield about 5% and high yield bonds are now paying around 8%.

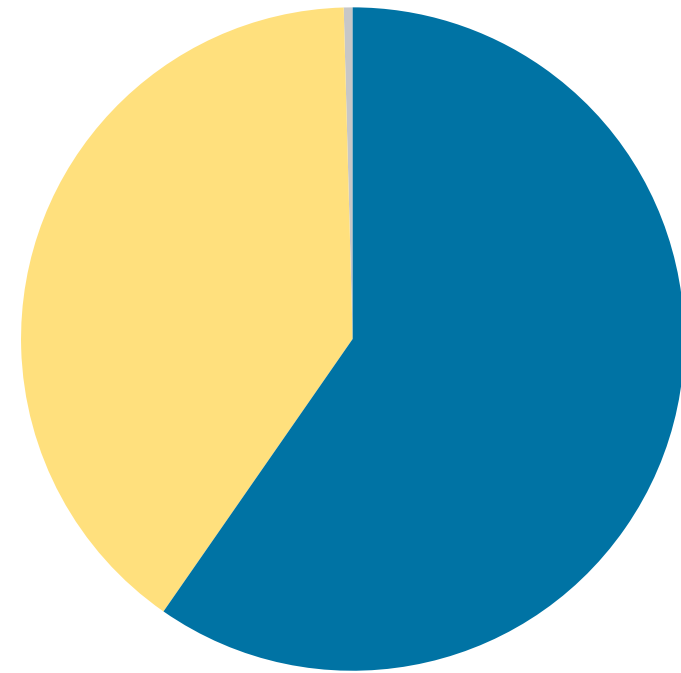
Sources: U.S. Dept. of the Treasury, Bureau of Labor Statistics, eVestment, BCA Research, Cap Group, JP Morgan, ACM, SEAS

March 31, 2023 : \$130,599,254

June 30, 2023 : \$134,348,603



Segments	Market Value	Allocation (%)
U.S. Equity	75,049,742	57.5
U.S. Fixed Income	54,910,587	42.0
Cash Equivalent	638,925	0.5



Segments	Market Value	Allocation (%)
U.S. Equity	80,160,230	59.7
U.S. Fixed Income	53,601,562	39.9
Cash Equivalent	586,811	0.4

## Financial Reconciliation

1 Quarter Ending June 30, 2023

	Market Value 04/01/2023	Contributions	Distributions	Gain/Loss	Market Value 06/30/2023
MetLife Equity Index	10,422,689	260,512	-1,115,267	872,955	10,440,888
Vanguard Inst 500 Index	48,402,102	-	-	4,226,613	52,628,714
<b>Total Large Cap Equity</b>	<b>58,824,790</b>	<b>260,512</b>	<b>-1,115,267</b>	<b>5,099,568</b>	<b>63,069,603</b>
Vanguard Small-Cap Index	16,224,952	-	-	865,676	17,090,628
<b>Total Small Cap Equity</b>	<b>16,224,952</b>	<b>-</b>	<b>-</b>	<b>865,676</b>	<b>17,090,628</b>
MetLife Core Bond Index Fund	30,308,861	195,384	-841,307	-246,981	29,415,957
Vanguard Total Bond Mkt Index	14,592,330	-	-	-131,096	14,461,234
Goldman Sachs Fund	10,009,395	65,128	-290,144	-60,008	9,724,371
<b>Total Fixed Income</b>	<b>54,910,587</b>	<b>260,512</b>	<b>-1,131,451</b>	<b>-438,086</b>	<b>53,601,562</b>
<b>Cash Account</b>	<b>638,925</b>	<b>2,745,120</b>	<b>-2,796,661</b>	<b>-574</b>	<b>586,811</b>
<b>Total Fund</b>	<b>130,599,254</b>	<b>3,266,144</b>	<b>-5,043,379</b>	<b>5,526,584</b>	<b>134,348,603</b>

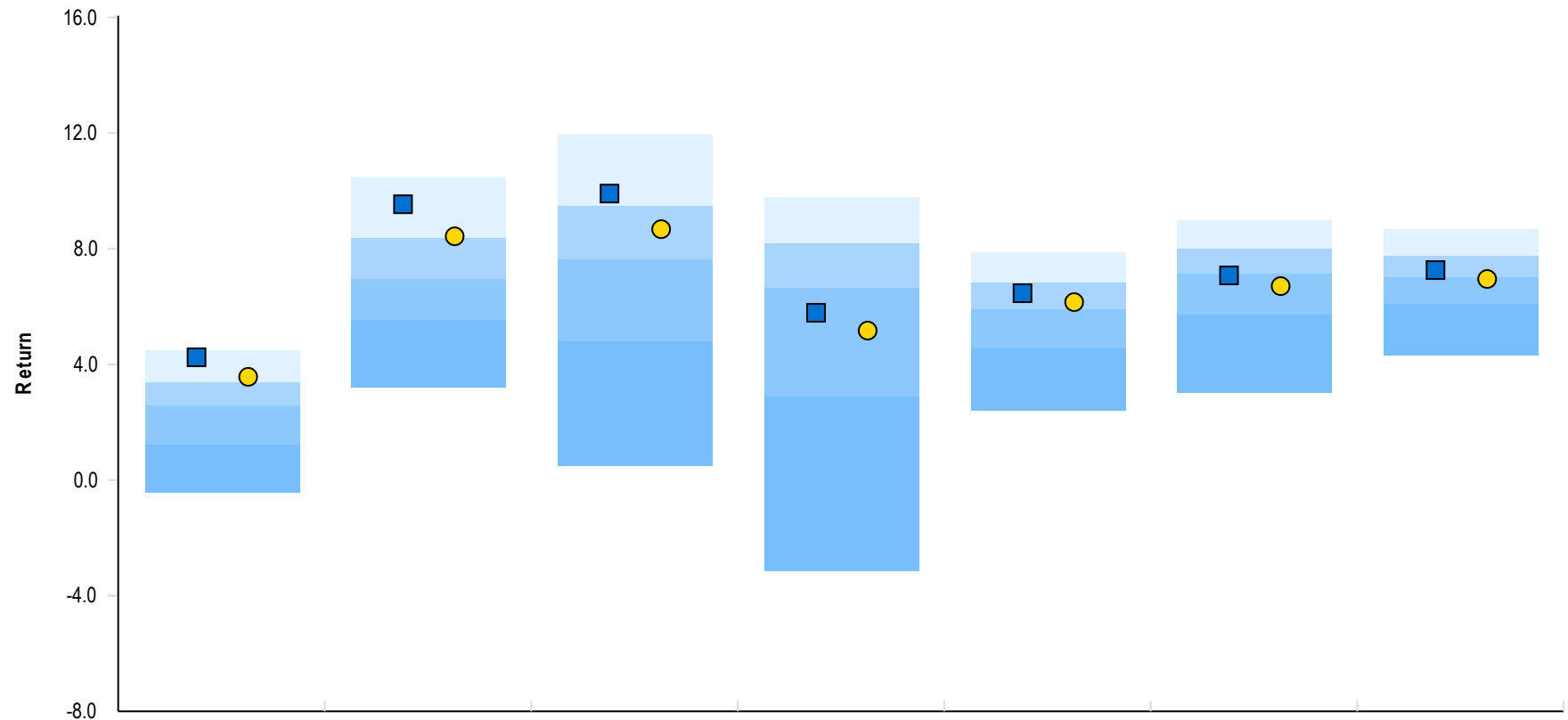
# Financial Reconciliation

1 Year Ending June 30, 2023

	Market Value 07/01/2022	Contributions	Distributions	Gain/Loss	Market Value 06/30/2023
MetLife Equity Index	11,502,304	1,388,345	-4,377,134	1,927,373	10,440,888
Vanguard Inst 500 Index	44,022,514	-	-	8,606,200	52,628,714
<b>Total Large Cap Equity</b>	<b>55,524,819</b>	<b>1,388,345</b>	<b>-4,377,134</b>	<b>10,533,573</b>	<b>63,069,603</b>
Vanguard Small-Cap Index	14,872,381	-	-	2,218,247	17,090,628
<b>Total Small Cap Equity</b>	<b>14,872,381</b>	<b>-</b>	<b>-</b>	<b>2,218,247</b>	<b>17,090,628</b>
MetLife Core Bond Index Fund	31,958,990	1,041,259	-3,302,398	-281,894	29,415,957
Vanguard Total Bond Mkt Index	14,590,480	-	-	-129,246	14,461,234
Goldman Sachs Fund	10,535,797	347,087	-1,140,126	-18,386	9,724,371
<b>Total Fixed Income</b>	<b>57,085,267</b>	<b>1,388,345</b>	<b>-4,442,523</b>	<b>-429,526</b>	<b>53,601,562</b>
<b>Cash Account</b>	<b>634,317</b>	<b>11,504,612</b>	<b>-11,550,456</b>	<b>-1,662</b>	<b>586,811</b>
<b>Total Fund</b>	<b>128,116,783</b>	<b>14,281,302</b>	<b>-20,370,114</b>	<b>12,320,632</b>	<b>134,348,603</b>

## All DB Plans

## Plan Sponsor Peer Group Analysis - All DB Plans



	1 QTR	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years
■ Total Fund	4.27 (8)	9.53 (11)	9.90 (20)	5.77 (61)	6.46 (37)	7.09 (51)	7.24 (44)
● Policy Index <sup>1</sup>	3.57 (20)	8.45 (24)	8.70 (37)	5.16 (65)	6.15 (45)	6.72 (59)	6.97 (52)
5th Percentile	4.51	10.45	11.92	9.81	7.90	8.99	8.66
1st Quartile	3.36	8.37	9.45	8.20	6.86	7.98	7.75
Median	2.57	6.95	7.63	6.65	5.90	7.12	7.02
3rd Quartile	1.22	5.57	4.77	2.91	4.58	5.70	6.07
95th Percentile	-0.40	3.22	0.49	-3.14	2.38	3.00	4.28
Population	1,626	1,605	1,557	1,442	1,395	1,320	1,164

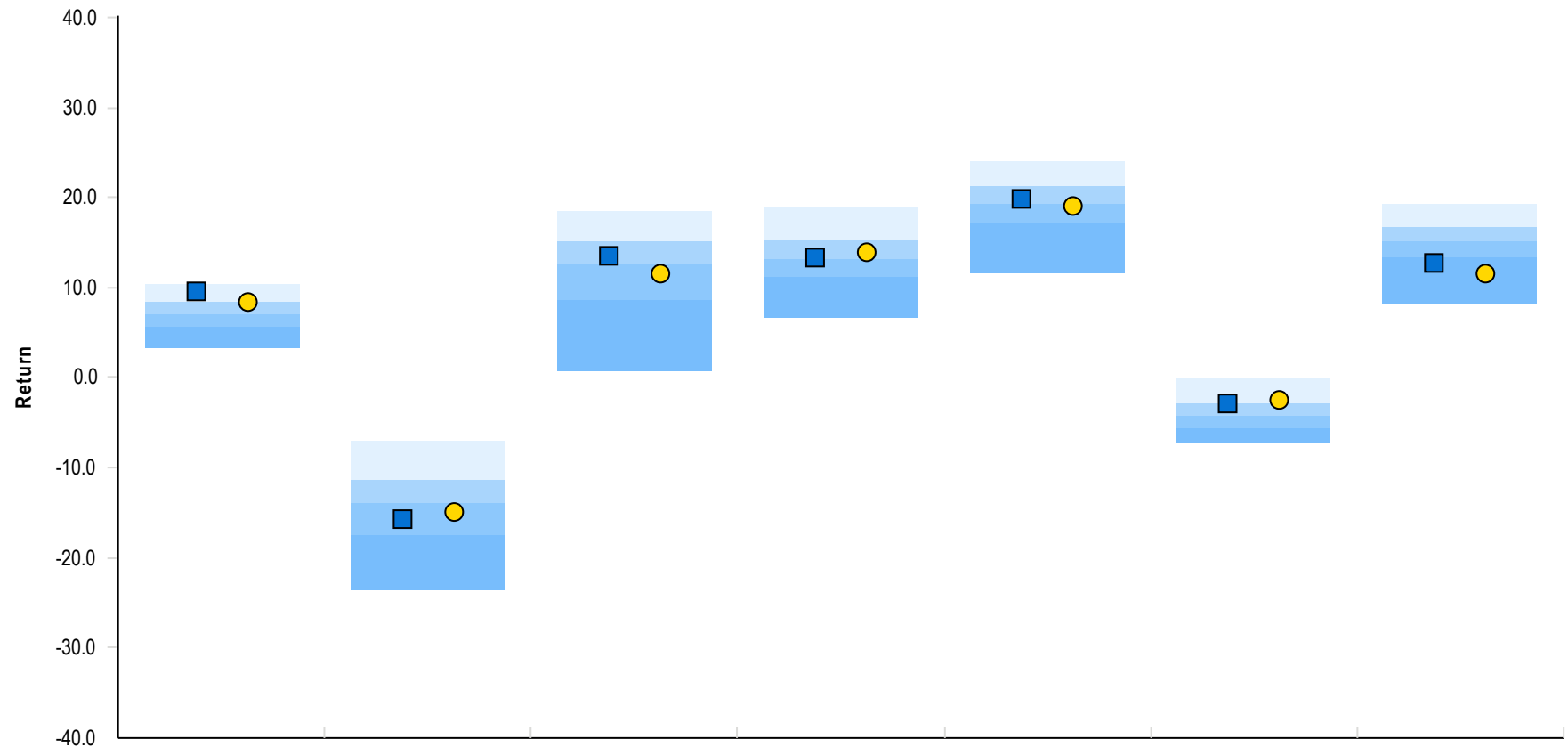
Parentheses contain percentile rankings.

Calculation based on monthly periodicity.

The current Policy Index composition is: \*Blmbg. U.S. Aggregate Index: 37.50%, S&P 500 Index: 40.00%, Russell 2000 Index: 10.00%, Blmbg. Intermed. U.S. Government/Credit: 12.50%.

## All DB Plans

## Plan Sponsor Peer Group Analysis - All DB Plans



	Year To Date	2022	2021	2020	2019	2018	2017
■ Total Fund	9.53 (11)	-15.64 (65)	13.44 (42)	13.24 (49)	19.89 (41)	-2.78 (24)	12.70 (82)
● Policy Index <sup>1</sup>	8.45 (24)	-14.88 (59)	11.57 (57)	13.91 (41)	19.12 (53)	-2.44 (20)	11.52 (88)
5th Percentile	10.45	-6.98	18.39	18.92	23.96	-0.15	19.16
1st Quartile	8.37	-11.35	15.19	15.37	21.20	-2.89	16.76
Median	6.95	-13.92	12.46	13.13	19.25	-4.32	15.08
3rd Quartile	5.57	-17.45	8.60	11.10	17.08	-5.59	13.42
95th Percentile	3.22	-23.70	0.67	6.64	11.55	-7.29	8.13
Population	1,605	2,088	2,286	2,514	1,658	1,670	1,646

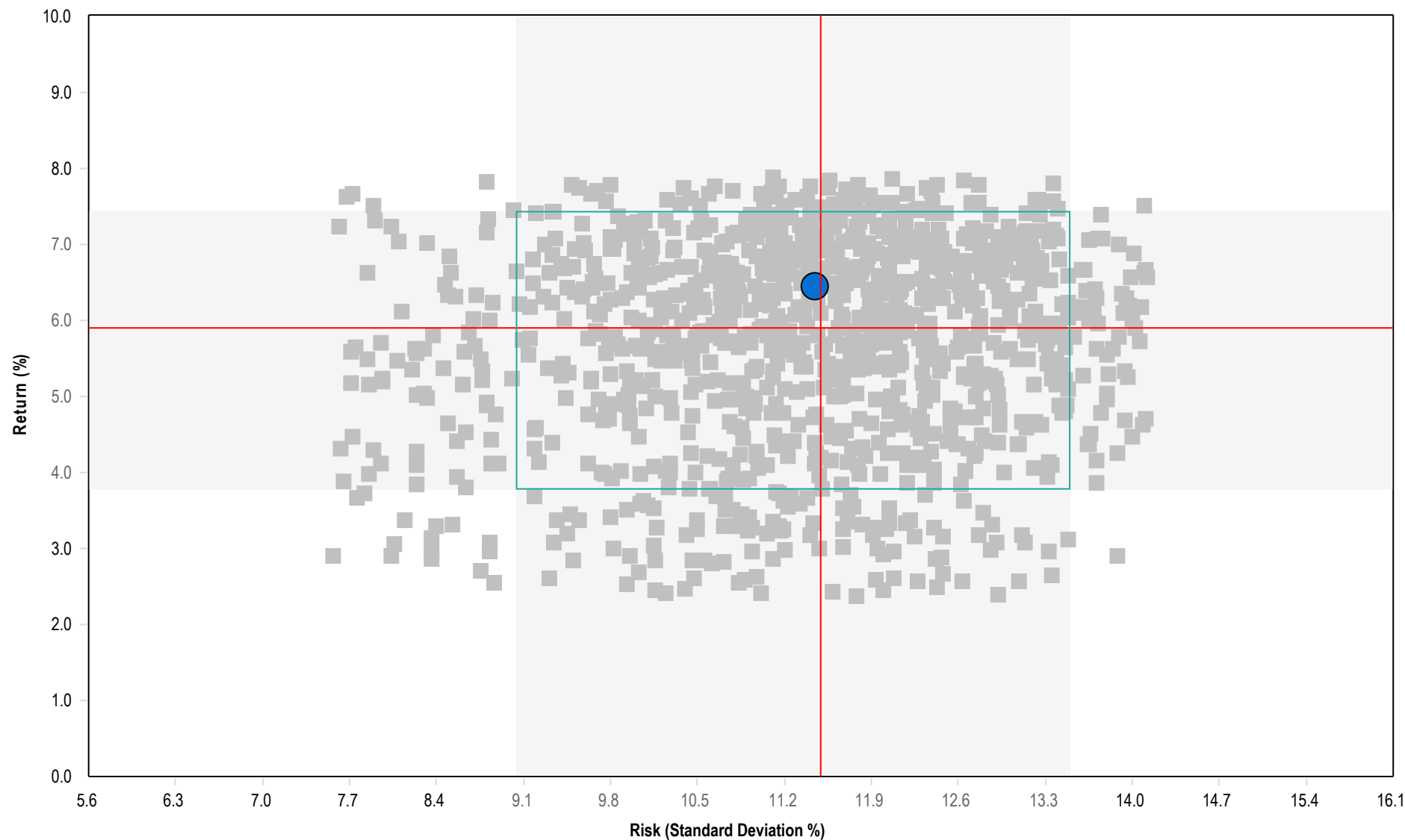
Parenttheses contain percentile rankings.

Calculation based on monthly periodicity.

The current Policy Index composition is: <sup>1</sup>Blmbg. U.S. Aggregate Index: 37.50%, S&P 500 Index: 40.00%, Russell 2000 Index: 10.00%, Blmbg. Intermed. U.S. Government/Credit: 12.50%.



All DB Plans



	Return	Standard Deviation
● Total Fund	6.5	11.4
— Median	5.9	11.5

Calculation based on monthly periodicity.

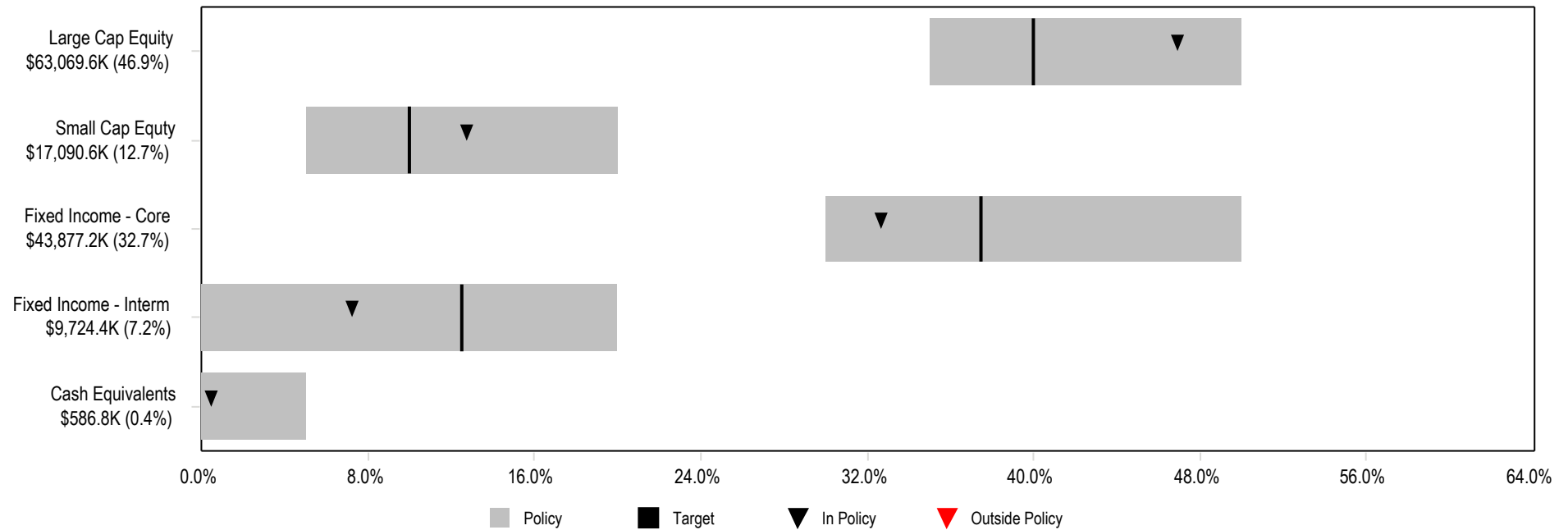
	Allocation		Performance (%)						
	Market Value \$	%	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
<b>Total Fund (Gross)</b>	<b>\$134,348,603</b>	<b>100.0</b>	<b>4.27 (8)</b>	<b>9.53 (11)</b>	<b>9.90 (20)</b>	<b>5.77 (61)</b>	<b>6.46 (37)</b>	<b>7.09 (51)</b>	<b>7.24 (44)</b>
<b>Total Fund (Net)</b>			<b>4.26 (8)</b>	<b>9.49 (12)</b>	<b>9.81 (21)</b>	<b>5.68 (61)</b>	<b>6.36 (40)</b>	<b>6.99 (54)</b>	<b>7.13 (47)</b>
Policy Index¹			3.57 (20)	8.45 (24)	8.70 (37)	5.16 (65)	6.15 (45)	6.72 (59)	6.97 (52)
All DB Plans Median			2.57	6.95	7.63	6.65	5.90	7.12	7.02
<b>Total Large Cap Equity</b>	<b>\$63,069,603</b>	<b>46.9</b>	<b>8.76 (34)</b>	<b>16.92 (34)</b>	<b>19.55 (41)</b>	<b>14.58 (42)</b>	<b>12.29 (36)</b>	<b>13.35 (45)</b>	<b>12.82 (44)</b>
S&P 500 Index			8.74 (36)	16.89 (35)	19.59 (38)	14.60 (40)	12.31 (35)	13.38 (43)	12.86 (41)
IM U.S. Large Cap Equity (SA+CF) Median			7.87	15.04	18.54	14.12	11.53	13.05	12.55
<b>Total Small Cap Equity</b>	<b>\$17,090,628</b>	<b>12.7</b>	<b>5.34 (40)</b>	<b>9.27 (49)</b>	<b>14.92 (51)</b>	<b>12.54 (65)</b>	<b>6.60 (60)</b>	<b>9.99 (61)</b>	<b>9.13 (73)</b>
CRSP U.S. Small Cap TR Index			5.29 (41)	9.19 (49)	14.78 (52)	12.49 (65)	6.55 (61)	9.65 (68)	9.43 (66)
IM U.S. Small Cap Equity (SA+CF) Median			4.93	9.09	15.13	14.78	7.08	10.75	10.24
<b>Total Fixed Income</b>	<b>\$53,601,562</b>	<b>39.9</b>	<b>-0.81 (84)</b>	<b>2.13 (65)</b>	<b>-0.73 (85)</b>	<b>-3.71 (87)</b>	<b>0.86 (93)</b>	<b>0.53 (94)</b>	<b>1.55 (83)</b>
Blmbg. U.S. Aggregate Index			-0.84 (86)	2.09 (66)	-0.94 (89)	-3.97 (91)	0.77 (95)	0.44 (96)	1.52 (85)
IM U.S. Fixed Income (SA+CF) Median			-0.27	2.55	1.29	-1.00	1.80	1.58	2.23
<b>Cash Account</b>	<b>\$586,811</b>	<b>0.4</b>	<b>-0.09 (99)</b>	<b>-0.18 (100)</b>	<b>-0.26 (100)</b>	<b>-0.36 (99)</b>	<b>-0.12 (100)</b>	<b>0.03 (100)</b>	<b>0.03 (100)</b>
90 Day U.S. Treasury Bill			1.17 (60)	2.25 (69)	3.59 (60)	1.27 (59)	1.55 (90)	1.36 (94)	0.97 (99)
IM U.S. Cash Fixed Income (SA+CF) Median			1.26	2.46	3.87	1.40	1.77	1.61	1.33

The current Policy Index composition is: ¹Blmbg. U.S. Aggregate Index: 37.50%, S&P 500 Index: 40.00%, Russell 2000 Index: 10.00%, Blmbg. Intermed. U.S. Government/Credit: 12.50%.

	Allocation		Performance (%)						
	Market Value \$	%	QTR	FYTD	1 YR	3 YR	5 YR	7 YR	10 YR
<b>Total Fund</b>	<b>\$134,348,603</b>	<b>100.0</b>	<b>4.27</b>	<b>9.53</b>	<b>9.90</b>	<b>5.77</b>	<b>6.46</b>	<b>7.09</b>	<b>7.24</b>
Policy Index <sup>1</sup>			3.57	8.45	8.70	5.16	6.15	6.72	6.97
<b>Total Large Cap Equity</b>	<b>\$63,069,603</b>	<b>46.9</b>	<b>8.76</b>	<b>16.92</b>	<b>19.55</b>	<b>14.58</b>	<b>12.29</b>	<b>13.35</b>	<b>12.82</b>
MetLife Equity Index	\$10,440,888	7.8	8.89 (23)	17.15 (22)	19.59 (38)	14.61 (41)	12.33 (31)	13.47 (30)	12.91 (30)
S&P 500 Index			8.74 (30)	16.89 (27)	19.59 (38)	14.60 (45)	12.31 (36)	13.38 (39)	12.86 (37)
Large Blend Median			8.13	15.43	19.17	14.51	11.84	13.12	12.60
Vanguard Inst 500 Index	\$52,628,714	39.2	8.73 (32)	16.87 (31)	19.55 (42)	14.57 (49)	12.28 (38)	N/A	N/A
S&P 500 Index			8.74 (30)	16.89 (27)	19.59 (38)	14.60 (45)	12.31 (36)	13.38 (39)	12.86 (37)
Large Blend Median			8.13	15.43	19.17	14.51	11.84	13.12	12.60
<b>Total Small Cap Equity</b>	<b>\$17,090,628</b>	<b>12.7</b>	<b>5.34</b>	<b>9.27</b>	<b>14.92</b>	<b>12.54</b>	<b>6.60</b>	<b>9.99</b>	<b>9.13</b>
Vanguard Small-Cap Index	\$17,090,628	12.7	5.34 (27)	9.27 (31)	14.92 (40)	12.54 (78)	6.60 (44)	N/A	N/A
CRSP U.S. Small Cap TR Index			5.29 (30)	9.19 (32)	14.78 (41)	12.49 (78)	6.55 (45)	9.65 (55)	9.43 (53)
Small Blend Median			4.75	8.17	13.67	14.58	6.25	9.73	9.54
<b>Total Fixed Income</b>	<b>\$53,601,562</b>	<b>39.9</b>	<b>-0.81</b>	<b>2.13</b>	<b>-0.73</b>	<b>-3.71</b>	<b>0.86</b>	<b>0.53</b>	<b>1.55</b>
MetLife Core Bond Index Fund	\$29,415,957	21.9	-0.83 (72)	2.11 (83)	-0.85 (69)	-3.99 (92)	0.77 (96)	0.42 (98)	N/A
Blmbg. U.S. Aggregate Index			-0.84 (80)	2.09 (84)	-0.94 (82)	-3.97 (89)	0.77 (96)	0.44 (97)	1.52 (96)
IM U.S. Broad Market Core Fixed Income (SA+CF) Median			-0.72	2.43	-0.41	-3.43	1.20	0.94	1.96
Vanguard Total Bond Mkt Index	\$14,461,234	10.8	-0.90 (80)	2.24 (68)	-0.89 (74)	-4.01 (88)	0.79 (83)	N/A	N/A
Blmbg. U.S. Aggregate Index			-0.84 (69)	2.09 (82)	-0.94 (77)	-3.97 (83)	0.77 (85)	0.44 (87)	1.52 (91)
Intermediate Core Bond Median			-0.73	2.44	-0.46	-3.26	1.30	1.05	2.07
Goldman Sachs Fund	\$9,724,371	7.2	-0.62 (68)	2.05 (33)	-0.13 (83)	-2.43 (89)	1.31 (77)	0.95 (76)	N/A
Blmbg. Intermed. U.S. Government/Credit			-0.81 (91)	1.50 (85)	-0.10 (81)	-2.46 (91)	1.23 (85)	0.76 (94)	1.41 (91)
IM U.S. Intermediate Duration (SA+CF) Median			-0.48	1.88	0.44	-2.00	1.52	1.12	1.78
<b>Cash Account</b>	<b>\$586,811</b>	<b>0.4</b>	<b>-0.09 (99)</b>	<b>-0.18 (100)</b>	<b>-0.26 (100)</b>	<b>-0.36 (99)</b>	<b>-0.12 (100)</b>	<b>0.03 (100)</b>	<b>0.03 (100)</b>
90 Day U.S. Treasury Bill			1.17 (60)	2.25 (69)	3.59 (60)	1.27 (59)	1.55 (90)	1.36 (94)	0.97 (99)
IM U.S. Cash Fixed Income (SA+CF) Median			1.26	2.46	3.87	1.40	1.77	1.61	1.33

The current Policy Index composition is: \*Blmbg. U.S. Aggregate Index: 37.50%, S&P 500 Index: 40.00%, Russell 2000 Index: 10.00%, Blmbg. Intermed. U.S. Government/Credit: 12.50%.

Executive Summary

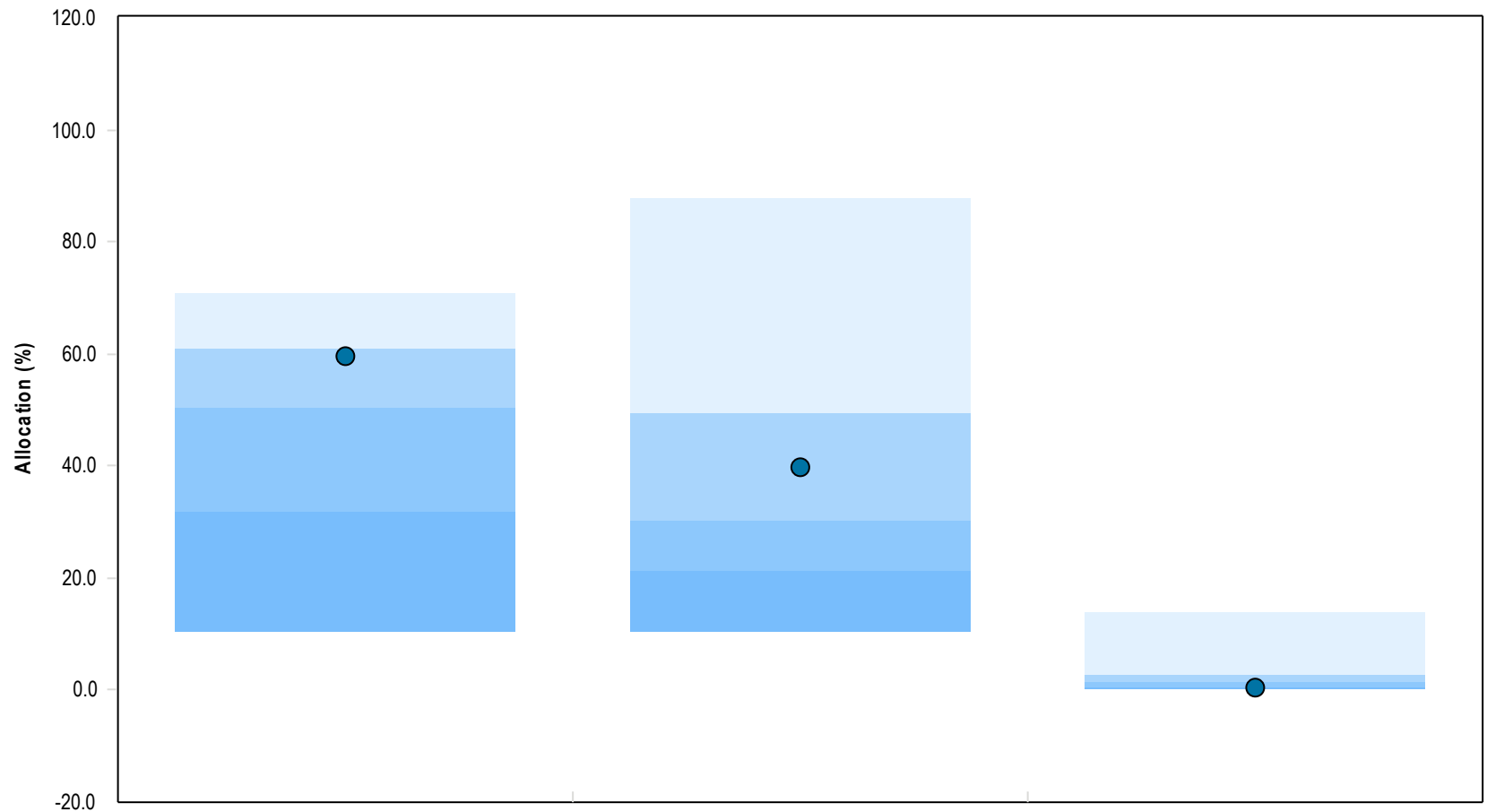


Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Allocation (%)
Total	\$134,348,603	100.0	N/A	N/A	100.0
Large Cap Equity	\$63,069,603	46.9	35.0	50.0	40.0
Small Cap Equity	\$17,090,628	12.7	5.0	20.0	10.0
Fixed Income - Core	\$43,877,191	32.7	30.0	50.0	37.5
Fixed Income - Interm	\$9,724,371	7.2	0.0	20.0	12.5
Cash Equivalents	\$586,811	0.4	0.0	5.0	0.0

Total Fund

Plan Sponsor TF Asset Allocation vs. All DB Plans



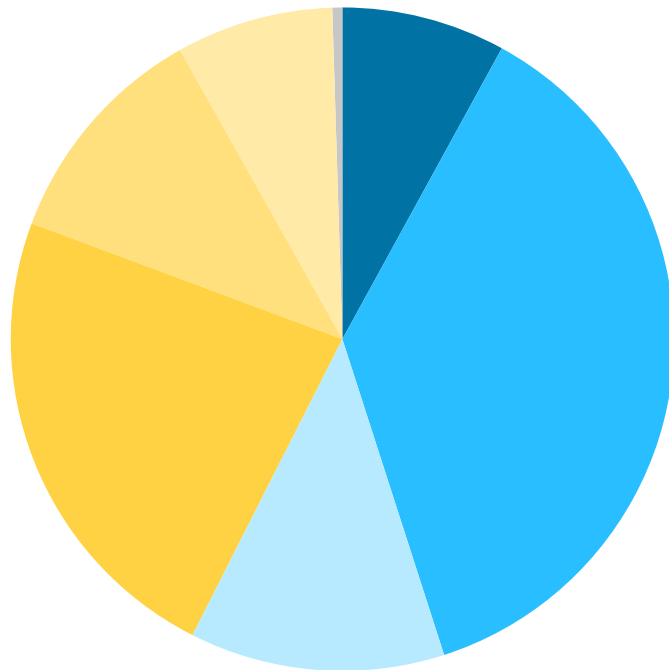
All DB Plans

	Total Equity	Total Fixed Income	Cash & Equivalents
● Total Fund	59.67 (28)	39.90 (33)	0.44 (81)
5th Percentile	70.87	87.67	14.01
1st Quartile	60.88	49.21	2.78
Median	50.21	30.32	1.32
3rd Quartile	31.64	21.28	0.57
95th Percentile	10.33	10.42	0.06

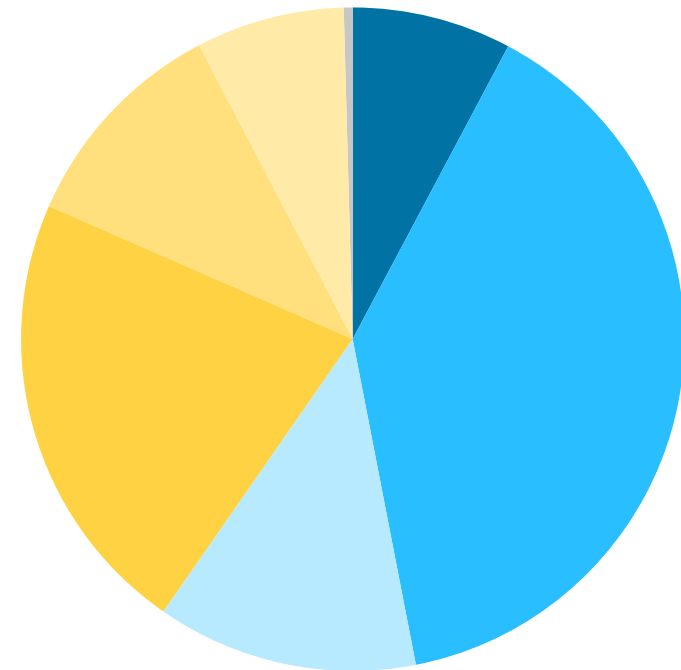
Parentheses contain percentile rankings.

March 31, 2023 : \$130,599,254

June 30, 2023 : \$134,348,603



	Market Value	Allocation (%)
MetLife Equity Index	\$10,422,689	8.0
Vanguard Inst 500 Index	\$48,402,102	37.1
Vanguard Small-Cap Index	\$16,224,952	12.4
MetLife Core Bond Index Fund	\$30,308,861	23.2
Vanguard Total Bond Mkt Index	\$14,592,330	11.2
Goldman Sachs Fund	\$10,009,395	7.7
Cash Account	\$638,925	0.5



	Market Value	Allocation (%)
MetLife Equity Index	\$10,440,888	7.8
Vanguard Inst 500 Index	\$52,628,714	39.2
Vanguard Small-Cap Index	\$17,090,628	12.7
MetLife Core Bond Index Fund	\$29,415,957	21.9
Vanguard Total Bond Mkt Index	\$14,461,234	10.8
Goldman Sachs Fund	\$9,724,371	7.2
Cash Account	\$586,811	0.4

# Manager Asset Allocation

As of June 30, 2023

	U.S. Equity		U.S. Fixed Income		Cash Equivalent		Total Fund		Fee Notes
	\$000	%	\$000	%	\$000	%	\$000	%	
MetLife Equity Index	10,441	100.00	-	-	-	-	10,441	7.77	
Vanguard Inst 500 Index	52,629	100.00	-	-	-	-	52,629	39.17	
<b>Total Large Cap Equity</b>	<b>63,070</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63,070</b>	<b>46.94</b>	
Vanguard Small-Cap Index	17,091	100.00	-	-	-	-	17,091	12.72	
<b>Total Small Cap Equity</b>	<b>17,091</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,091</b>	<b>12.72</b>	
MetLife Core Bond Index Fund	-	-	29,416	100.00	-	-	29,416	21.90	
Vanguard Total Bond Mkt Index	-	-	14,461	100.00	-	-	14,461	10.76	
Goldman Sachs Fund	-	-	9,724	100.00	-	-	9,724	7.24	
<b>Total Fixed Income</b>	<b>-</b>	<b>-</b>	<b>53,602</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>53,602</b>	<b>39.90</b>	
<b>Cash Account</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>587</b>	<b>100.00</b>	<b>587</b>	<b>0.44</b>	
<b>Total Fund</b>	<b>80,160</b>	<b>59.67</b>	<b>53,602</b>	<b>39.90</b>	<b>587</b>	<b>0.44</b>	<b>134,349</b>	<b>100.00</b>	

## Fee Schedule

As of June 30, 2023

	Estimated Annual Fee (%)	Estimated Annual Fee \$	Market Value As of 06/30/2023 \$	Fee Schedule	Fee Notes
MetLife Equity Index	0.124	12,970	10,440,888	0.180 % of First \$5 M 0.075 % of Next \$5 M 0.050 % Thereafter	
Vanguard Inst 500 Index	0.035	18,420	52,628,714	0.035 % of Assets	
Vanguard Small-Cap Index	0.040	6,836	17,090,628	0.040 % of Assets	
MetLife Core Bond Index Fund	0.097	28,533	29,415,957	0.100 % of First \$25 M 0.080 % of Next \$25 M 0.060 % Thereafter	
Vanguard Total Bond Mkt Index	0.035	5,061	14,461,234	0.035 % of Assets	
Goldman Sachs Fund	0.489	47,510	9,724,371	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	
Cash Account	N/A	-	586,811		
<b>Total Fund</b>	<b>0.089</b>	<b>119,331</b>	<b>134,348,603</b>		



## Historical Annual Returns

As of June 30, 2023

Year	Total Fund Market Value (\$M)	Total Fund Gross Return	Benchmark Return	Actuarial Assumption
1999	\$42.00	1.7%	8.0%	8.5%
2000	\$42.90	1.2%	1.6%	8.5%
2001	\$43.50	-0.1%	0.4%	8.5%
2002	\$40.80	-6.2%	-6.0%	8.5%
2003	\$48.30	17.5%	17.9%	8.5%
2004	\$52.20	8.4%	8.4%	8.5%
2005	\$54.40	4.2%	3.8%	8.5%
2006	\$60.70	10.8%	11.0%	8.5%
2007	\$61.70	5.1%	5.2%	8.5%
2008	\$50.40	-16.4%	-18.9%	8.5%
2009	\$54.60	15.3%	17.7%	8.5%
2010	\$60.40	11.8%	13.5%	7.5%

Year	Total Fund Market Value (\$M)	Total Fund Gross Return	Benchmark Return	Actuarial Assumption
2011	\$61.60	4.5%	4.5%	7.5%
2012	\$66.20	9.8%	10.8%	7.5%
2013	\$75.10	15.5%	16.7%	7.5%
2014	\$83.30	8.9%	9.0%	7.0%
2015	\$84.70	0.4%	0.4%	7.0%
2016	\$92.00	8.0%	8.1%	7.0%
2017	\$103.90	12.7%	11.6%	7.0%
2018	\$101.50	-2.8%	-2.3%	6.75%
2019	\$122.50	19.9%	19.0%	6.75%
2020	\$140.90	13.2%	13.9%	6.75%
2021	\$155.50	13.4%	11.6%	6.75%
2022	\$125.80	-15.6%	-14.9%	6.75%
2023 YTD	\$134.35	9.5%	8.5%	6.75%

## Manager Review

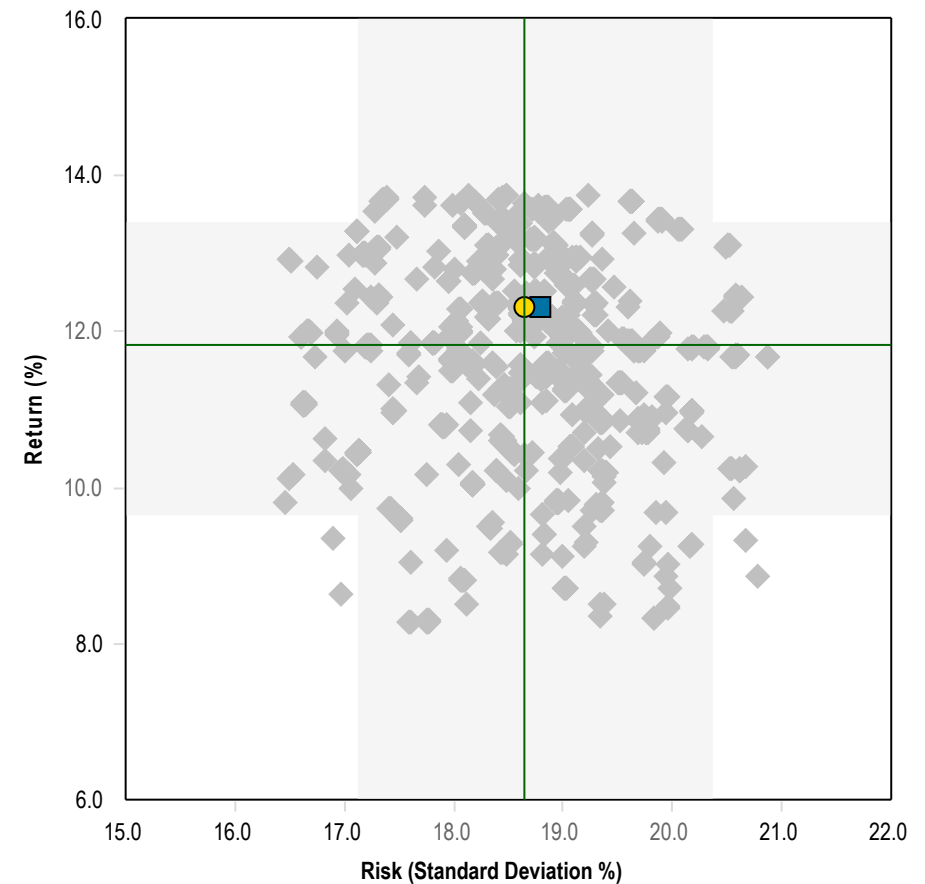
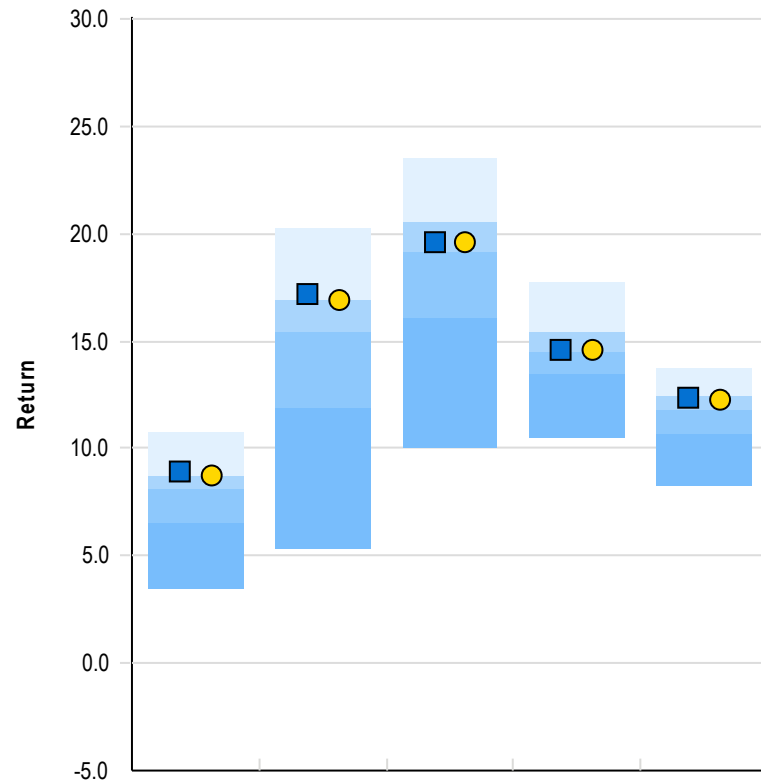
As of June 30, 2023

### MetLife Equity Index

\$10.4M and 7.8% of Plan Assets

#### Peer Group Analysis - Large Blend

#### Manager Risk/Return: 5 Year, Annualized



#### MPT Stats, 5 Years

	Alpha	Beta	Information Ratio	R-Squared	Standard Deviation	Up Capture	Down Capture
MetLife Equity Index	-0.07	1.01	0.21	1.00	18.80	100.72	100.93
S&P 500 Index	0.00	1.00	N/A	1.00	18.64	100.00	100.00

## Manager Review

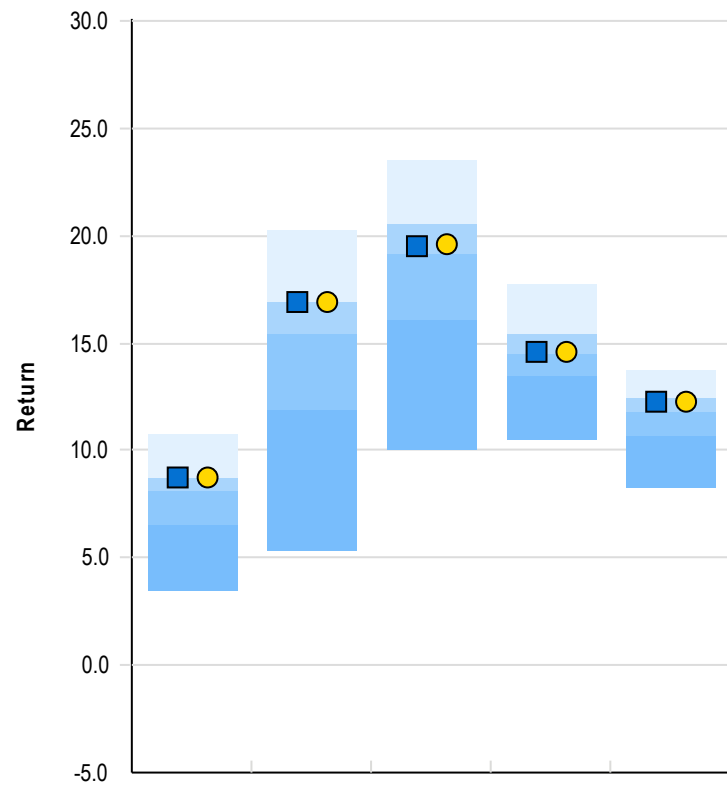
As of June 30, 2023

### Vanguard Inst 500 Index

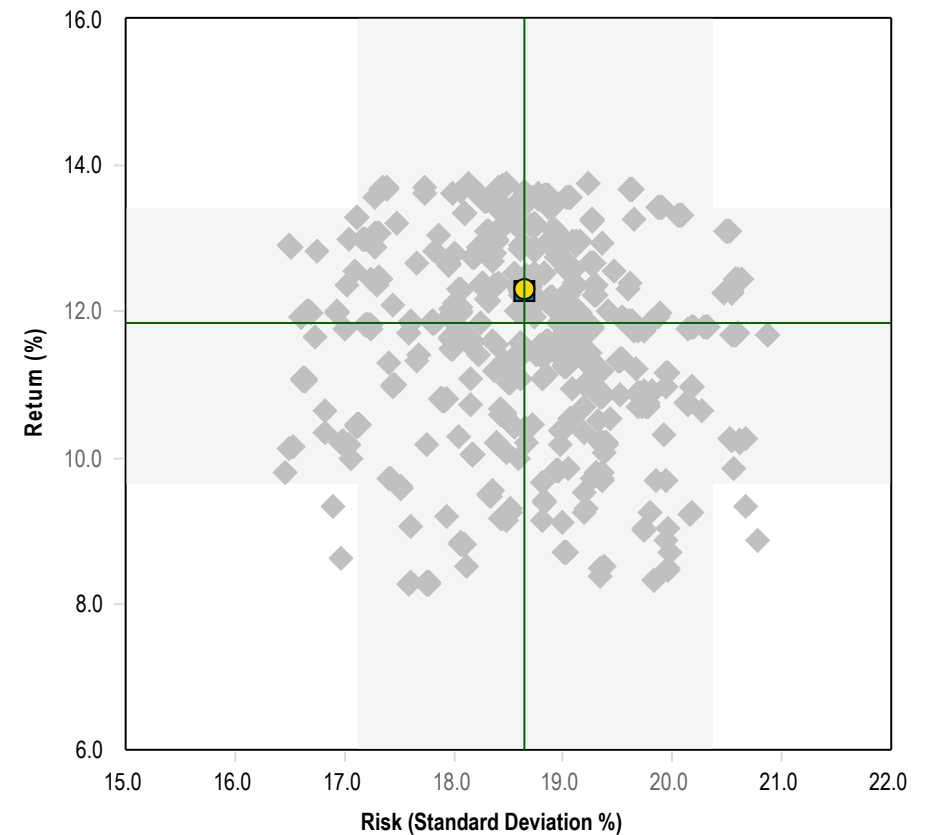
\$52.6M and 39.2% of Plan Assets

#### Peer Group Analysis - Large Blend

#### Manager Risk/Return: 5 Year, Annualized



	QTR	FYTD	1 YR	3 YR	5 YR
■ Vanguard Inst 500 Index	8.73 (32)	16.87 (31)	19.55 (42)	14.57 (49)	12.28 (38)
● S&P 500 Index	8.74 (30)	16.89 (27)	19.59 (38)	14.60 (45)	12.31 (36)
Median	8.13	15.43	19.17	14.51	11.84



#### MPT Stats, 5 Years

	Alpha	Beta	Information Ratio	R-Squared	Standard Deviation	Up Capture	Down Capture
Vanguard Inst 500 Index	-0.03	1.00	-2.65	1.00	18.64	99.95	100.05
S&P 500 Index	0.00	1.00	N/A	1.00	18.64	100.00	100.00

## Mutual Fund Attributes

As of June 30, 2023

### Vanguard Institutional Index I

#### Fund Information

Fund Name :	Vanguard Institutional Index I	Portfolio Assets :	\$109,563 Million
Fund Family :	Vanguard	Portfolio Manager :	Birkett,N/Butler,D/Louie,M
Ticker :	VINIX	PM Tenure :	22 Years 6 Months
Inception Date :	07/31/1990	Fund Assets :	\$260,893 Million
Portfolio Turnover :	3%		

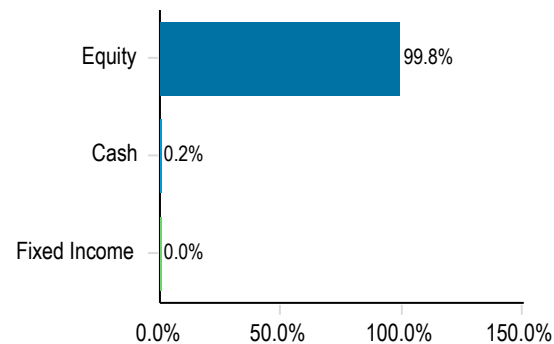
#### Fund Characteristics As of 06/30/2023

Total Securities	506
Avg. Market Cap	\$223,342 Million
P/E	19.9
P/B	3.7
Div. Yield	1.7%

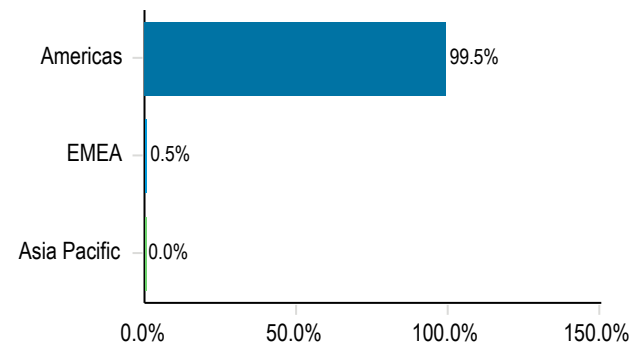
#### Fund Investment Policy

The investment seeks to track the performance of the S&P 500 Index that measures the investment return of large-capitalization stocks.

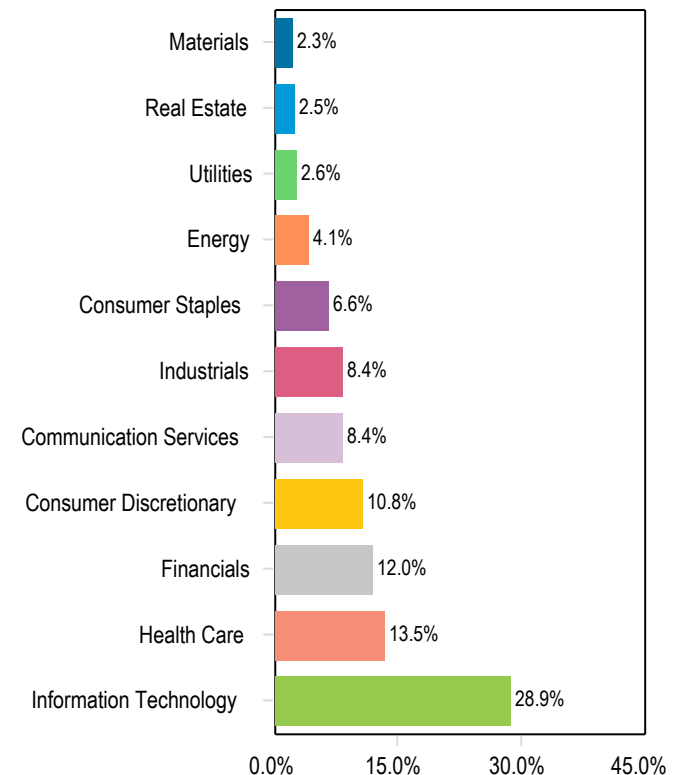
#### Asset Allocation As of 06/30/2023



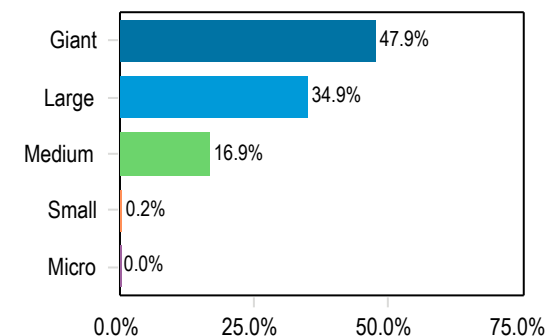
#### Regional Allocation As of 06/30/2023



#### Equity Sector Allocation As of 06/30/2023



#### Market Capitalization As of 06/30/2023



#### Top Ten Securities As of 06/30/2023

Apple Inc	7.7 %
Microsoft Corp	6.8 %
Amazon.com Inc	3.1 %
NVIDIA Corp	2.8 %
Alphabet Inc Class A	1.9 %
Tesla Inc	1.9 %
Meta Platforms Inc Class A	1.7 %
Alphabet Inc Class C	1.7 %
Berkshire Hathaway Inc Class B	1.6 %
UnitedHealth Group Inc	1.2 %
<b>Total</b>	<b>30.5 %</b>

## Manager Review

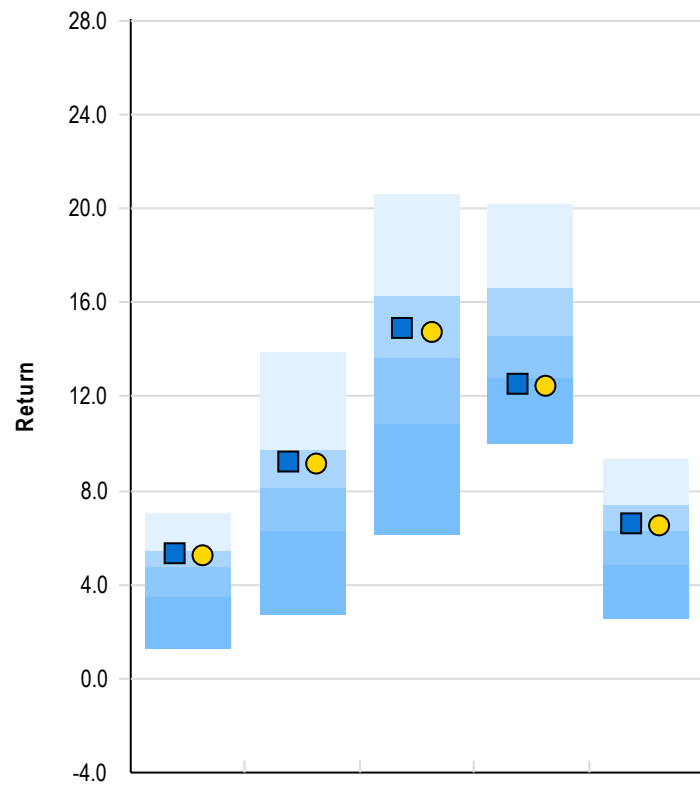
As of June 30, 2023

### Vanguard Small Cap Index

\$17.1M and 12.7% of Plan Assets

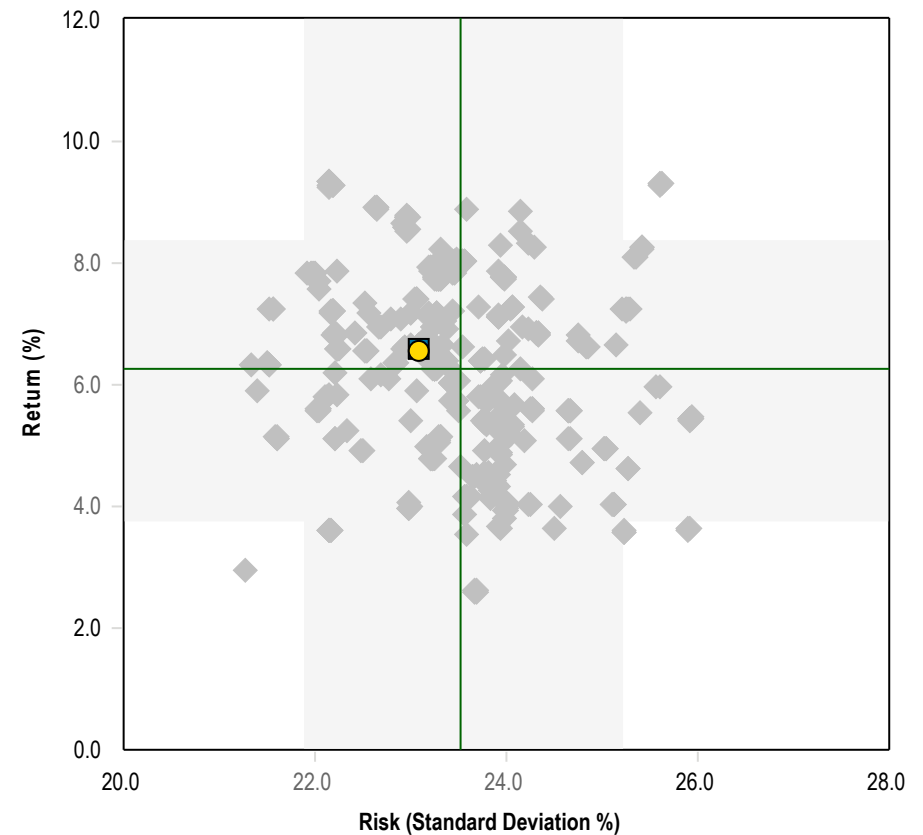
#### Peer Group Analysis - Small Blend

#### Manager Risk/Return: 5 Year, Annualized



Vanguard Small-Cap Index	5.34 (27)	9.27 (31)	14.92 (40)	12.54 (78)	6.60 (44)
CRSP U.S. Small Cap	5.29 (30)	9.19 (32)	14.78 (41)	12.49 (78)	6.55 (45)

Median	4.75	8.17	13.67	14.58	6.25
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Small Blend	Vanguard Small-Cap Index
CRSP U.S. Small Cap	Return/Risk Median

#### MPT Stats, 5 Years

	Alpha	Beta	Information Ratio	R-Squared	Standard Deviation	Up Capture	Down Capture
Vanguard Small-Cap Index	0.04	1.00	1.49	1.00	23.08	100.07	99.94
CRSP U.S. Small Cap	0.00	1.00	N/A	1.00	23.08	100.00	100.00

## Mutual Fund Attributes

As of June 30, 2023

### Vanguard Small Cap Index I

#### Fund Information

Fund Name :	Vanguard Small Cap Index I	Portfolio Assets :	\$20,182 Million
Fund Family :	Vanguard	Portfolio Manager :	Coleman, W/O'Reilly, G
Ticker :	VSCIX	PM Tenure :	7 Years 2 Months
Inception Date :	07/07/1997	Fund Assets :	\$129,483 Million
Portfolio Turnover :	14%		

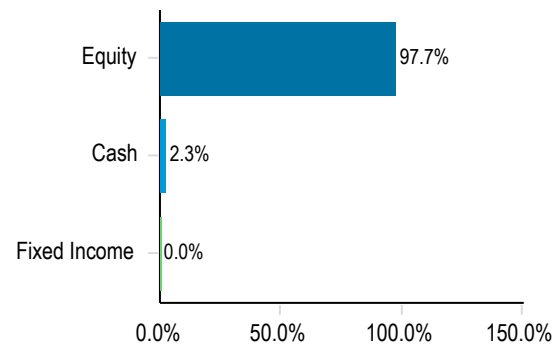
#### Fund Characteristics As of 06/30/2023

Total Securities	1,450
Avg. Market Cap	\$5,422 Million
P/E	14.8
P/B	2.0
Div. Yield	1.9%

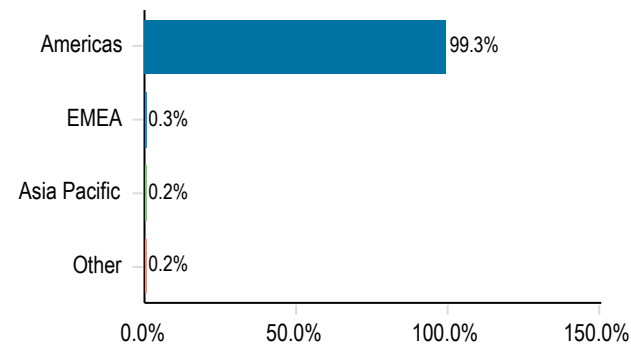
#### Fund Investment Policy

The investment seeks to track the performance of the CRSP US Small Cap Index that measures the investment return of small-capitalization stocks.

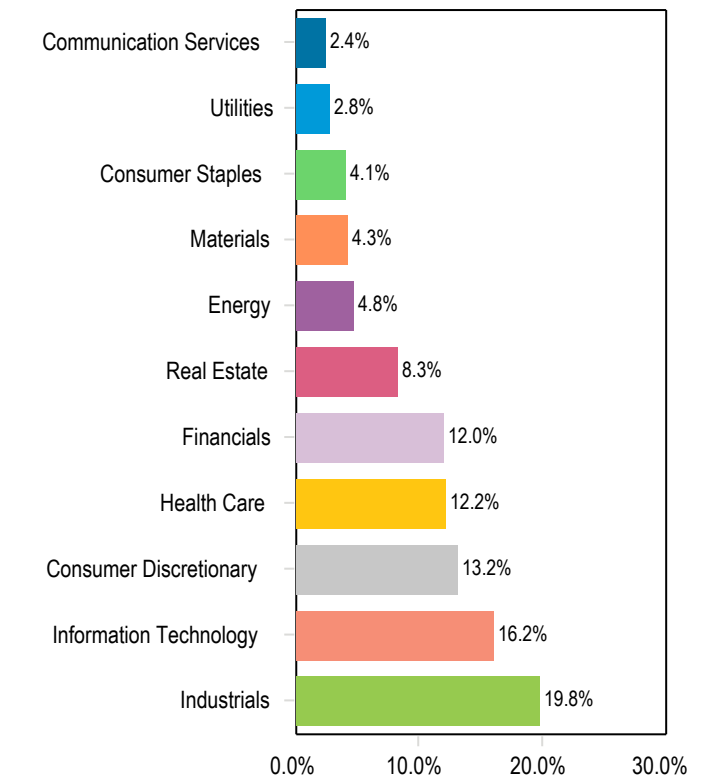
#### Asset Allocation As of 06/30/2023



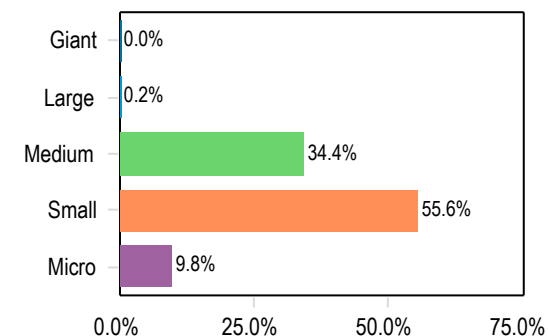
#### Regional Allocation As of 06/30/2023



#### Equity Sector Allocation As of 06/30/2023



#### Market Capitalization As of 06/30/2023



#### Top Ten Securities As of 06/30/2023

Fair Isaac Corp	0.4 %
Builders FirstSource Inc	0.4 %
Targa Resources Corp	0.4 %
Exact Sciences Corp	0.3 %
Atmos Energy Corp	0.3 %
Entegris Inc	0.3 %
IDEX Corp	0.3 %
PTC Inc	0.3 %
Reliance Steel & Aluminum Co	0.3 %
Booz Allen Hamilton Holding Corp	0.3 %
<b>Total</b>	<b>3.4 %</b>

## Manager Review

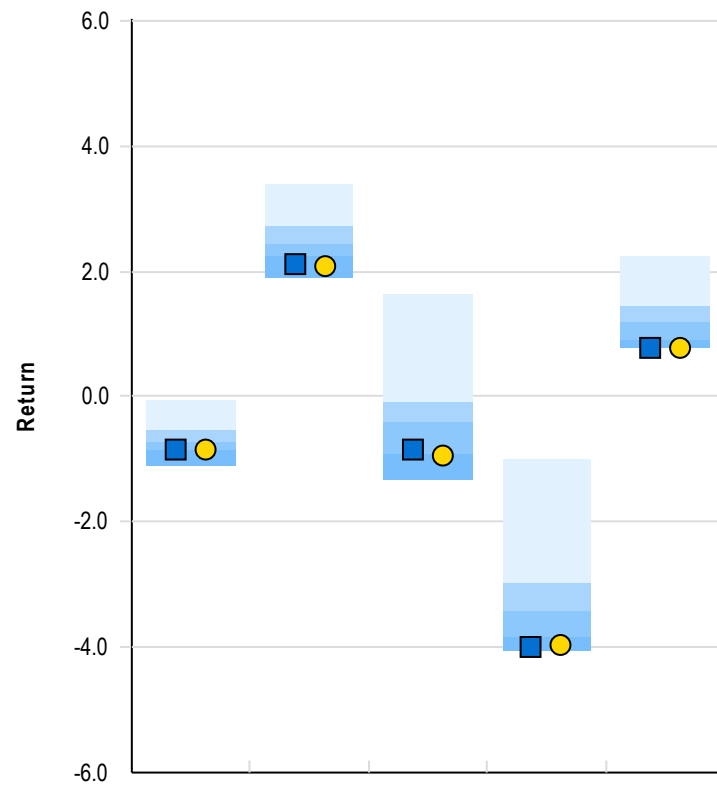
As of June 30, 2023

### MetLife Core Bond Index Fund

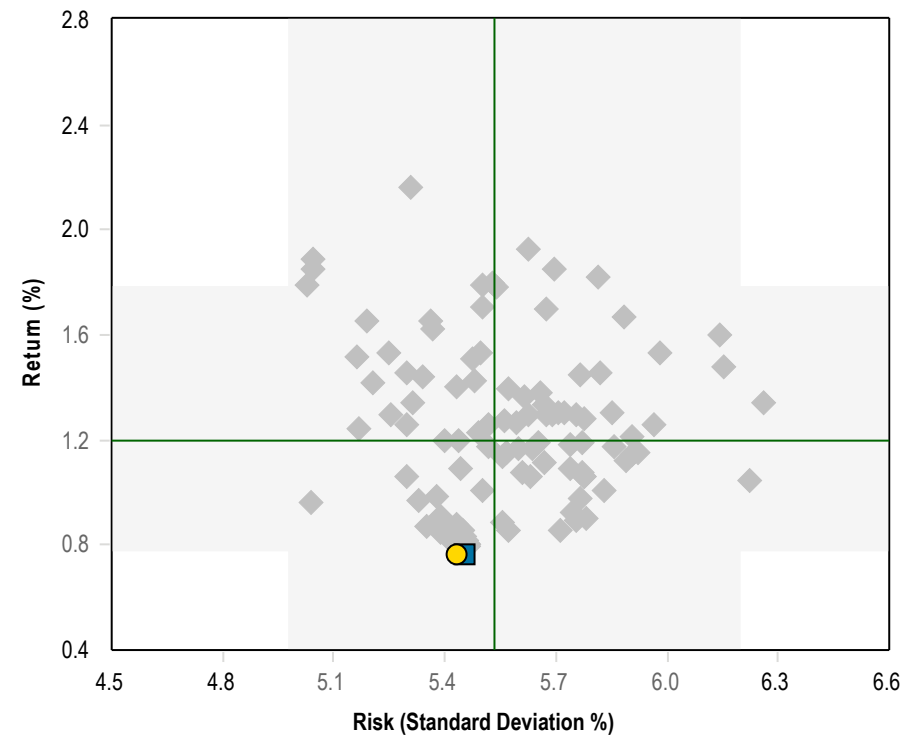
\$29.4M and 21.9% of Plan Assets

#### Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (SA+CF)

#### Manager Risk/Return: 5 Year, Annualized



	QTR	FYTD	1 YR	3 YR	5 YR
MetLife Core Bond Index	-0.83 (72)	2.11 (83)	-0.85 (69)	-3.99 (92)	0.77 (96)
Blmbg. U.S. Agg Index	-0.84 (80)	2.09 (84)	-0.94 (82)	-3.97 (89)	0.77 (96)
Median	-0.72	2.43	-0.41	-3.43	1.20



- ◆ IM U.S. Broad Market Core Fixed Income (SA+CF)
- MetLife Core Bond Index
- Blmbg. U.S. Agg Index
- Return/Risk Median

#### MPT Stats, 5 Years

	Alpha	Beta	Information Ratio	R-Squared	Standard Deviation	Up Capture	Down Capture
MetLife Core Bond Index	0.00	1.00	0.02	1.00	5.45	100.18	100.17
Blmbg. U.S. Agg Index	0.00	1.00	N/A	1.00	5.43	100.00	100.00

## Manager Review

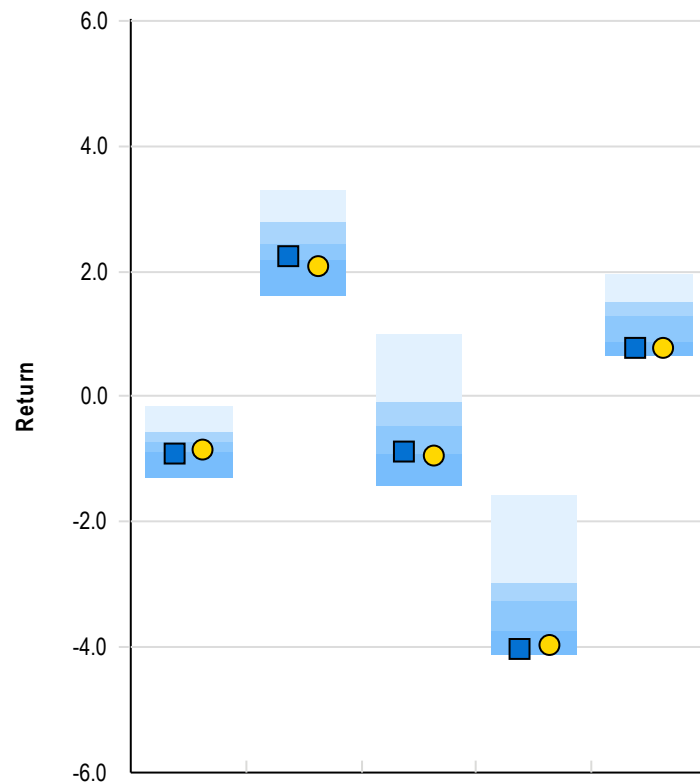
As of June 30, 2023

### Vanguard Total Bond Market Index

\$14.5M and 10.8% of Plan Assets

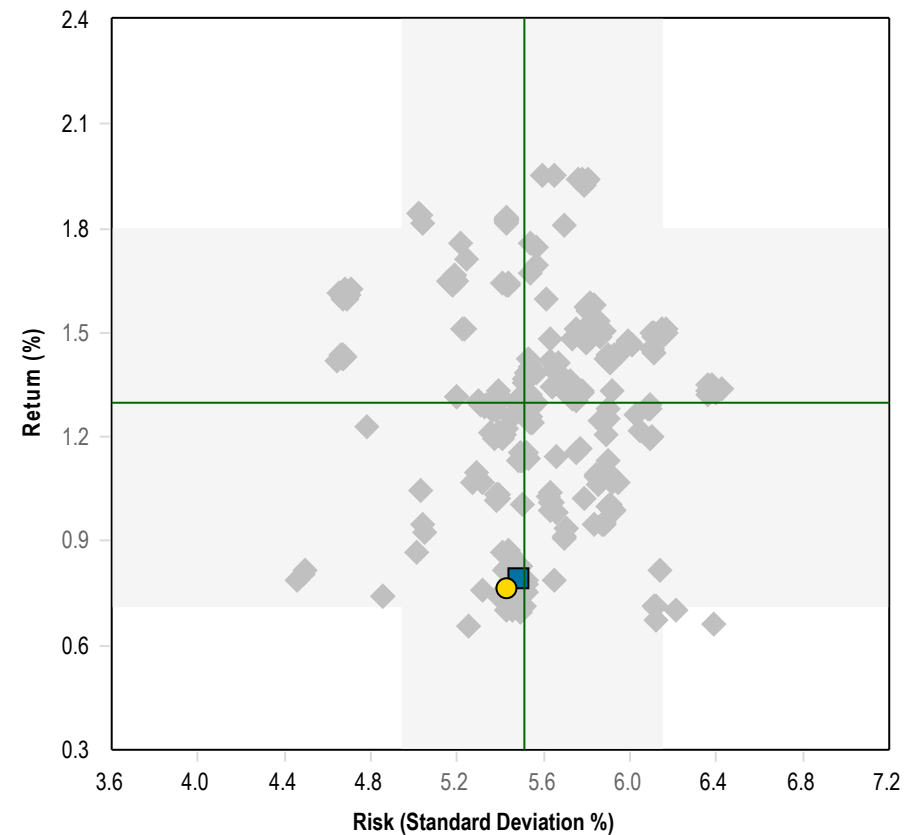
#### Peer Group Analysis - Intermediate Core Bond

#### Manager Risk/Return: 5 Year, Annualized



	QTR	FYTD	1 YR	3 YR	5 YR
■ Vanguard Ttl Bond Mkt Idx	-0.90 (80)	2.24 (68)	-0.89 (74)	-4.01 (88)	0.79 (83)
● Blmbg. US Agg Index	-0.84 (69)	2.09 (82)	-0.94 (77)	-3.97 (83)	0.77 (85)

Median	-0.73	2.44	-0.46	-3.26	1.30
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◆ Intermediate Core Bond	■ Vanguard Ttl Bond Mkt Idx
● Blmbg. US Agg Index	— Return/Risk Median

#### MPT Stats, 5 Years

	Alpha	Beta	Information Ratio	R-Squared	Standard Deviation	Up Capture	Down Capture
Vanguard Ttl Bond Mkt Idx	0.02	1.01	0.09	1.00	5.48	101.87	101.70
Blmbg. US Agg Index	0.00	1.00	N/A	1.00	5.43	100.00	100.00



## Mutual Fund Attributes

As of June 30, 2023

### Vanguard Total Bond Market Index I

#### Fund Information

Fund Name :	Vanguard Total Bond Market Index I	Portfolio Assets :	\$42,230 Million
Fund Family :	Vanguard	Portfolio Manager :	Barrickman,J
Ticker :	VBPIX	PM Tenure :	10 Years 4 Months
Inception Date :	09/18/1995	Fund Assets :	\$298,676 Million
Portfolio Turnover :	40%		

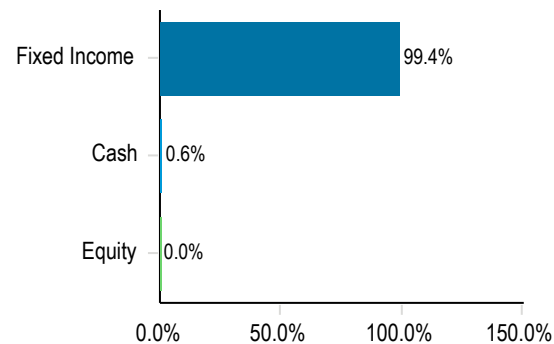
#### Fund Characteristics As of 06/30/2023

Avg. Coupon	3 %
Avg. Effective Maturity	8.9 Years
Avg. Effective Duration	6.46 Years
Avg. Credit Quality	AA
Yield To Maturity	4.83 Years
SEC Yield	4.46 %

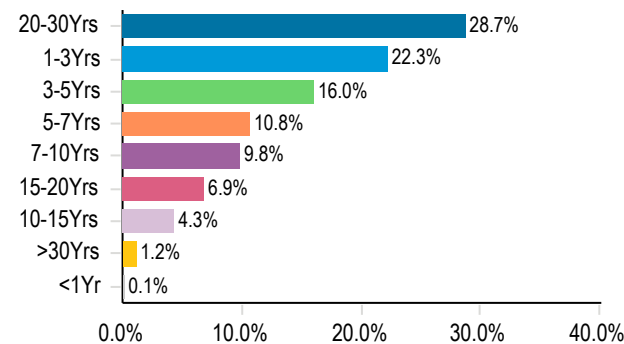
#### Fund Investment Policy

The investment seeks to track the performance of the Bloomberg U.S. Aggregate Float Adjusted Index.

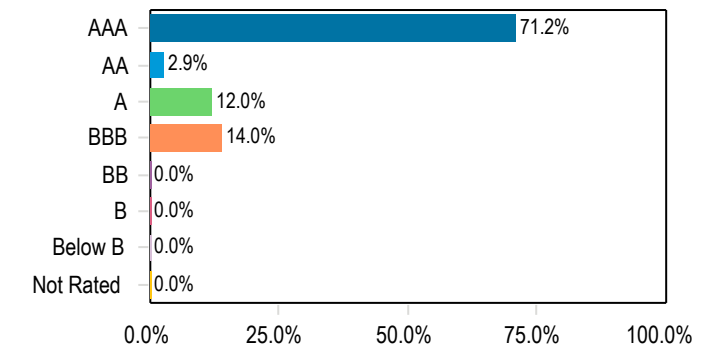
#### Asset Allocation As of 06/30/2023



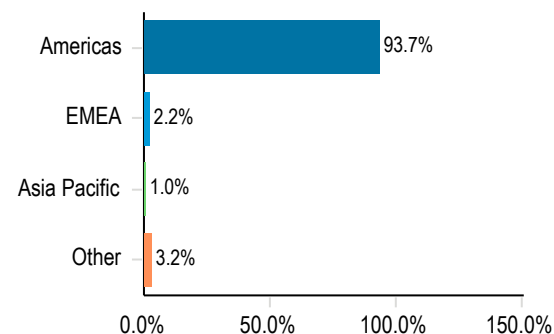
#### Maturity Distribution As of 06/30/2023



#### Quality Allocation As of 03/31/2023



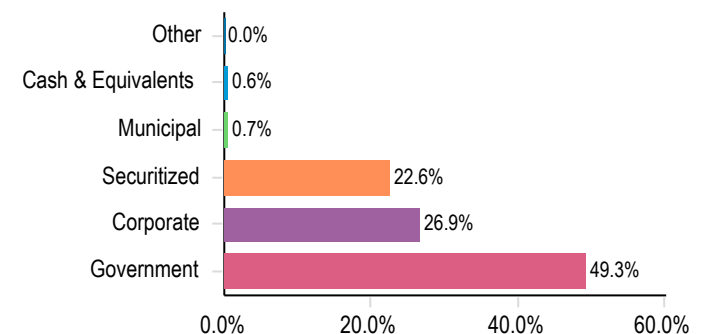
#### Regional Allocation As of 06/30/2023



#### Top Ten Securities As of 06/30/2023

United States Treasury Notes	0.6 %
United States Treasury Notes	0.5 %
United States Treasury Notes	0.5 %
United States Treasury Notes	0.5 %
United States Treasury Notes	0.5 %
United States Treasury Notes	0.5 %
United States Treasury Notes	0.5 %
United States Treasury Notes	0.4 %
United States Treasury Notes	0.4 %
United States Treasury Notes	0.4 %
<b>Total</b>	<b>4.6 %</b>

#### Fixed Income Sector Allocation As of 06/30/2023



## Manager Review

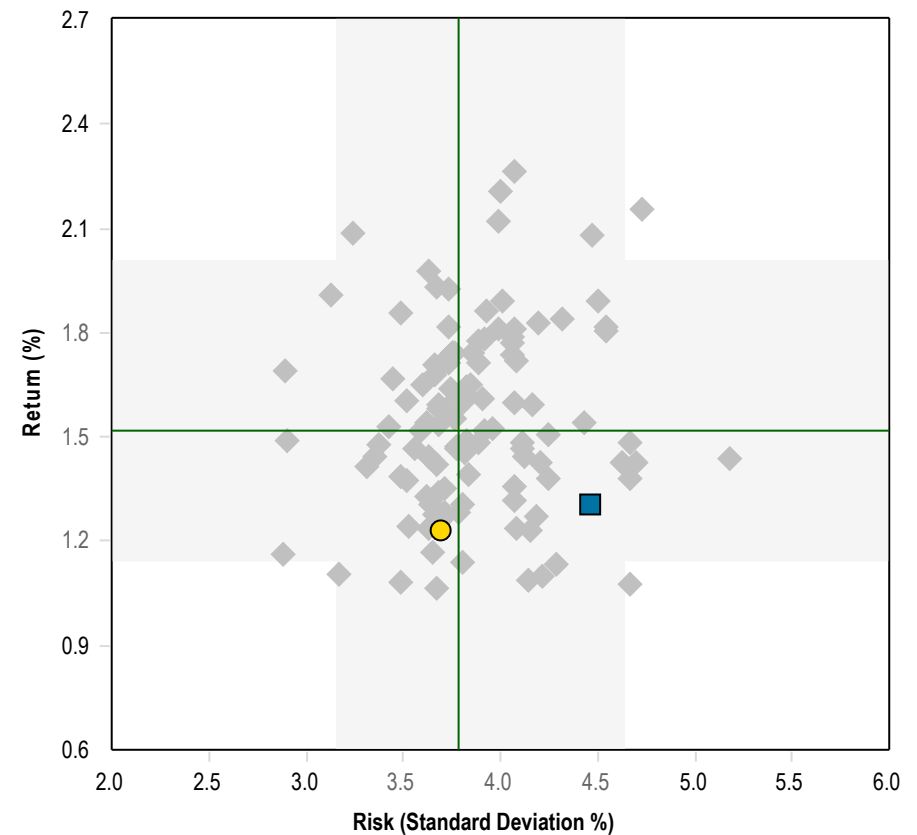
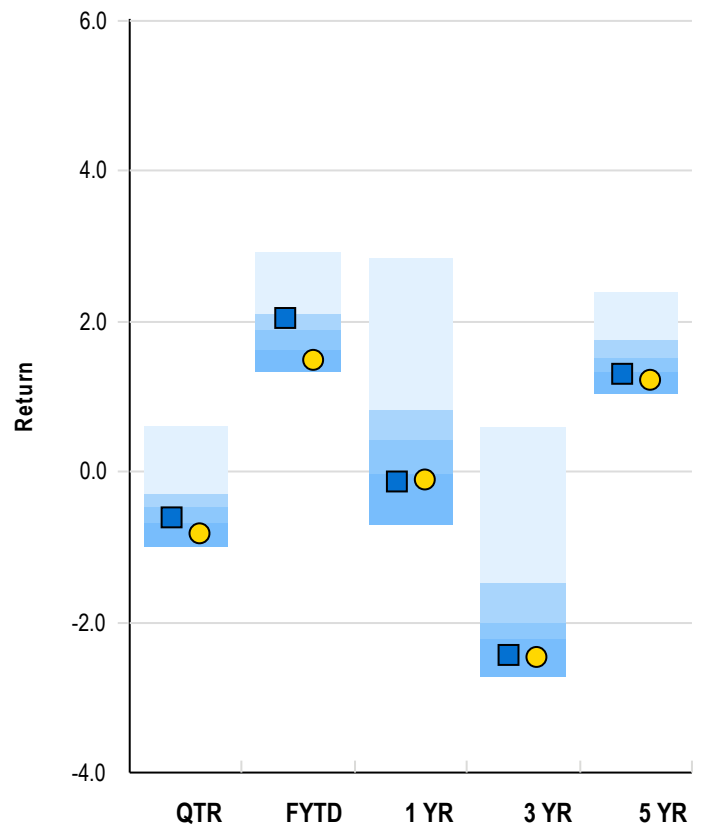
As of June 30, 2023

### Goldman Sachs Fund

\$9.7M and 7.2% of Plan Assets

#### Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)

#### Manager Risk/Return: 5 Year, Annualized



#### MPT Stats, 5 Years

	Alpha	Beta	Information Ratio	R-Squared	Standard Deviation	Up Capture	Down Capture
Goldman Sachs Fund	-0.12	1.18	0.09	0.95	4.46	114.46	116.30
Blmbg Interm US Govt/Cred	0.00	1.00	N/A	1.00	3.70	100.00	100.00

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- 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

## MONTHLY PERFORMANCE REPORT *As of August 31, 2023*



Hilda A. Thompson, Senior Consultant  
[hthompson@seadvisory.com](mailto:hthompson@seadvisory.com)

Wallace W. Wilson, Senior Consultant  
[wwilson@seadvisory.com](mailto:wwilson@seadvisory.com)

404. 237. 3156

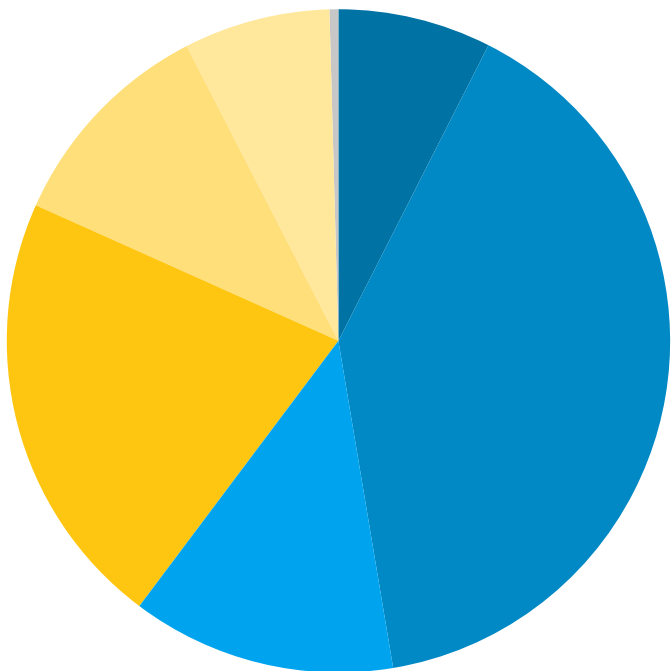
# Financial Reconciliation

1 Month Ending August 31, 2023

	Market Value 08/01/2023	Contributions	Distributions	Gain/Loss	Market Value 08/31/2023
MetLife Equity Index	10,474,710	74,694	-373,940	-165,823	10,009,640
Vanguard Inst 500 Index	54,317,639	-	-	-864,299	53,453,341
<b>Total Large Cap Equity</b>	<b>64,792,349</b>	<b>74,694</b>	<b>-373,940</b>	<b>-1,030,122</b>	<b>63,462,981</b>
Vanguard Small-Cap Index	17,937,000	-	-	-663,470	17,273,530
<b>Total Small Cap Equity</b>	<b>17,937,000</b>	<b>-</b>	<b>-</b>	<b>-663,470</b>	<b>17,273,530</b>
MetLife Core Bond Index Fund	29,164,594	56,021	-282,005	-186,201	28,752,409
Vanguard Total Bond Mkt Index	14,454,424	-	-	-82,203	14,372,221
Goldman Sachs Fund	9,662,733	18,674	-97,151	-28,733	9,555,523
<b>Total Fixed Income</b>	<b>53,281,752</b>	<b>74,694</b>	<b>-379,155</b>	<b>-297,137</b>	<b>52,680,154</b>
<b>Cash Account</b>	<b>588,962</b>	<b>895,105</b>	<b>-899,370</b>	<b>-587</b>	<b>584,110</b>
<b>Total Fund</b>	<b>136,600,063</b>	<b>1,044,494</b>	<b>-1,652,466</b>	<b>-1,991,315</b>	<b>134,000,775</b>

August 31, 2023 : \$134,000,775

	Market Value	Allocation (%)
MetLife Equity Index	\$10,009,640	7.5
Vanguard Inst 500 Index	\$53,453,341	39.9
Vanguard Small-Cap Index	\$17,273,530	12.9
MetLife Core Bond Index Fund	\$28,752,409	21.5
Vanguard Total Bond Mkt Index	\$14,372,221	10.7
Goldman Sachs Fund	\$9,555,523	7.1
Cash Account	\$584,110	0.4





	Allocation		Performance (%)							
	Market Value	%	1 Month	Quarter To Date	FYTD	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
<b>Total Fund</b>	<b>\$134,000,775</b>	<b>100.0</b>	<b>-1.46</b>	<b>0.64</b>	<b>10.23</b>	<b>-15.64</b>	<b>13.44</b>	<b>13.24</b>	<b>19.89</b>	<b>-2.78</b>
Policy Index			-1.38	0.50	8.99	-14.88	11.57	13.91	19.12	-2.44
<b>Total Large Cap Equity</b>	<b>\$63,462,981</b>	<b>47.4</b>	<b>-1.59</b>	<b>1.57</b>	<b>18.76</b>	<b>-18.20</b>	<b>28.74</b>	<b>18.40</b>	<b>31.49</b>	<b>-4.48</b>
S&P 500 Index			-1.59	1.57	18.73	-18.11	28.71	18.40	31.49	-4.38
MetLife Equity Index	\$10,009,640	7.5	-1.61	1.61	19.04	-18.44	28.96	18.43	31.51	-4.05
S&P 500 Index			-1.59	1.57	18.73	-18.11	28.71	18.40	31.49	-4.38
Vanguard Inst 500 Index	\$53,453,341	39.9	-1.59	1.57	18.70	-18.14	28.67	18.39	31.46	-4.84
S&P 500 Index			-1.59	1.57	18.73	-18.11	28.71	18.40	31.49	-4.38
<b>Total Small Cap Equity</b>	<b>\$17,273,530</b>	<b>12.9</b>	<b>-3.70</b>	<b>1.07</b>	<b>10.44</b>	<b>-17.60</b>	<b>17.73</b>	<b>19.12</b>	<b>27.40</b>	<b>-9.32</b>
CRSP U.S. Small Cap TR Index			-3.71	1.05	10.34	-17.64	17.71	19.07	27.35	-9.33
Vanguard Small-Cap Index	\$17,273,530	12.9	-3.70	1.07	10.44	-17.60	17.73	19.12	27.40	-9.32
CRSP U.S. Small Cap TR Index			-3.71	1.05	10.34	-17.64	17.71	19.07	27.35	-9.33
<b>Total Fixed Income</b>	<b>\$52,680,154</b>	<b>39.3</b>	<b>-0.56</b>	<b>-0.58</b>	<b>1.54</b>	<b>-12.43</b>	<b>-1.57</b>	<b>7.53</b>	<b>8.49</b>	<b>0.21</b>
Blmbg. U.S. Aggregate Index			-0.64	-0.71	1.37	-13.01	-1.55	7.51	8.72	0.01
MetLife Core Bond Index Fund	\$28,752,409	21.5	-0.64	-0.72	1.38	-12.95	-1.62	7.44	8.80	-0.04
Blmbg. U.S. Aggregate Index			-0.64	-0.71	1.37	-13.01	-1.55	7.51	8.72	0.01
Vanguard Total Bond Mkt Index	\$14,372,221	10.7	-0.57	-0.62	1.61	-13.15	-1.67	7.74	8.78	N/A
Blmbg. U.S. Aggregate Index			-0.64	-0.71	1.37	-13.01	-1.55	7.51	8.72	0.01
Goldman Sachs Fund	\$9,555,523	7.1	-0.30	-0.12	1.93	-9.83	-1.25	7.63	7.36	0.90
Blmbg. Intermed. U.S. Government/Credit			-0.01	0.25	1.75	-8.24	-1.44	6.43	6.80	0.88
<b>Cash Account</b>	<b>\$584,110</b>	<b>0.4</b>	<b>-0.10</b>	<b>-0.20</b>	<b>-0.38</b>	<b>-0.88</b>	<b>0.00</b>	<b>0.00</b>	<b>0.29</b>	<b>0.49</b>
90 Day U.S. Treasury Bill			0.45	0.85	3.13	1.46	0.05	0.67	2.28	1.87

# Fee Schedule

As of August 31, 2023

	Estimated Annual Fee (%)	Estimated Annual Fee	Market Value As of 08/31/2023	Fee Schedule	Fee Notes
MetLife Equity Index	0.127	\$12,755	\$10,009,640	0.180 % of First \$5 M 0.075 % of Next \$5 M 0.050 % Thereafter	
Vanguard Inst 500 Index	0.035	\$18,709	\$53,453,341	0.035 % of Assets	
<b>Total Large Cap Equity</b>	<b>0.050</b>	<b>\$31,463</b>	<b>\$63,462,981</b>		
Vanguard Small-Cap Index	0.040	\$6,909	\$17,273,530	0.040 % of Assets	
<b>Total Small Cap Equity</b>	<b>0.040</b>	<b>\$6,909</b>	<b>\$17,273,530</b>		
MetLife Core Bond Index Fund	0.097	\$28,002	\$28,752,409	0.100 % of First \$25 M 0.080 % of Next \$25 M 0.060 % Thereafter	
Vanguard Total Bond Mkt Index	0.035	\$5,030	\$14,372,221	0.035 % of Assets	
Goldman Sachs Fund	0.489	\$46,750	\$9,555,523	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	
<b>Total Fixed Income</b>	<b>0.151</b>	<b>\$79,782</b>	<b>\$52,680,154</b>		
Cash Account	N/A	-	\$584,110		
<b>Total Fund</b>	<b>0.088</b>	<b>\$118,155</b>	<b>\$134,000,775</b>		

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MAYOR AND COUNCIL  
OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN

FOR THE YEAR ENDED DECEMBER 31, 2022

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
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DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, Members of the City Council,  
and Finance Director  
City of Dalton, Georgia

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Mayor and Council of the City of Dalton Employees' Pension Plan (Pension Plan), a fiduciary fund of the City of Dalton, Georgia, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Pension Plan's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Mayor and Council of the City of Dalton Employees' Pension Plan as of December 31, 2022, and the change in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the required supplementary information presented on pages 14 through 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2023, on our consideration of the Mayor and Council of the City of Dalton Employees' Pension Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Mayor and Council of the City of Dalton Employees' Pension Plan's internal control over financial reporting and compliance.

*Estes & Walcott*

Dalton, Georgia  
June 6, 2023



MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2022

	<u>2022</u>
<u>ASSETS</u>	
Cash	\$ 643,972
Investments at fair market value:	
Metlife Aggregate Bond Index Fund	29,980,766
MetLife Large Cap Equity Index Fund	10,386,348
MetLife Intermediate Duration Bond Fund	9,939,992
Vanguard Institutional Index Fund	45,030,571
Vanguard Small Cap Index Fund	15,640,129
Vanguard Total Bond Market Index Fund	14,144,821
Contributions receivable	<u>239,963</u>
Total assets	<u>126,006,562</u>
 <u>LIABILITIES</u>	
Accounts payable	<u>2,790</u>
 <u>NET POSITION</u>	
Net position restricted for pension benefits	<u>\$ 126,003,772</u>

The accompanying notes are an integral part of these financial statements.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
DECEMBER 31, 2022

	<u>2022</u>
<u>ADDITIONS</u>	
Contributions:	
Employer	\$ 2,600,285
Plan members	<u>647,018</u>
Total contributions	<u>3,247,303</u>
Investment income:	
Net increase (decrease) in fair value of investments	\$ (26,646,888)
Interest and dividends	<u>2,595,346</u>
Total investment income	(24,051,542)
Less investment expense	<u>(168,164)</u>
Net investment earnings	<u>(24,219,706)</u>
Total additions	<u>(20,972,403)</u>
<u>DEDUCTIONS</u>	
Pension benefits paid	8,464,660
Administrative expenses	<u>41,931</u>
Total deductions	<u>8,506,591</u>
Change in net position	(29,478,994)
Net position beginning of year	<u>155,482,766</u>
Net position end of year	<u>\$ 126,003,772</u>

The accompanying notes are an integral part of these financial statements.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 1. Description of the Pension Plan

The following description of the Mayor and Council of the City of Dalton Employees' Pension Plan (Pension Plan), as amended, provides only general information. Participants should refer to the Pension Plan agreement for a more complete description of the Pension Plan's provisions.

General-

The financial statements presented are only for the Mayor and Council of the City of Dalton Employees' Pension Plan, and are not intended to present the basic financial statements of the City of Dalton, Georgia (City). The Pension Plan was established to provide retirement benefits for eligible employees. The Pension Plan is a defined benefit single employer public employee retirement system. The Pension Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The Pension Plan is subject to the provisions of Section 401(a) and 501(a) of the Internal Revenue Code. The Mayor and Council of the City of Dalton serve as the Pension Plan administrator.

Eligibility-

All full-time employees of a participating employer who were hired prior to July 1, 2002 were eligible to participate in the Pension Plan after completing six months of service as a covered employee, except that the Mayor, Councilmembers, Commissioners, and Authority Members are not eligible to participate in the Pension Plan. Participating employers include: the City, including the Public Safety Commission, the Water, Light, and Sinking Fund Commission (WLSF Commission); the Dalton-Whitfield Convention and Visitors Bureau; and the Dalton Whitfield Regional Solid Waste Management Authority (DWRSWMA). Employees who began work after July 1, 2002 are eligible for participation in a separate defined contribution plan. The Pension Plan provides pension benefits, early retirement benefits, and death benefits.

Pension benefits-

Benefits fully vest after ten years of service. Normal retirement benefits are available to employees of any age after thirty years of service. Employees who retire at the normal retirement date are entitled to monthly pension payments for the remainder of their lives equal to .15% of their average monthly compensation, multiplied by their years of credited service for which they were employed by a participating employer of the Pension Plan. These benefit payments are subject to a discretionary annual cost-of-living adjustment as determined and approved on an annual basis by the Mayor and Council of the City of Dalton. The participant's average monthly compensation is equal to the average of the participant's highest 36 consecutive basic monthly earnings during their 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) for this calculation, pursuant to IRC section 401(a)(17).

Normal retirement benefits are available for participants who have reached any age with at least 30 years of service, age 55 with at least 25 years of service, or age 65 with at least 5 years of service.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 1. Description of the Pension Plan – continued

Pension benefits – continued

Monthly pension benefits will be paid as a life annuity to the participant, with 120 payments guaranteed. Pension Plan provisions include early retirement benefits whereby an employee may terminate his employment with the City after accumulating 15 years of service and reaching the age of 50 or after accumulating 10 years of service and reaching the age of 55. The pension benefits are reduced by .5% for each month by which the participant's early retirement age precedes his normal retirement age.

Death benefits-

Pension provisions include death benefits whereby the surviving spouse is entitled to receive annually an amount equal to 55% of the employee's pension benefit at the time of death (commencing after 120 payments of the full benefit amount have been received). The surviving spouse may receive death benefits for life.

Changes-

The benefit terms of the Pension Plan have not changed from the prior measurement date. However, retirees were granted a one-time cost-of-living adjustment effective January 1, 2022.

Participants-

The number of participants in each category listed below is as of January 1, 2023, the latest actuarial valuation.

Actively employed participants	158
Average age	51.7 years
Average service	24.6 years
Total annualized compensation for the prior year	\$ 12,266,001
Total expected compensation for the current year	\$ 12,664,635
Participants receiving a benefit	
Service retirees	312
Beneficiaries	70
Inactive participants - deferred; vested	19

Funding policy-

In accordance with the most recent actuarial report, the Pension Plan's funding policy for employers should be increased from 12.2% of covered payroll (at the valuation date of January 1, 2022, which determines the contribution for the 2023 year) to 41.7% of covered payroll (at the valuation date of January 1, 2023, which determines the contribution for the 2024 year) to adequately fund the Pension Plan's ongoing costs and an amortization of the unfunded actuarial accrued liability over a 20-year period from January 1, 2020 with level dollar payments.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 1. Description of the Pension Plan - continued

Funding policy – continued

Employees are required to pay 5% of their pensionable earnings to the Pension Plan. A participant (or their eligible beneficiary) who terminates their employment for any reason and who is not otherwise entitled to a monthly benefit will receive a refund of their contributions accumulated with interest at the rate of 3% per annum beginning as of the end of the year during which the contribution was made. All other participants may choose to receive a refund of their contributions accumulated with interest in lieu of receiving any additional benefits under the Pension Plan. The funding policy of the Pension Plan is established and may be amended by the Mayor and the Council.

Note 2. Summary of significant accounting policies

The accounting and reporting policies of the Pension Plan conform to generally accepted accounting principles. The following is a summary of the more significant policies.

Basis of accounting-

The accompanying financial statements are prepared on the accrual basis of accounting. Employer and member contributions are recognized in the period that the contributions are due.

Cash-

Cash consists primarily of the payment fund account managed by Metropolitan Life. This account records Pension Plan contributions, benefit payments, administrative fees, and investment transfers. Interest is distributed monthly based on average balances.

Investment valuation and income recognition-

All contributions to the Pension Plan, less any administrative expenses paid out of the Pension Plan, are invested with Metropolitan Life Insurance Company and Vanguard. The Pension Plan's investments are valued at fair value. The value of the assets is determined in accordance with applicable laws and regulations. The value of any assets not publicly traded will reflect prevailing interest rates and prices of publicly traded securities of similar quality. There are no investments in loans or leases with parties related to the Pension Plan. Investment income is recognized as earned by the Pension Plan. The net appreciation (depreciation) in the fair value of investments held by the Pension Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of fiduciary net position. Benefits and refunds of the Pension Plan are recognized when due and payable in accordance with the terms of the Pension Plan.

Estimates-

The preparation of financial statements in conformity with generally accepted accounting principles requires the Pension Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 2. Summary of significant accounting policies - continued

Subsequent events-

Management has evaluated subsequent events through June 6, 2023, the date the financial statements were available to be issued.

Note 3. Investments

In general, the cash and investments held by the Pension Plan are exempt from the City's investment and cash management policies, including the requirement that the deposits be federally insured. The Pension Plan has its own investment policy. The assets of the Pension Plan are invested in an immediate participation contract with Metropolitan Life Insurance Company and in mutual funds with Vanguard. The Pension Plan investments follow State of Georgia Code Sections 47-20-82, 47-20-83, and 47-20-84 for authorized investments.

The Pension Plan investment policy limits investment in equity securities to 70% (book value – cost) of total asset value. Investments in international equities and derivative investments are prohibited. The investment manager is restricted from using financial leverage or engaging in short sale techniques. Domestic equities must be traded on the New York or American Stock Exchange, NASDAQ system, or any other major exchange and single securities may not comprise more than 5% (market value) of the investment's equity mix. Domestic fixed income shall be of investment grade quality and the average credit quality of the Pension Plan's fixed income assets should be rated A or higher as rated by Standard & Poor's or Moody's rating services.

The Pension Plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote. The Board has full power to invest or reinvest Pension Plan assets in any kind of property which the Pension Board deems proper. It is the policy of the Pension Board to pursue an investment strategy which reduces risk through prudent diversification of the portfolio. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class for the investments of the Pension Plan is as follows:

Investment Category	Allocation	Expected Long Term Real Return
Domestic large cap stocks	40%	6.00% per annum
Domestic small cap stocks	10%	6.75% per annum
Domestic fixed income	50%	2.00% per annum
Total or weighted arithmetic average	100%	4.31% per annum

For the year ended December 31, 2022, the annual money-weighted rate of return on the Pension Plan's investments, net of Pension Plan investment expense, was -15.74%. The money-weighted rate of return expressed investment performance, net of investment expense, adjusted for the changing amounts actually invested.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 3. Investments - continued

The Pension Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; level 3 inputs are significant unobservable inputs.

The Pension Plan has the following recurring fair value measurements as of December 31, 2022:

- Cash in the amount of \$643,972 is presented in the financial statements and is reported at cost or amortized cost and is not subject to fair value hierarchy measurement.
- Investments in index and other mutual funds in the amount of \$74,815,521 are valued based on quoted prices in active markets for identical assets (level 1).
- Investments in index and other mutual funds in the amount of \$50,307,106 are valued based on observable market data and valuations of similar instruments (level 2).
- No investment securities are valued using level 3 inputs.

Each investment category listed represents 5% or more of the Pension Plan's fiduciary net position.

All of the Pension Plan investments are subject to credit risk. The values presented for the investments represent fair value. None of the investments are publicly rated for credit quality.

Note 4. Tax status

An Internal Revenue Service determination letter has not been obtained. However, the Pension Plan administrator and the Pension Plan's tax counsel believe that the Pension Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

Note 5. Pension Plan administrative expenses

Certain administrative functions are performed by employees of the City and the WLSF Commission. No such employee receives compensation from the Pension Plan. The Pension Plan sponsor has paid certain administration expenses of the Pension Plan during the year ended December 31, 2022.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 6. Net pension liability

The components of the net pension liability of the participating employers at December 31, 2022 is as follows:

Total pension liability	\$ 159,034,427
Pension Plan fiduciary net position	<u>125,998,147</u>
Net pension liability	<u>\$ 33,036,280</u>
Pension Plan fiduciary net position as a percentage of total pension liability	79%

The following actuarial assumptions used in the January 1, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2022 through December 31, 2022:

Actuarial Assumptions

Discount rate:	6.81% per annum (2.50% per annum is attributable to long term inflation); this rate was used to discount all future benefit payments.
Investment return:	6.81% per year
Salary increases:	3.25% per year
Cost of living increase:	None assumed
Mortality basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees (without pay adjustments), with full generational improvements in mortality using Scale MP-2020.
Retirement:	Retirement is assumed to occur at normal retirement age.
Other decrements:	Assumed employment termination is based on age and ranges from 23.00% at age 20 to 4.00% at age 55. Assumed disability is based on age and gender and ranges from 0.04% for males and 0.02% for females at age 20 to 2.24% for males and 1.27% for females at age 65.
Non-investment expenses:	\$50,000 per year
Future contributions:	Contributions from the employer and employees are assumed to be made as legally required.
Changes:	Since the prior measurement date, the mortality improvement scale was updated from Scale MP-2017 to Scale MP-2020.



MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 6. Net pension liability - continued

Discount rate-

The discount rate used to measure the total pension liability was 6.81%. There has been no change to the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employees and the participating employers make their contributions at the actuarially determined rates. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Pension Plan investments of 6.81% was applied to all periods of projected benefit payments to determine the total pension asset or liability.

The net pension liability is based on the measurement date of December 31, 2022. The components of the net pension liability as of the Pension Plan's year end were as follows:

	Total Pension Liability	Pension Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance at December 31, 2021	\$ 154,127,146	\$ 155,482,766	\$ (1,355,620)
Changes for the year:			
Service cost	1,470,510	-	1,470,510
Expected interest growth	10,314,455	10,412,008	(97,553)
Unexpected interest growth	-	(34,630,214)	34,630,214
Demographic experience	(703,877)	-	(703,877)
Contributions - employer	-	2,600,285	(2,600,285)
Contributions - employee	-	647,018	(647,018)
Benefit payments, including refunds of employee contributions	(8,464,660)	(8,464,660)	-
Administrative expenses	-	(49,056)	49,056
Changes in benefit terms	2,543,098	-	2,543,098
Assumption changes	(252,245)	-	(252,245)
Net changes	4,907,281	(29,484,619)	34,391,900
Balance at December 31, 2022	<u>\$ 159,034,427</u>	<u>\$ 125,998,147</u>	<u>\$ 33,036,280</u>

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 6. Net pension liability - continued

The following represents the net pension liability as of the measurement date and the Pension Plan's year end, December 31, 2022, calculated using the discount rate of 6.81%, as well as what the net pension liability would be using a discount rate that is 1% lower or 1% higher than the current rate:

	Discount Rate Minus 1.00%	Discount Rate 6.81%	Discount Rate Plus 1.00%
Total pension liability	\$ 176,423,824	\$ 159,034,427	\$ 144,488,151
Plan fiduciary net position	<u>125,998,147</u>	<u>125,998,147</u>	<u>125,998,147</u>
Net pension liability	<u>\$ 50,425,677</u>	<u>\$ 33,036,280</u>	<u>\$ 18,490,004</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions-

For the year ended December 31, 2022, the participating employers of the Pension Plan recognized pension benefit of \$2,993,837. At December 31, 2022, the participating employers reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual investment earnings	<u>\$ 27,704,171</u>	<u>\$ 11,206,855</u>

The above amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows Recognized to Expense
2022	\$ 6,926,043	\$ 5,971,917	\$ 954,126
2023	6,926,043	3,408,852	3,517,191
2024	6,926,043	1,826,086	5,099,957
2025	6,926,042	-	6,926,042
2026	-	-	-

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Note 6. Net pension liability - continued

The deferred outflows of resources, net pension liability, and deferred inflows of resources were allocated and reported in the financial statements of the Pension Plan's employers, which include the City, the WLSF Commission, and the DWRSWMA, a joint venture with Whitfield County, Georgia. The allocations were as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources
City governmental activities	\$ 12,743,919	\$ 15,196,689	\$ 5,155,153
WLSF Commission	13,824,000	16,485,000	5,592,000
City municipal golf course	332,450	396,435	134,482
DWRSWMA	803,802	958,156	325,220
	<u>\$ 27,704,171</u>	<u>\$ 33,036,280</u>	<u>\$ 11,206,855</u>

Additional information is presented as required supplementary information, which immediately follows these notes to the financial statements.

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REQUIRED SUPPLEMENTAL INFORMATION

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MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2022

SCHEDULE OF CHANGES IN THE NET PENSION (ASSET) LIABILITY

	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability:								
Service cost	\$ 1,743,901	\$ 1,652,021	\$ 1,592,733	\$ 1,453,620	\$ 1,439,780	\$ 1,426,355	\$ 1,566,107	\$ 1,470,510
Expected interest growth	8,238,500	8,495,017	8,713,989	8,904,957	9,270,324	9,429,765	9,868,313	10,314,455
Demographic experience	(1,273,686)	216,267	(54,192)	(798,265)	(780,862)	(1,001,988)	3,245,665	(703,877)
Benefit payments and refunds	(6,513,889)	(6,904,562)	(7,133,475)	(7,440,532)	(7,499,751)	(7,662,936)	(7,845,115)	(8,464,660)
Changes in benefit terms	-	-	-	-	-	-	-	2,543,098
Assumption changes	1,890,054	-	-	3,352,582	-	4,198,143	-	(252,245)
Allocation changes	-	-	-	-	674	-	(2)	-
Net change in total pension liability	4,084,880	3,458,743	3,119,055	5,472,362	2,430,165	6,389,339	6,834,968	4,907,281
Total pension liability (TPL) - beginning (a)	122,337,634	126,422,514	129,881,257	133,000,312	138,472,674	140,902,839	147,292,178	154,127,146
Total pension liability (TPL) - ending (c)	\$ 126,422,514	\$ 129,881,257	\$ 133,000,312	\$ 138,472,674	\$ 140,902,839	\$ 147,292,178	\$ 154,127,146	\$ 159,034,427
Plan fiduciary net position:								
Employer contributions	\$ 7,099,703	\$ 6,841,734	\$ 7,225,029	\$ 7,311,443	\$ 7,729,413	\$ 9,130,197	\$ 3,251,149	\$ 2,600,285
Plan member contributions	784,871	769,249	727,343	688,300	663,908	677,164	646,835	647,018
Expected interest growth	5,718,288	5,800,923	6,299,827	7,130,290	6,967,184	8,411,988	9,461,022	10,412,008
Unexpected investment income	(5,527,933)	814,584	5,258,879	(10,188,016)	12,813,826	7,913,820	9,130,438	(34,630,214)
Benefit payments and refunds	(6,513,889)	(6,904,562)	(7,133,475)	(7,440,532)	(7,499,751)	(7,662,936)	(7,845,115)	(8,464,660)
Administrative expenses	(59,780)	(42,929)	(59,239)	(50,901)	(69,262)	(79,278)	(61,000)	(49,056)
Allocation changes	-	-	-	-	(684)	-	(2)	-
Net change in plan fiduciary net position	1,501,260	7,278,999	12,318,364	(2,549,416)	20,604,634	18,390,955	14,583,327	(29,484,619)
Plan fiduciary net position - beginning (b)	83,354,643	84,855,903	92,134,902	104,453,266	101,903,850	122,508,484	140,899,439	155,482,766
Plan fiduciary net position - ending (d)	\$ 84,855,903	\$ 92,134,902	\$ 104,453,266	\$ 101,903,850	\$ 122,508,484	\$ 140,899,439	\$ 155,482,766	\$ 125,998,147
Net pension (asset) liability - beginning (a) - (b)	\$ 38,982,991	\$ 41,566,611	\$ 37,746,355	\$ 28,547,046	\$ 36,568,824	\$ 18,394,355	\$ 6,392,739	\$ (1,355,620)
Net pension (asset) liability - ending (c) - (d)	\$ 41,566,611	\$ 37,746,355	\$ 28,547,046	\$ 36,568,824	\$ 18,394,355	\$ 6,392,739	\$ (1,355,620)	\$ 33,036,280
Plan fiduciary net position as a % of TPL	67%	71%	79%	74%	87%	96%	N/A	79%
Covered payroll	\$ 16,758,095	\$ 15,756,935	\$ 15,113,517	\$ 14,091,077	\$ 13,722,784	\$ 13,304,622	\$ 13,740,735	\$ 13,030,951
NPL as a % of covered payroll	248%	240%	189%	260%	134%	48%	-10%	254%

Note: 2015 was the first year that data was measured in accordance with GASB 68.

Note: Only eight years of information are presented in the schedule above; ten years of information will be presented as it becomes available.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2022

SCHEDULE OF FUNDING PROGRESS

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension (Asset) Liability	Funded Percentage	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
01/01/2013	\$103,250,126	\$ 66,758,929	\$ 36,491,197	65%	\$ 17,874,717	204%
12/31/2013	118,614,630	75,640,022	42,974,608	64%	17,324,713	248%
12/31/2014	122,337,631	83,354,743	38,982,888	68%	17,324,713	225%
12/31/2015	126,422,514	84,855,903	41,566,611	67%	16,758,095	248%
12/31/2016	129,881,257	92,134,902	37,746,355	71%	15,756,935	240%
12/31/2017	133,000,312	104,453,266	28,547,046	79%	15,113,517	189%
12/31/2018	138,472,674	101,903,850	36,568,824	74%	14,091,077	260%
12/31/2019	140,902,839	122,508,484	18,394,355	87%	13,722,784	134%
12/31/2020	147,292,178	140,899,439	6,392,739	96%	13,304,622	48%
12/31/2021	154,127,146	155,482,766	(1,355,620)	101%	13,740,735	N/A
12/31/2022	159,034,427	125,998,147	33,036,280	79%	13,030,951	254%

Note: 2015 was the first year that data was measured in accordance with GASB 68.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2022

SCHEDULE OF ACTUARIALLY DETERMINED CONTRIBUTIONS

Year End	Actuarially Determined Contribution (1)	Contributions Recognized by the Plan (2)	Difference Between (1) and (2)	Covered Payroll	Contributions as a % of Covered Payroll
12/31/2013	\$ 4,374,373	\$ 4,374,373	\$ -	\$ 17,874,717	24%
12/31/2014	6,789,929	6,789,929	-	17,324,713	39%
12/31/2015	7,099,703	7,099,703	-	16,758,095	42%
12/31/2016	6,657,107	6,841,734	(184,627)	15,756,935	43%
12/31/2017	7,409,656	7,225,029	184,627	15,113,517	48%
12/31/2018	7,311,443	7,311,443	-	14,091,077	52%
12/31/2019	7,728,729	7,729,413	(684)	13,722,784	56%
12/31/2020	9,130,197	9,130,197	-	13,304,622	69%
12/31/2021	3,251,149	3,251,149	-	13,740,735	24%
12/31/2022	2,600,285	2,600,285	-	13,030,951	20%

Note: 2015 was the first year that data was measured in accordance with GASB 68.

MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2022

SCHEDULE OF INVESTMENT RETURNS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Annual money-weighted rate of return, net of investment expense	0.24%	7.74%	12.72%	-2.93%	19.35%	13.33%	10.34%	-15.74%

Note: 2015 was the first year that data was measured in accordance with GASB 68.

Note: Only eight years of information are presented in the schedule above; ten years of information will be presented as it becomes available.



MAYOR AND COUNCIL OF THE CITY OF DALTON  
EMPLOYEES' PENSION PLAN  
REQUIRED SUPPLEMENTAL INFORMATION  
DECEMBER 31, 2022

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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

Employer's reporting date:	December 31, 2022
Measurement date:	December 31, 2022
Actuarial valuation date:	January 1, 2022
Actuarial cost method:	Projected unit credit cost method
Amortization method:	The unfunded actuarial accrued liability is amortized over a twenty year period from January 1, 2020 with level dollar payments.
Asset method:	The actuarial value of assets is equal to the market value of assets.
Interest (discount) rate:	6.81% per annum
Inflation:	2.50% per year
Salary increases:	Pension Plan compensation is assumed to increase at the rate of 3.25% per year, unless actual Pension Plan compensation is known for a prior Pension Plan year.
Changes in assumptions:	Effective January 1, 2022, the mortality improvement scale was updated from Scale MP-2017 to Scale MP-2020.  Effective January 1, 2022, assumed administrative expenses were increased from \$50,000 per year to \$75,000 per year.

Note: 2015 is the first year that data has been measured in accordance with GASB 68.

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## SPECIAL REPORTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor, Members of the City Council,  
and Finance Director  
City of Dalton, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Mayor and Council of the City of Dalton Employees' Pension Plan, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Mayor and Council of the City of Dalton Employees' Pension Plan's basic financial statements, and have issued our report thereon dated June 6, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Mayor and Council of the City of Dalton Employees' Pension Plan's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Mayor and Council of the City of Dalton Employees' Pension Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Mayor and Council of the City of Dalton Employees' Pension Plan's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Mayor and Council of the City of Dalton Employees' Pension Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Estes & Walcott*

Dalton, Georgia  
June 6, 2023

**ESTES & WALCOTT**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
P.O. BOX 749  
DALTON, GA 30722  
706-529-0749

City of Dalton Pension  
PO Box 1205  
Dalton, GA 30720

Invoice: 39732  
ID: 12047  
Date: 07/31/2023  
Due Date: Upon Receipt

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Services rendered in connection with an audit of financial statements for the year ended December 31, 2022.	8,000.00
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Invoice Total	<u>\$8,000.00</u>
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<u>07/31/2023</u>	<u>06/30/2023</u>	<u>05/31/2023</u>	<u>04/30/2023</u>	<u>03/31/2023+</u>	<u>Total</u>
8,000.00	0.00	0.00	0.00	0.00	\$8,000.00

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Please return this portion with payment.

ID: 12047  
City of Dalton Pension

Invoice: 39732  
Date: 07/31/2023  
Due Date: Upon Receipt

Amount Due: \$8,000.00

Amount Enclosed: \$ \_\_\_\_\_



# SOUTHEASTERN ADVISORY SERVICES, INC.

*Registered Investment Advisor*

190 Ottley Drive NE, STE 2BA  
Atlanta, GA 30324  
Phone 404 237 3156

DATE: August 1, 2022  
INVOICE # 225  
FOR: Jul-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](mailto:cjackson@daltonga.gov)

INVOICE

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

**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](mailto:hthompson@seadvisory.com)

**Thank you for your business!**



# SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor

190 Ottley Drive NE, STE 2BA  
Atlanta, GA 30324  
Phone 404 237 3156

DATE: September 1, 2022  
INVOICE # 226  
FOR: Aug-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](mailto:cjackson@daltonga.gov)

**INVOICE**

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

**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](mailto: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:** September 1, 2023  
**INVOICE #** 238  
**FOR:** Aug-23

**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](mailto:cjackson@daltonga.gov)

INVOICE

DESCRIPTION	AMOUNT
Investment Consulting Services Monthly Retainer for August 2023	\$2,040
Annual fee of \$24,480/yr per contract ( $\$24,480 / 12 = \$2,040$ )	
<b>TOTAL</b>	<b>\$2,040</b>

**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](mailto:hthompson@seadvisory.com)

**Thank you for your business!**



# Market Indices Performance

## As of July 31, 2023

### (%) Returns

	<u>1 Month</u>	<u>Q-T-D</u>	<u>Y-T-D</u>	<u>1 Year</u>	<u>3 Year</u>
<b><u>Equities</u></b>					
S&P 500	3.21	3.21	20.65	13.02	13.73
Russell 1000 Growth	3.37	3.37	33.36	17.31	12.20
Russell 1000 Value	3.52	3.52	8.82	8.28	14.15
Russell 2000	6.12	6.12	14.70	7.91	12.02
MSCI EAFE	3.24	3.24	15.28	16.79	9.26
MSCI Emerging Markets	6.23	6.23	11.42	8.35	1.46
<b><u>Fixed Income</u></b>					
Barclays US Aggregate	-0.07	-0.07	2.02	-3.37	-4.46
Barclays Intermediate G/C	0.26	0.26	1.77	-1.44	-2.62
Barclays 1-3 Year G/C	0.42	0.42	1.56	0.42	-0.81
Barclays US Corp High Yield	1.38	1.38	6.83	4.41	2.04
90 Day T Bills	0.46	0.46	2.85	4.11	1.48

# Market Indices Performance

## As of August 31, 2023

### (%) Returns

	<u>1 Month</u>	<u>Q-T-D</u>	<u>Y-T-D</u>	<u>1 Year</u>	<u>3 Year</u>
<b><u>Equities</u></b>					
S&P 500	-1.59	1.57	18.73	15.94	10.53
Russell 1000 Growth	-0.90	2.44	32.17	21.94	8.26
Russell 1000 Value	-2.70	0.72	5.88	8.59	11.60
Russell 2000	-5.00	0.81	8.96	4.65	8.13
MSCI EAFE	-3.83	-0.72	10.87	17.92	6.06
MSCI Emerging Markets	-6.16	-0.32	4.55	1.25	-1.39
<b><u>Fixed Income</u></b>					
Barclays US Aggregate	-0.64	-0.71	1.37	-1.19	-4.41
Barclays Intermediate G/C	-0.01	0.25	1.75	0.55	-2.58
Barclays 1-3 Year G/C	0.35	0.78	1.92	1.57	-0.70
Barclays US Corp High Yield	0.28	1.66	7.13	7.16	1.81
90 Day T Bills	0.46	0.92	3.33	4.44	1.63

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CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

JULY 31, 2023

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**City of Dalton**  
**Pension Trust Fund**  
**Statement of Net Position**  
**July 31, 2023 and 2022**  
**(Unaudited)**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Cash and cash equivalents:		
Cash	\$ 3,123	\$ 58,815
Payment fund	588,962	633,339
Investments, at fair value		
MetLife large cap index equity fund	10,474,710	12,315,970
MetLife fixed income - core bond index	29,164,594	32,565,470
MetLife fixed income - Goldman Sachs	9,662,733	10,713,929
Vanguard - 500 index fund	54,317,639	48,079,984
Vanguard - small cap index fund	17,937,000	16,446,150
Vanguard - bond index fund	14,454,424	14,929,537
<b>Total Assets</b>	<u>\$ 136,603,185</u>	<u>\$ 135,743,194</u>
<b>Liabilities</b>		
Accounts payable	<u>2,540</u>	<u>2,765</u>
<b>Total Liabilities</b>	<u>2,540</u>	<u>2,765</u>
<b>Total Net Position</b>	<u><u>\$ 136,600,645</u></u>	<u><u>\$ 135,740,429</u></u>

**City of Dalton**  
**Pension Trust Fund**  
**Statement of Change in Net Position**  
**For the Seven Months Ended July 31, 2023**  
**With Comparative Amounts for 2022**  
**(Unaudited)**

	<u>2023</u>	<u>2022</u>
<b>Additions</b>		
Contributions:		
Employer	\$ 857,554	\$ 1,367,536
Plan members	351,169	374,873
Total contributions	<u>1,208,723</u>	<u>1,742,409</u>
Investment income:		
Interest, dividends and realized gains	1,799,521	31,803,198
Net increase (decrease) in fair value investments	<u>12,912,894</u>	<u>(48,243,281)</u>
Total investment income	14,712,415	(16,440,083)
Less: investment expense	<u>90,728</u>	<u>99,751</u>
Net investment income	<u>14,621,687</u>	<u>(16,539,834)</u>
<b>Total Additions</b>	<u>15,830,410</u>	<u>(14,797,425)</u>
<b>Deductions</b>		
Pension benefits	5,191,012	4,912,849
Legal fees	150	300
Fiduciary insurance	9,969	308
Actuarial fees	15,925	15,000
Consulting fees	14,280	14,280
Training	1,200	1,200
Administrative fees	875	875
Miscellaneous	<u>125</u>	<u>100</u>
<b>Total Deductions</b>	<u>5,233,536</u>	<u>4,944,912</u>
<b>Change in Net Position</b>	10,596,874	(19,742,337)
<b>Net Position Beginning of Year</b>	126,003,771	155,482,766
<b>Net Position End of Period</b>	<u>\$ 136,600,645</u>	<u>\$ 135,740,429</u>

**City of Dalton**  
**Pension Trust Fund**  
**Supplemental Schedule**  
**For the Seven Months Ended July 31, 2023**  
**With Comparative Amounts for 2022**  
**(Unaudited)**

	<b>2023</b>	<b>2022</b>
<b>Investment income:</b>		
Interest income:		
City's cash account interest	\$ 65	\$ 219
Payment fund interest	(1,764)	(65)
	<u>(1,699)</u>	<u>154</u>
Investment income:		
Index equity large cap	101,777	116,831
Fixed Income - core bond index	531,499	438,531
Fixed income - Goldman Sachs	210,866	117,547
Vanguard - 500 index fund	397,171	353,816
Vanguard - small cap index fund	129,333	97,177
Vanguard - bond index fund	252,655	193,022
	<u>1,623,301</u>	<u>1,316,924</u>
Realized gains (losses):		
Index equity large cap	252,091	30,420,843
Fixed Income - core bond index	(156,854)	54,451
Fixed income - Goldman Sachs	(93,957)	(278,192)
Vanguard - 500 index fund	176,639	277,629
Vanguard - bond index fund	-	11,389
	<u>177,919</u>	<u>30,486,120</u>
<b>Total investment income</b>	<u><u>\$ 1,799,521</u></u>	<u><u>\$ 31,803,198</u></u>
<b>Change in fair value:</b>		
Index equity large cap	1,628,495	(32,517,569)
Fixed Income - core bond index	240,952	(3,458,554)
Fixed income - Goldman Sachs	105,703	(512,416)
Vanguard - 500 index fund	8,713,259	(7,560,744)
Vanguard - small cap index fund	2,167,538	(2,632,887)
Vanguard - bond index fund	56,947	(1,561,111)
<b>Total change in fair value</b>	<u><u>\$ 12,912,894</u></u>	<u><u>\$ (48,243,281)</u></u>
<b>Investment expense:</b>		
Payment fund		
Risk charges	\$ 5,109	\$ 5,908
Fund charges	32,874	35,304
	<u>37,983</u>	<u>41,212</u>
Investment funds		
Index equity large cap	7,554	8,561
Fixed Income - core bond index	16,932	18,866
Fixed income - Goldman Sachs	28,259	31,112
	<u>52,745</u>	<u>58,539</u>
<b>Total investment expense</b>	<u><u>\$ 90,728</u></u>	<u><u>\$ 99,751</u></u>

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CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

AUGUST 31, 2023

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**City of Dalton**  
**Pension Trust Fund**  
**Statement of Net Position**  
**August 31, 2023 and 2022**  
**(Unaudited)**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Cash and cash equivalents:		
Cash	\$ -	\$ 1,450
Payment fund	584,110	638,847
Investments, at fair value		
MetLife large cap index equity fund	10,009,640	11,594,626
MetLife fixed income - core bond index	28,752,409	31,477,257
MetLife fixed income - Goldman Sachs	9,555,524	10,391,537
Vanguard - 500 index fund	53,453,341	46,117,844
Vanguard - small cap index fund	17,273,530	16,017,901
Vanguard - bond index fund	14,372,221	14,517,658
<b>Total Assets</b>	<u>\$ 134,000,775</u>	<u>\$ 130,757,120</u>
 <b>Liabilities</b>		
Accounts payable	<u>7,290</u>	<u>2,665</u>
<b>Total Liabilities</b>	<u>7,290</u>	<u>2,665</u>
 <b>Total Net Position</b>	<u><u>\$ 133,993,485</u></u>	<u><u>\$ 130,754,455</u></u>



**City of Dalton**  
**Pension Trust Fund**  
**Statement of Change in Net Position**  
**For the Eight Months Ended August 31, 2023**  
**With Comparative Amounts for 2022**  
**(Unaudited)**

	<u>2023</u>	<u>2022</u>
<b>Additions</b>		
Contributions:		
Employer	\$ 965,073	\$ 1,535,627
Plan members	395,198	420,951
Total contributions	<u>1,360,271</u>	<u>1,956,578</u>
Investment income:		
Interest, dividends and realized gains	2,206,373	31,914,321
Net increase (decrease) in fair value investments	<u>10,514,733</u>	<u>(52,855,065)</u>
Total investment income	12,721,106	(20,940,744)
Less: investment expense	<u>103,557</u>	<u>113,810</u>
Net investment income	<u>12,617,549</u>	<u>(21,054,554)</u>
<b>Total Additions</b>	<u>13,977,820</u>	<u>(19,097,976)</u>
<b>Deductions</b>		
Pension benefits	5,935,543	5,596,107
Legal fees	150	300
Fiduciary insurance	9,969	308
Accounting and audit fees	8,000	-
Actuarial fees	15,925	15,000
Consulting fees	16,320	16,320
Training	1,200	1,200
Administrative fees	875	1,000
Miscellaneous	<u>125</u>	<u>100</u>
<b>Total Deductions</b>	<u>5,988,107</u>	<u>5,630,335</u>
<b>Change in Net Position</b>	7,989,713	(24,728,311)
<b>Net Position Beginning of Year</b>	126,003,772	155,482,766
<b>Net Position End of Period</b>	<u><u>\$ 133,993,485</u></u>	<u><u>\$ 130,754,455</u></u>

**City of Dalton**  
**Pension Trust Fund**  
**Supplemental Schedule**  
**For the Eight Months Ended August 31, 2023**  
**With Comparative Amounts for 2022**  
**(Unaudited)**

	<b>2023</b>	<b>2022</b>
<b>Investment income:</b>		
Interest income:		
City's cash account interest	\$ 72	\$ 281
Payment fund interest	(2,351)	(135)
	<u>(2,279)</u>	<u>146</u>
Investment income:		
Index equity large cap	120,106	137,969
Fixed Income - core bond index	608,758	506,397
Fixed income - Goldman Sachs	241,701	138,141
Vanguard - 500 index fund	397,170	353,816
Vanguard - small cap index fund	129,333	97,177
Vanguard - bond index fund	291,918	223,718
	<u>1,788,986</u>	<u>1,457,218</u>
Realized gains (losses):		
Index equity large cap	522,951	30,411,706
Fixed Income - core bond index	(196,848)	49,726
Fixed income - Goldman Sachs	(83,077)	(293,493)
Vanguard - 500 index fund	176,640	277,629
Vanguard - bond index fund	-	11,389
	<u>419,666</u>	<u>30,456,957</u>
<b>Total investment income</b>	<u><u>\$ 2,206,373</u></u>	<u><u>\$ 31,914,321</u></u>
<b>Change in fair value:</b>		
Index equity large cap	\$ 1,173,483	\$ (33,036,997)
Fixed Income - core bond index	17,485	(4,447,751)
Fixed income - Goldman Sachs	35,255	(782,611)
Vanguard - 500 index fund	7,848,960	(9,522,884)
Vanguard - small cap index fund	1,504,068	(3,061,136)
Vanguard - bond index fund	(64,518)	(2,003,686)
<b>Total change in fair value</b>	<u><u>\$ 10,514,733</u></u>	<u><u>\$ (52,855,065)</u></u>
<b>Investment expense:</b>		
Payment fund		
Risk charges	\$ 5,838	\$ 6,752
Fund charges	37,595	40,472
	<u>43,433</u>	<u>47,224</u>
Investment funds		
Index equity large cap	8,636	9,720
Fixed Income - core bond index	19,293	21,454
Fixed income - Goldman Sachs	32,195	35,412
	<u>60,124</u>	<u>66,586</u>
<b>Total investment expense</b>	<u><u>\$ 103,557</u></u>	<u><u>\$ 113,810</u></u>