



**EMPLOYEE PENSION PLAN
BOARD OF TRUSTEES MEETING
TUESDAY, MARCH 23, 2021
3:00 PM
300 WEST WAUGH ST - COUNCIL CHAMBERS**

A G E N D A

Call To Order

Minutes

- [1.](#) January 26, 2021

Unfinished Business

- [2.](#) Investment Performance Analysis - February 28, 2021

New Business

- [3.](#) Chuck Carr - Southern Actuarial Services
4. Attorney Update

Retirees

5. Stan Maney - Fire Department
6. Alethea Brown - Police Department
7. Daniel Findlay - Dalton Utilities

Invoices

- [8.](#) Invoice #2020-12-011 (\$137.70) from Law Office of Gargandi Vaughn, LLC - Pension Services.
- [9.](#) Invoices #207 (\$2,040.00), #208 (\$2,040.00) for January & February SEAS services.

Reports

- [10.](#) Market Indices Performance - January 31, 2021

Adjournment

THE CITY OF DALTON
EMPLOYEES PENSION PLAN – BOARD OF TRUSTEES
REGULAR MEETING
JANUARY 26, 2021

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

CALL TO ORDER

Trustee Dwayne Carvell called the meeting to order. Carvell led the meeting in Chairman Hill's place.

ELECTION OF OFFICERS

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

Gary Hill	Chairman
Dwayne Carvell	Vic-Chairman
Mike Sloan	Secretary

The vote was unanimous in favor.

MINUTES

The Trustees were presented written copies of the minutes of the meeting of December 1, 2020. On the motion of Trustee Ray, second Trustee Sloan, the minutes were approved. The vote was unanimous in favor.

ATTORNEY UPDATE

City Attorney Gandi Vaughn updated the Board members on the Amendments to the Pension Plan language that were previously discussed at previous meetings. Vaughn stated that on December 21, 2020, the Mayor and Council approved Ordinance 20-17 that approved the recommendation of the City Pension Board for the amendment of the City of Dalton pension plan to amend the city of Dalton pension plan to provide clarification of death benefits, survivor benefits, and benefits of terminated participants, and to provide for the payment to the estate of a deceased beneficiary, additionally to provide for continuing education of member of the pension board.

SEAS - INVESTMENT PERFORMANCE ANALYSIS - DECEMBER, 31 2020

Hilda Thompson from SEAS reviewed the Investment Performance Analysis dated December 31, 2020. Thompson stated the Plan ended the year at \$140,901.950, and the Plans Asset allocation and state regulation for the size of plan are in compliance. Thompson further reviewed the Performance Summary Table ending 12/31/20 and stated the year to date total return is 13.24% which exceeds the 6.75% actuary assumption for the year.

Thompson stated that the equity market was slightly positive up 3% and the fixed income was slightly down by 1% for January 2021.

2021 PROPOSED MEETING DATES

The Board reviewed the 2021 Proposed Meeting Dates. A copy is attached to these minutes. On the motion of Trustee Sloan, second Trustee Ray, the dates were approved with the possibility of amending the date in December. The vote was unanimous in favor.

RETIREEES

Melissa Edgeman - Parks and Recreation Department

(1) On the motion of Trustee Sloan, second Trustee Ray, the Board ratified payment to Melissa Edgeman - Parks and Recreation Department. 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.

Steve Knoblett - Parks and Recreation Department

(2) On the motion of Trustee Ray, second Trustee Sloan, the Board ratified payment to Steve Knoblett - Parks and Recreation Department. 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.

Mike Miller - Parks and Recreation Department

(3) On the motion of Trustee Sloan, second Trustee Ray, the Board ratified payment to Mike Miller - Parks and Recreation Department. 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.

Steve Bratton - Dalton Utilities

(4) On the motion of Trustee Ray, second Trustee Sloan, the Board ratified payment to Steve Bratton - Dalton Utilities. 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

The Trustees reviewed the following invoices:

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

- Invoice #2020-10-011 (\$300.00) from Law Office of Gargandi Vaughn, LLC - Pension Services.
- Invoice #2020-11-011 (\$76.50) from Law Office of Gargandi Vaughn, LLC - Pension Services.
- Invoice #2020-12-011 (\$153.00) from Law Office of Gargandi Vaughn, LLC - Pension Services.

The vote was unanimous in favor.

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

- Invoices #205 (\$2,040.00), #206 (\$2,040.00) for 11/30/20, 12/31/20 SEAS services.

The vote was unanimous in favor.

REPORTS

MetLife Minimum Balance Requirement Report as of 12/31/20
Pension Financial Report as of 11/30/20

ADJOURNMENT

There being no further business to come before the trustees, the meeting was adjourned at 3:11 p.m.

Dwayne Carvell

ATTEST:

Mike Sloan, Secretary

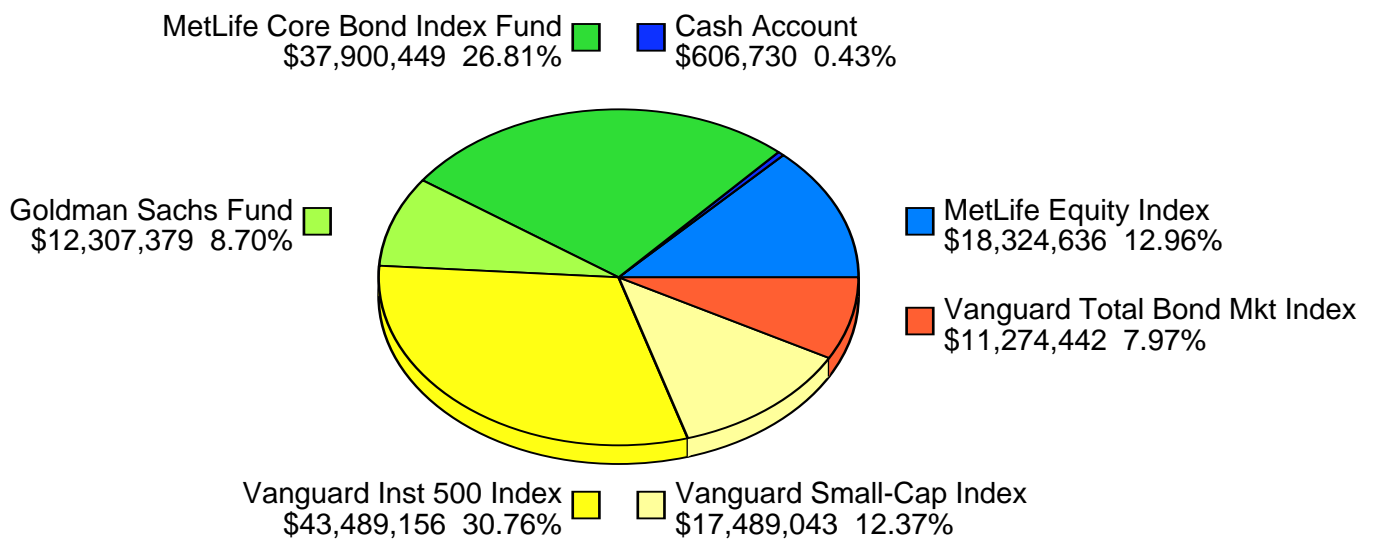
RECORDED
APPROVED

City of Dalton
Investment Performance Analysis
February 28, 2021

City of Dalton Total Fund Allocation By Manager Total Fund

February 28, 2021

\$141,391,836



City of Dalton

Performance Summary Table

Periods Ending 2/28/21

Manager	1 Mo	QTD	YTD	1 Year	3 Yrs	5 Yrs	10 Yrs
Total Large Cap Equity							
Total Return	2.76	1.71	1.71	31.32	14.10	16.78	13.40
Standard & Poors 500	2.76	1.72	1.72	31.29	14.14	16.83	13.43
MetLife Equity Index							
Total Return	2.75	1.68	1.68	31.40	14.27	16.93	13.48
Standard & Poors 500	2.76	1.72	1.72	31.29	14.14	16.83	13.43
Vanguard Inst 500 Index							
Total Return	2.76	1.72	1.72	31.29	13.95		
Standard & Poors 500	2.76	1.72	1.72	31.29	14.14		
Total Small Cap Equity							
Total Return	6.14	8.47	8.47	44.40	14.80	17.41	11.68
Russell 2000	6.23	11.58	11.58	51.00	14.87	17.92	11.86
Vanguard Small-Cap Index							
Total Return	6.14	8.47	8.47	44.40	14.80		
CRSP Small Cap Index	6.14	8.47	8.47	44.34	14.76		
Total Fixed Income							
Total Return	-1.39	-2.03	-2.03	1.74	5.30	3.50	3.57
Barclays U.S. Aggregate	-1.44	-2.15	-2.15	1.38	5.32	3.55	3.58
MetLife Core Bond Index Fund							
Total Return	-1.46	-2.19	-2.19	1.27	5.30	3.50	
Barclays U.S. Aggregate	-1.44	-2.15	-2.15	1.38	5.32	3.55	
Goldman Sachs Fund							
Total Return	-1.04	-1.29	-1.29	3.59	5.26	3.44	
Barclays Int Govt/Credit	-0.82	-1.09	-1.09	2.35	4.76	3.06	
Vanguard Total Bond Mkt Index							
Total Return	-1.50	-2.28	-2.28	1.36			
BBG Barc U.S. Aggregate	-1.44	-2.15	-2.15	1.38			
Cash Account							
Total Return	0.00	0.00	0.00	-0.00	0.26	0.27	0.21
91-Day Treasury Bill	0.01	0.02	0.02	0.40	1.54	1.20	0.63

City of Dalton
Performance Summary Table
Periods Ending 2/28/21

Manager	1 Mo	QTD	YTD	1 Year	3 Yrs	5 Yrs	10 Yrs
Total Fund							
Total Return	1.29	0.81	0.81	17.58	10.02	10.57	8.60
Policy Index	1.08	0.88	0.88	18.14	10.23	10.45	8.68
Indices							
91-Day Treasury Bill	0.01	0.02	0.02	0.40	1.54	1.20	0.63

CITY OF DALTON EMPLOYEE'S PENSION PLAN
INVESTMENT PERFORMANCE ANALYSIS
FOURTH QUARTER 2020

Note: For a copy of Part II of Southeastern Advisory Services, Inc.'s most recent Form ADV please write: Southeastern Advisory Services, Inc., 3495 Piedmont Road, NE, Bldg. 12-202, Atlanta, GA 30305, or e-mail your request to kit@seadvisory.com. Part II of Form ADV will be mailed within seven (7) days upon receipt of the request.

Hilda A. Thompson, Senior Consultant
Wallace W. Wilson, Senior Consultant

Southeastern Advisory Services, Inc.

3495 Piedmont Road, NE
Bldg. 12-202
Atlanta, Georgia 30305
TEL: (404) 237-3156
FAX: (404) 237-2650

Executive Summary

City of Dalton Employee's Pension Plan

Quarter Ending December 31, 2020

I. MARKET ENVIRONMENT

Index	Fourth Quarter	1 Year	3 Year
Standard & Poor's 500 Index	12.2%	18.4%	14.2%
Russell 2000 Index	31.4%	20.0%	10.2%
MSCI EAFE Index (Net)	16.0%	7.8%	4.3%
NCREIF Index	1.2%	1.6%	4.9%
CS Hedge Index	6.4%	6.4%	4.0%
BBG Barc U.S. Aggregate	0.7%	7.5%	5.3%
91 Day Treasury Bills	0.0%	0.7%	1.6%
Consumer Price Index (NSA)	0.1%	1.4%	1.9%

The combination of coordinated government stimulus and Fed monetary easing facilitated a remarkable recovery in economic growth, and strong equity performance on a global basis especially with emerging and small-cap markets outperforming all developed and large-cap markets. Although Coronavirus infections are accelerating and many cities and nations are re-imposing restrictions, both consumer and business surveys are moderating at encouraging levels supported by the approval and distribution of multiple vaccines as well as additional government stimulus. However, job growth has slowed dramatically and initial jobless claims remain at what would normally be historic levels. Equities may appear to be "priced for perfection" but are not necessarily expensive given very low government bond yields, and a rebound in economic growth and earnings may be supportive of strong equity returns in 2021. Real GDP was up 33.4% during the third quarter of 2020 as the economy slowly recovered from COVID-19 restrictions. The largest contributor to growth was personal consumption, up 41.0% for the quarter, which added 25.4% to the increase in real GDP. Residential investment was particularly strong during the quarter while imports outpaced exports, acting as a drag on growth. The economy still contracted -3.4% from last year, and economic growth is likely to finish in negative territory for the calendar year of 2020.

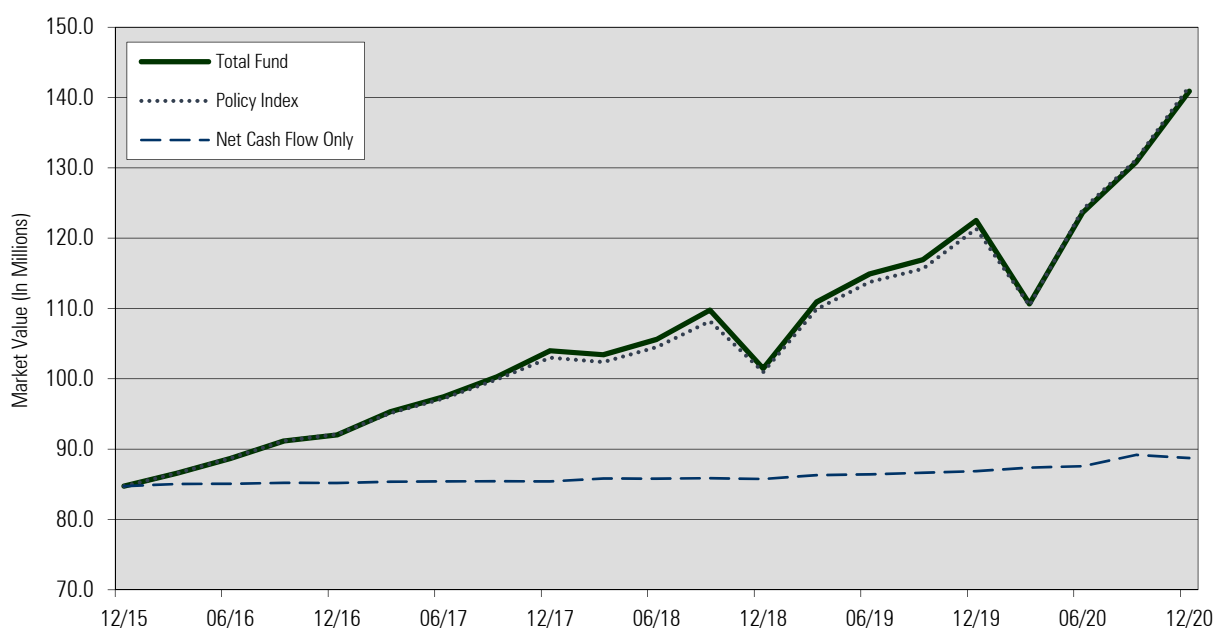
Equities: The U.S. stock market, represented by the S&P 500, was up 12.2% for the fourth quarter of 2020 and 18.4% for the year. All eleven sectors were in positive territory this quarter, with Energy (27.8%) and Financials (23.1%) representing the best performing sectors. There was significant dispersion among sectors, with the main laggard being Consumer Staples, up 6.3%.

Fixed Income: The Treasury curve finally demonstrated some movement during the quarter, rising across most maturities. The 10-year Treasury closed the year at 0.93%, which was up .2% since September though remains well below 2019's 1.9% year end yield. The 10-year real yield (i.e. net of inflation) is down slightly for the quarter, equaling -1.1%. The Federal Open Market Committee met twice during the quarter with no changes to the Fed Funds rate, while their forecast is for no rate changes through 2023. The Committee reiterated its pledge to support the economic recovery, including an increase in bond-buying activities. Consumer price changes slowed during the fourth quarter, with modest gains for the past twelve months. The Consumer Price Index was up 0.12% for the three months ending November and up 1.2% for the one-year period. The 10-year breakeven inflation rate increased during the quarter to 1.99% in December versus 1.63% in September.

Alternatives: Hedge funds produced their best return in a decade with a return of + 11.6% for calendar year 2020 according to the HFRI Fund Weighted Composite Hedge Fund Index. In their annual report, HFRI researchers noted that the full-year gain marks an impressive recovery from the 11.6% decline (in 1Q20). *HFRI Research / P&I*



II. **PORTFOLIO GROWTH- PERIOD ENDED DECEMBER 31, 2020**



Period Ending	Beginning Value \$(000)	Net Cash Flow	Net Gain/Loss	Ending Value \$(000)	Quarterly Return	Fiscal Yr Return
Dec-15	82,082	247	2,414	84,742	2.9%	0.4%
Mar-16	84,742	307	1,539	86,588	1.8%	
Jun-16	86,588	42	2,053	88,683	2.4%	
Sep-16	88,683	128	2,337	91,148	2.6%	
Dec-16	91,148	-19	895	92,024	1.0%	8.0%
Mar-17	92,024	176	3,129	95,329	3.4%	
Jun-17	95,329	50	2,064	97,443	2.1%	
Sep-17	97,443	27	2,812	100,283	2.9%	
Dec-17	100,283	-27	3,738	103,993	3.7%	12.7%
Mar-18	103,993	418	-997	103,415	-1.0%	
Jun-18	103,415	-39	2,232	105,607	2.2%	
Sep-18	105,607	60	4,111	109,779	3.9%	
Dec-18	109,779	-93	-8,226	101,459	-7.5%	-2.8%
Mar-19	101,459	536	8,915	110,911	8.8%	
Jun-19	110,911	119	3,884	114,913	3.7%	
Sep-19	114,913	226	1,802	116,942	1.6%	
Dec-19	116,942	211	5,357	122,510	4.6%	19.9%
Mar-20	122,510	519	-12,373	110,656	-10.1%	
Jun-20	110,656	205	12,776	123,637	11.5%	
Sep-20	123,637	1,601	5,554	130,792	4.5%	
Dec-20	130,792	-449	10,559	140,902	8.1%	13.2%

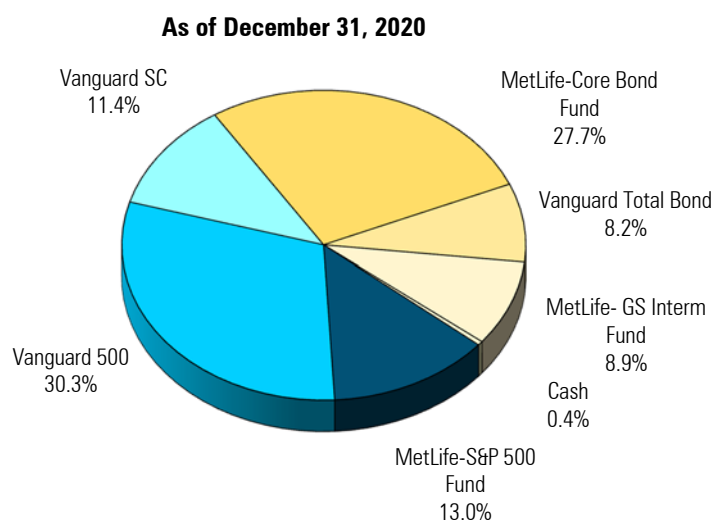
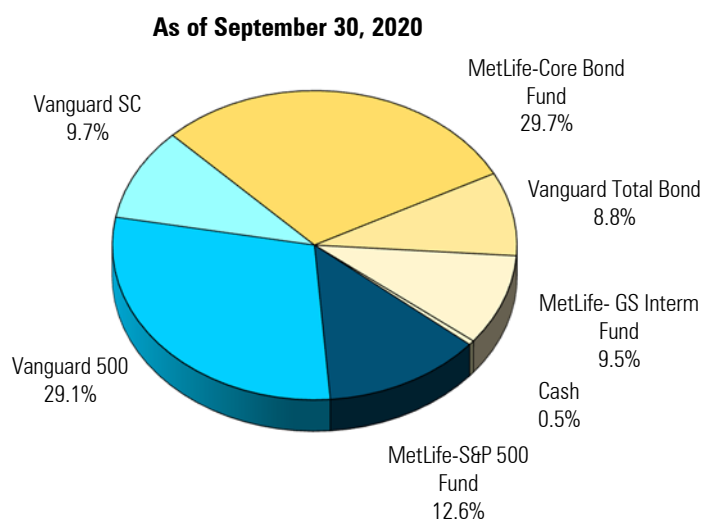


III. Market Values

Manager	Market Values as of 9/30/2020	Market Values as of 12/31/2020
MetLife Equity Index	\$16,530,533	\$18,338,135
Vanguard Inst 500 Index	\$38,122,060	\$42,752,686
Vanguard Small-Cap Index	\$12,685,127	\$16,122,712
MetLife Core Bond Index Fund	\$38,901,603	\$38,992,068
Vanguard Total Bond Index	\$11,459,870	\$11,536,930
Goldman Sachs Fund	\$12,476,043	\$12,557,451
Cash	\$616,746	\$601,968
Total Fund	\$130,791,982	\$140,901,950

Asset Mix Policy – at market value

Asset Class	Minimum Weight	Target Weight	Maximum Weight	Comment
Domestic – Large Cap	35.0%	40.0%	50.0%	Within Range
Domestic – Small Cap	5.0%	10.0%	20.0%	Within Range
Fixed Income – Core	30.0%	37.5%	50.0%	Within Range
Fixed Income - Intermediate	0.0%	12.5%	25.0%	Within Range
Cash Equivalents	0.0%	0.0%	5.0%	Within Range



IV. PERFORMANCE COMPARISONS (Gross of Fees)

A. Total Fund Analysis

Total Fund vs. Total Fund Universe	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Fund	8.1%/68 th	13.2%/39 th	9.7%/20 th	9.9%/36 th
Policy Index*	8.2%/67 th	13.9%/30 th	9.8%/18 th	9.7%/40 th

*Policy Index: Effective 1/01/2016: 40% S&P 500, 10% Russell 2000, 37.5% Barclays Aggregate, 12.5% Barclays Interm Govt/Credit. Effective 1/1/05-12/31/2015: 40% S&P 500, 15% Russell 2000, 45% Barclays Aggregate. Prior to 1/1/05: 40% S&P 500, 10% Russell 2000, 50% Lehman Aggregate. Prior to 4/1/00: 30% S&P 500, 10% Russell 2000, 60% Lehman Aggregate.

B. Equity Fund Analysis

Segment	4th Quarter Return	1 Year Return	3 Year Return	5 Year Return
Total Large Cap Equity	12.1%/60 th	18.4%/36 th	14.1%/29 th	15.2%/36 th
MetLife Equity Index	12.1%/63 rd	18.4%/35 th	14.3%/26 th	15.3%/30 th
Vanguard Inst 500 Index (Incept 8/19/2016)	12.2%/60 th	18.4%/36 th	14.0%/38 th	N/A
S&P 500	12.2%/60 th	18.4%/36 th	14.2%/27 th	15.2%/35 th

Manager	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Small Cap Equity	27.1%/66 th	19.1%/16 th	11.2%/22 nd	13.3%/40 th
Vanguard Small-Cap Index (Incept 8/19/2016)	27.1%/66 th	19.1%/16 th	11.2%/22 nd	N/A
CRSP Small Cap Index	27.1%/66 th	19.1%/16 th	11.2%/22 nd	13.6%/40 th

C. Fixed Income Fund Analysis

Manager	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Fixed Income	0.8%/81 st	7.5%/92 nd	5.3%/89 th	4.3%/89 th
MetLife Core Bond Index Fund*	0.7%/87 th	7.4%/92 nd	5.3%/91 st	4.4%/89 th
Vanguard Total Bond Index	0.7%/87 th	7.7%/89 th	N/A	N/A
BBG Barc US Aggregate	0.7%/87 th	7.5%/92 nd	5.3%/89 th	4.4%/87 th

* Vanguard Total Bond Fund inception date: April 26, 2018.

Manager	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Goldman Sachs Interm Bond Fund*	1.2%/22 nd	7.6%/18 th	5.3%/14 th	4.1%/28 th
BBG Barc Intermediate Govt/Credit	0.5%/60 th	6.4%/45 th	4.7%/51 st	3.6%/58 th

* MetLife Core Bond Index Fund and Goldman Sachs Intermediate Fund inception date: September 28, 2015.



D. Cash Analysis

Manager	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Cash Account	0.0%/100 th	0.0%/100 th	0.3%/98 th	0.3%/98 th
91-Day T-Bills	0.0%/47 th	0.7%/36 th	1.6%/52 nd	1.2%/67 th

V. ANNUALIZED RETURN SINCE INCEPTION

Fund	Fund Return	Index Return
MetLife Equity Index (4/1/00)	6.6%	6.6%
Vanguard Inst 500 Index (8/19/16)	15.6%	15.7%
Vanguard Small-Cap Index (8/19/16)	13.1%	13.1%
MetLife Core Bond Index Fund (9/28/15)	4.1%	4.1%
Vanguard Total Bond Index (4/26/18)	7.0%	6.9%
Goldman Sachs Interm Fund (9/28/15)	3.8%	3.3%
Total Fund (1/1/99)	6.2%	6.6%



Historical Annual Returns

Year	Total Fund Market Value (\$ Million)	Total Fund Gross Return	Benchmark Return	Actuarial Assumption
1999	\$42.0	1.7%	8.0%	8.5%
2000	\$42.9	1.2%	1.6%	8.5%
2001	\$43.5	-0.1%	0.4%	8.5%
2002	\$40.8	-6.2%	-6.0%	8.5%
2003	\$48.3	17.5%	17.9%	8.5%
2004	\$52.2	8.4%	8.4%	8.5%
2005	\$54.4	4.2%	3.8%	8.5%
2006	\$60.7	10.8%	11.0%	8.5%
2007	\$61.7	5.1%	5.2%	8.5%
2008	\$50.4	-16.4%	-18.9%	8.5%
2009	\$54.6	15.3%	17.7%	8.5%
2010	\$60.4	11.8%	13.5%	7.5%
2011	\$61.6	4.5%	4.5%	7.5%
2012	\$66.2	9.8%	10.8%	7.5%
2013	\$75.1	15.5%	16.7%	7.5%
2014	\$83.3	8.9%	9.0%	7.0%
2015	\$84.7	0.4%	0.4%	7.0%
2016	\$92.0	8.0%	8.1%	7.0%
2017	\$103.9	12.7%	11.6%	7.0%
2018	\$101.5	-2.8%	-2.3%	6.75%
2019	\$122.5	19.9%	19.0%	6.75%
2020	\$140.9	13.2%	13.9%	6.75%

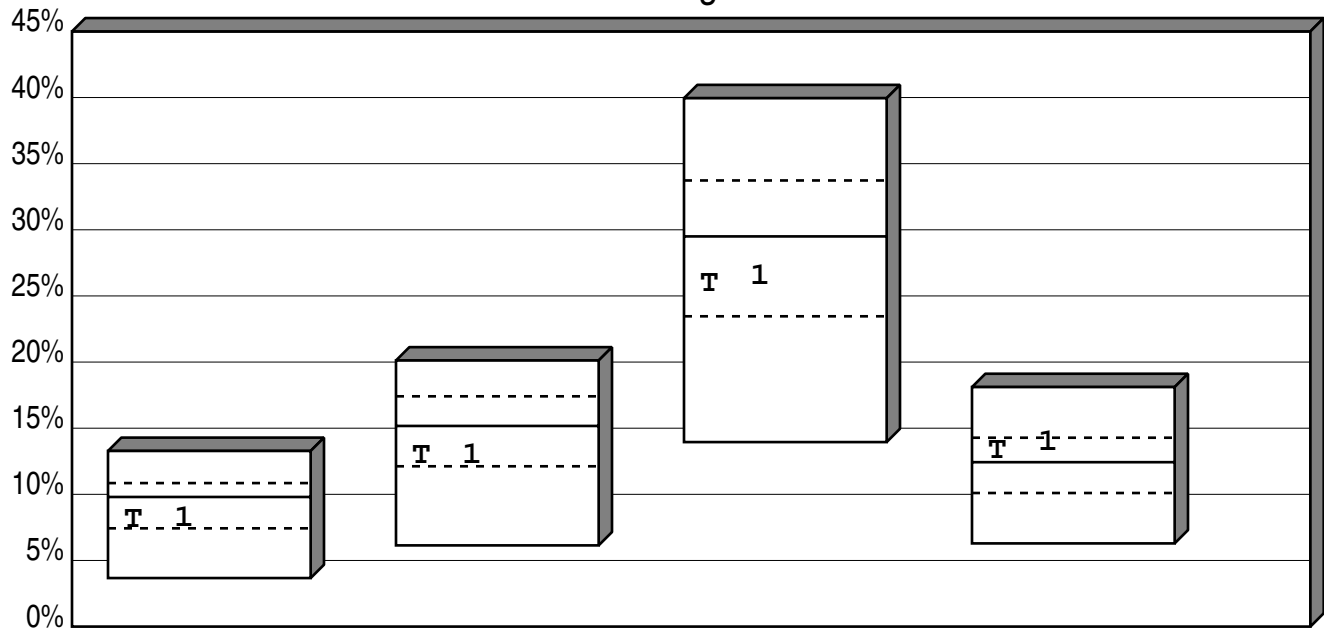


Annual Fee Estimate

Manager	Fee Schedule	Estimated Annual Basis Point Fee
MetLife Large Cap Core Index	.18% on first \$5 mil .075% on next \$5 mil .05% on balance	9
Vanguard Inst 500 Index	.04% on balance	4
Vanguard Small-Cap Index	.07% on balance	7
MetLife Core Bond Index	.10% on first \$25 mil .08% on next \$25 mil .06% on balance	9
Vanguard Total Bond Index	.04% on balance	4
Goldman Sachs Intermediate Fixed Inc	.55% on first \$2.5 mil .50% on next \$2.5 mil .45% on next \$5 mil .40% on next \$15 mil .30% on next \$50 mil .20% on next \$75 mil	47

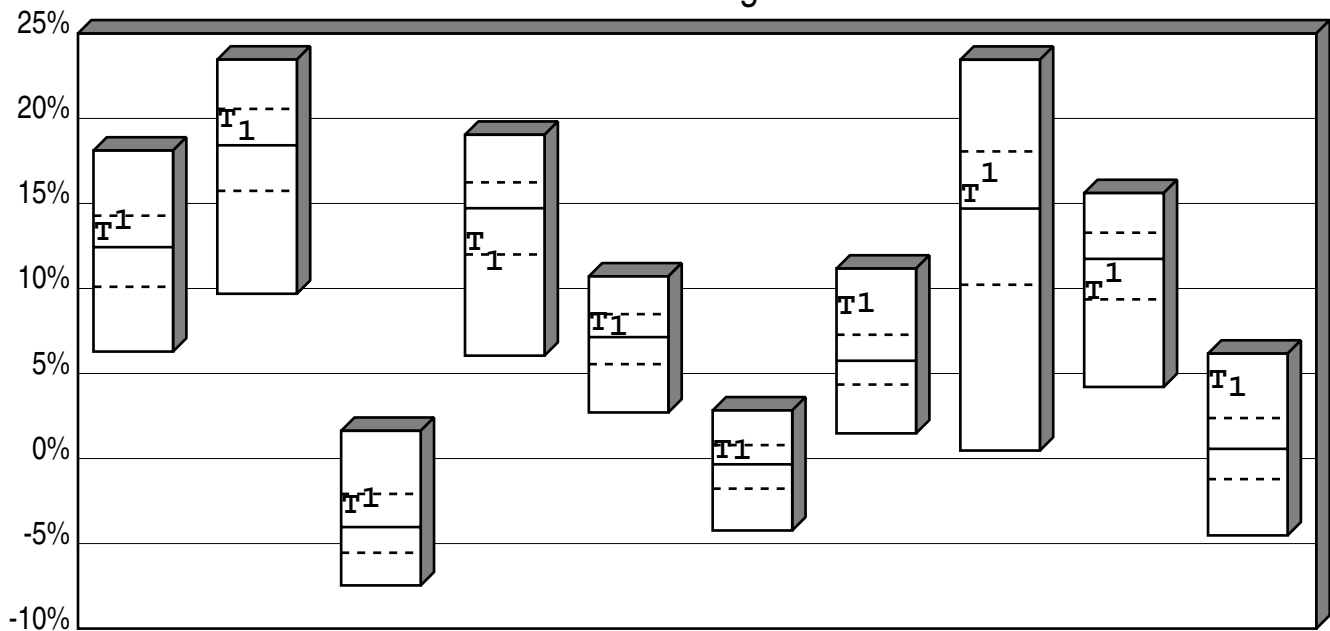


City of Dalton Employee's Pension Plan
Cumulative Performance Comparison
Total Returns of Total Fund Portfolios
Periods Ending 12/20



	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	13.28	20.12	39.95	18.11
1st Qt	10.85	17.41	33.73	14.28
Median	9.80	15.17	29.50	12.43
3rd Qt	7.43	12.12	23.46	10.10
Low	3.67	6.14	13.95	6.29
T Total Fund				
Return	8.06	12.89	25.92	13.24
Rank	68	70	67	39
1 Policy Index				
Return	8.15	12.92	26.46	13.91
Rank	67	70	66	30

City of Dalton Employee's Pension Plan Consecutive Performance Comparison Total Returns of Total Fund Portfolios Years Ending



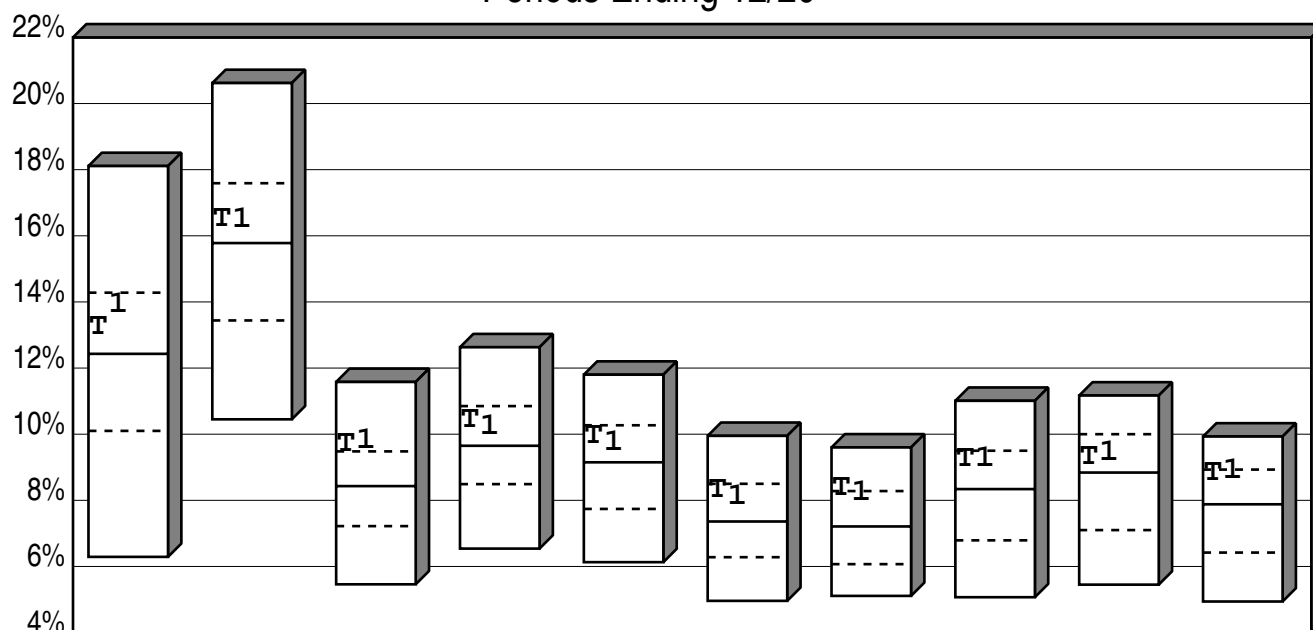
	12/20	12/19	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11
High	18.11	23.46	1.63	19.04	10.71	2.83	11.17	23.45	15.61	6.17
1st Qt	14.28	20.56	-2.08	16.24	8.49	0.79	7.28	18.06	13.28	2.38
Median	12.43	18.42	-4.03	14.72	7.14	-0.34	5.75	14.70	11.74	0.57
3rd Qt	10.10	15.74	-5.54	12.00	5.55	-1.77	4.35	10.22	9.36	-1.21
Low	6.29	9.69	-7.46	6.05	2.71	-4.23	1.48	0.47	4.21	-4.52
T Total Fund										
Return	13.24	19.89	-2.78	12.70	7.98	0.42	8.92	15.51	9.79	4.54
Rank	39	33	32	70	32	32	11	43	71	10
1 Policy Index										
Return	13.91	19.12	-2.44	11.52	7.70	0.40	9.00	16.68	10.79	4.11
Rank	30	41	27	77	37	32	10	34	61	13

City of Dalton Employee's Pension Plan

Cumulative Performance Comparison

Total Returns of Total Fund Portfolios

Periods Ending 12/20



	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	18.11	20.62	11.58	12.63	11.80	9.95	9.60	11.01	11.17	9.93
1st Qt	14.28	17.59	9.48	10.85	10.27	8.50	8.28	9.50	10.00	8.93
Median	12.43	15.78	8.43	9.65	9.15	7.36	7.21	8.34	8.84	7.88
3rd Qt	10.10	13.44	7.22	8.49	7.74	6.28	6.07	6.79	7.10	6.42
Low	6.29	10.45	5.46	6.54	6.13	4.96	5.11	5.07	5.45	4.94

T Total Fund

Return	13.24	16.52	9.69	10.44	9.94	8.30	8.38	9.25	9.31	8.82
Rank	39	36	20	36	36	29	24	30	37	28

1 Policy Index

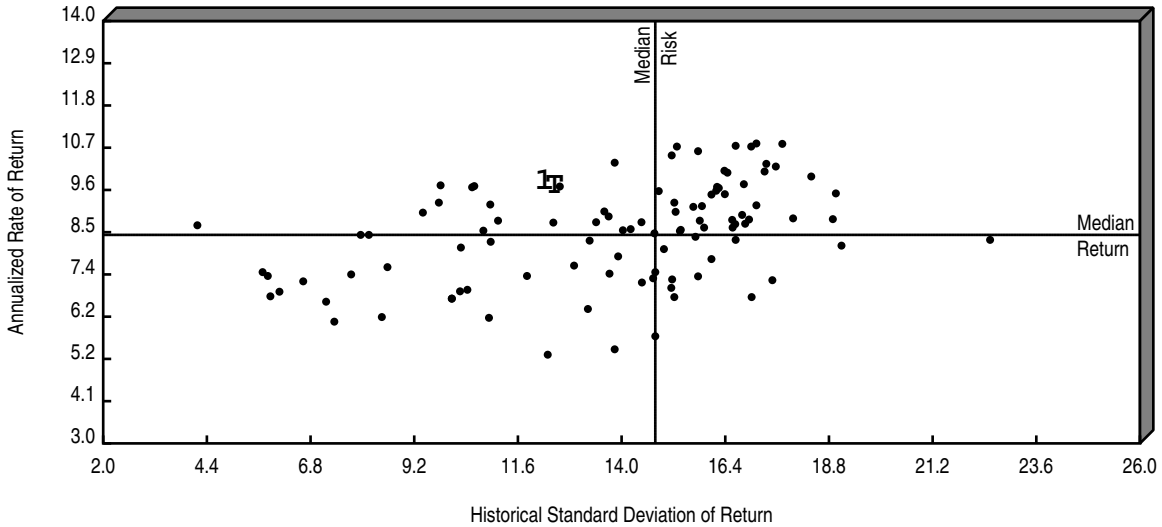
Return	13.91	16.49	9.80	10.23	9.72	8.11	8.23	9.25	9.42	8.88
Rank	30	36	18	40	40	33	26	30	33	26

City of Dalton Employee's Pension Plan

Return vs Risk

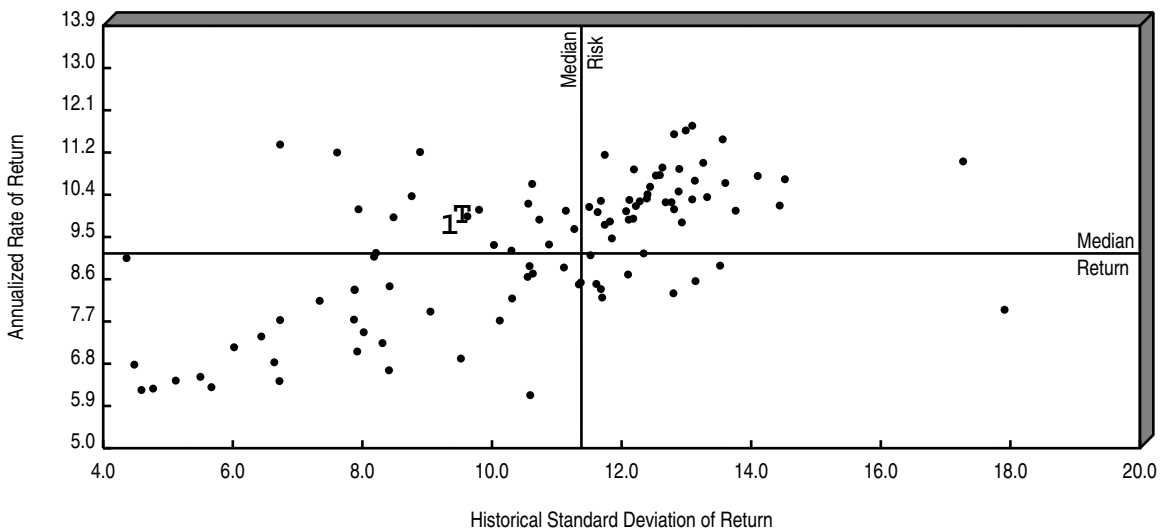
Total Returns of Total Fund Portfolios

3 Years Ending 12/31/20



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	9.69	20	12.57	30
1	Policy Index	9.80	18	12.34	28
	Median	8.43		14.78	

5 Years Ending 12/31/20



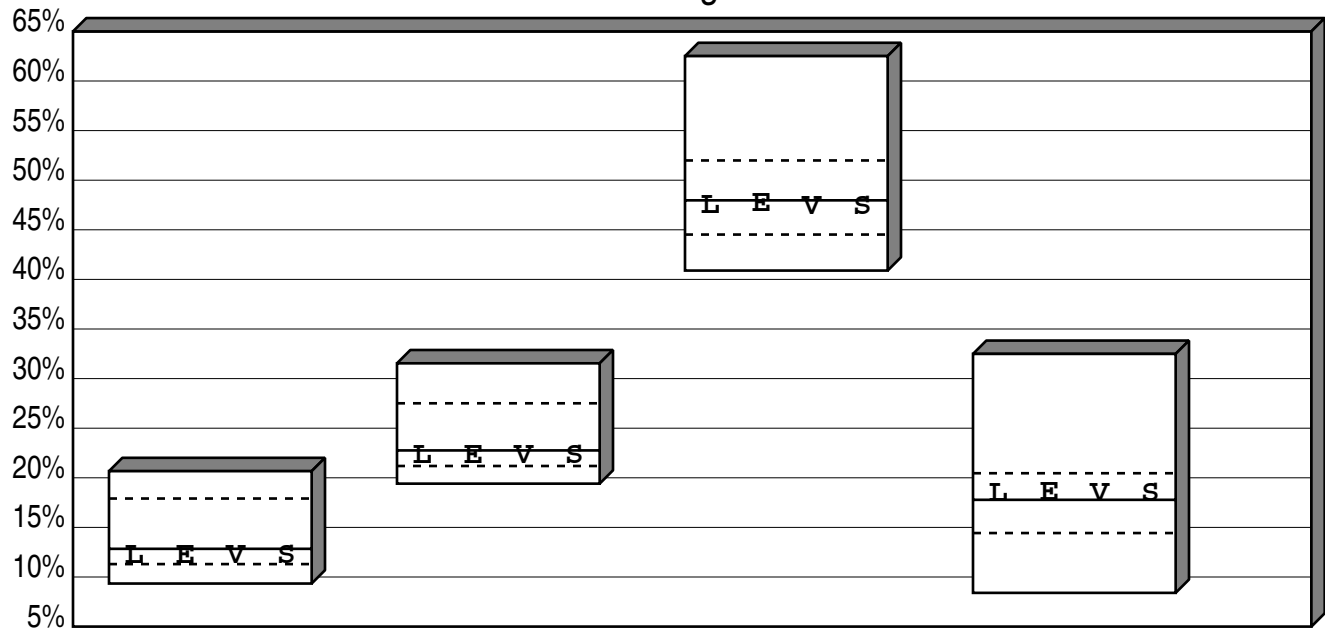
		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	9.94	36	9.62	29
1	Policy Index	9.72	40	9.43	28
	Median	9.15		11.38	

City of Dalton Employee's Pension Plan

Large Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 12/20



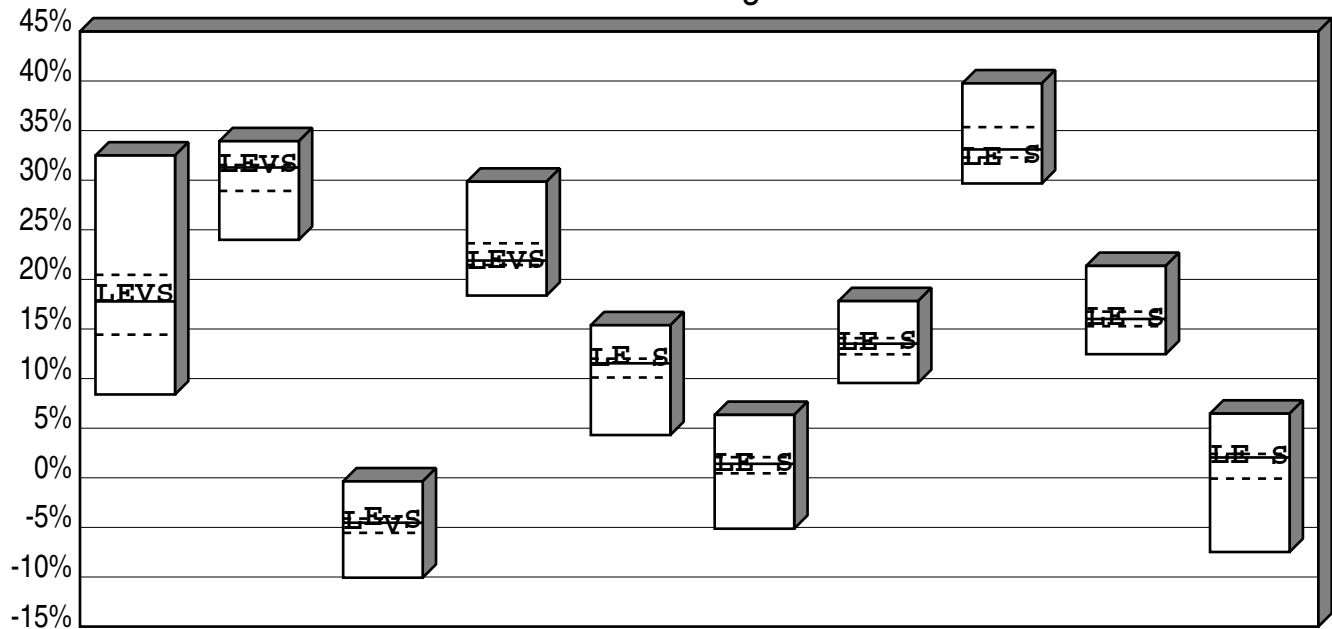
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	20.67	31.54	62.51	32.49
1st Qt	17.91	27.51	51.99	20.46
Median	12.84	22.76	47.97	17.78
3rd Qt	11.30	21.19	44.52	14.43
Low	9.34	19.41	40.89	8.40
L Total Large Cap Equity				
Return	12.14	22.16	47.36	18.40
Rank	60	54	51	36
E MetLife Equity Index				
Return	12.12	22.19	47.64	18.43
Rank	63	54	51	35
V Vanguard Inst 500 Index				
Return	12.15	22.15	47.25	18.39
Rank	60	54	52	36
S Standard & Poors 500				
Return	12.15	22.16	47.26	18.40
Rank	60	54	52	36

City of Dalton Employee's Pension Plan

Large Neutral Consecutive Performance Comparisons

Total Returns of Equity Portfolios

Years Ending



	12/20	12/19	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11
High	32.49	33.93	-0.36	29.85	15.38	6.34	17.81	39.76	21.36	6.47
1st Qt	20.46	31.53	-4.11	23.64	12.01	2.08	14.08	35.35	16.75	2.41
Median	17.78	31.28	-4.53	21.90	11.54	1.41	13.52	33.10	16.01	2.05
3rd Qt	14.43	28.92	-5.55	21.45	10.11	0.45	12.45	32.29	15.28	-0.08
Low	8.40	23.99	-10.07	18.37	4.31	-5.13	9.56	29.67	12.46	-7.48

LE Total Large Cap Equity

Return	18.40	31.49	-4.48	21.77	11.97	1.36	13.59	32.23	16.07	2.16
Rank	36	32	49	65	31	57	47	80	38	40

EL MetLife Equity Index

Return	18.43	31.51	-4.05	21.81	12.16	1.36	13.59	32.23	16.07	2.16
Rank	35	31	23	58	17	57	47	80	38	40

V Vanguard Inst 500 Index

Return	18.39	31.46	-4.84	21.71						
Rank	36	39	59	71						

S Standard & Poors 500

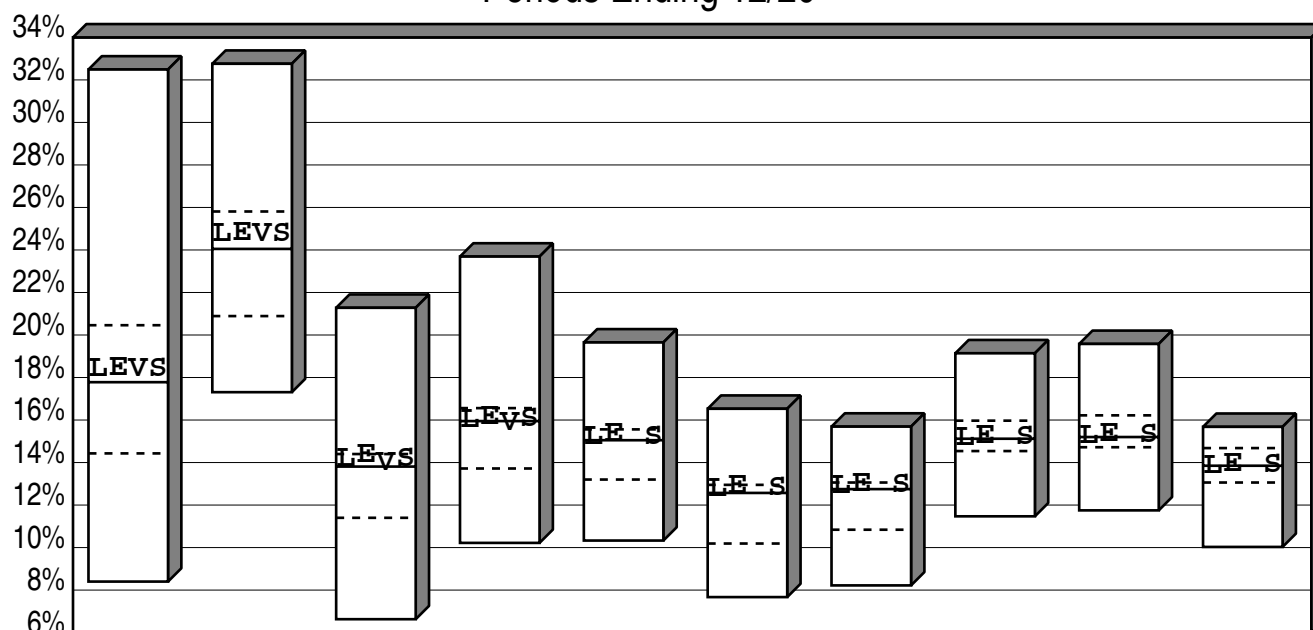
Return	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.41	15.98	2.12
Rank	36	32	40	57	31	54	35	63	54	45

City of Dalton Employee's Pension Plan

Large Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 12/20



	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	32.49	32.76	21.28	23.69	19.65	16.53	15.69	19.14	19.58	15.68
1st Qt	20.46	25.81	14.40	16.56	15.56	12.95	13.06	15.97	16.22	14.68
Median	17.78	24.05	13.81	15.95	15.05	12.57	12.75	15.12	15.20	13.85
3rd Qt	14.43	20.89	11.40	13.72	13.20	10.19	10.84	14.54	14.72	13.06
Low	8.40	17.31	6.63	10.22	10.33	7.67	8.22	11.47	11.75	10.03

LE Total Large Cap Equity

Return	18.40	24.77	14.14	16.00	15.19	12.76	12.88	15.13	15.23	13.85
Rank	36	29	29	42	36	34	36	45	40	52

EL MetLife Equity Index

Return	18.43	24.80	14.33	16.15	15.34	12.89	12.99	15.23	15.32	13.93
Rank	35	27	26	36	30	31	28	39	36	43

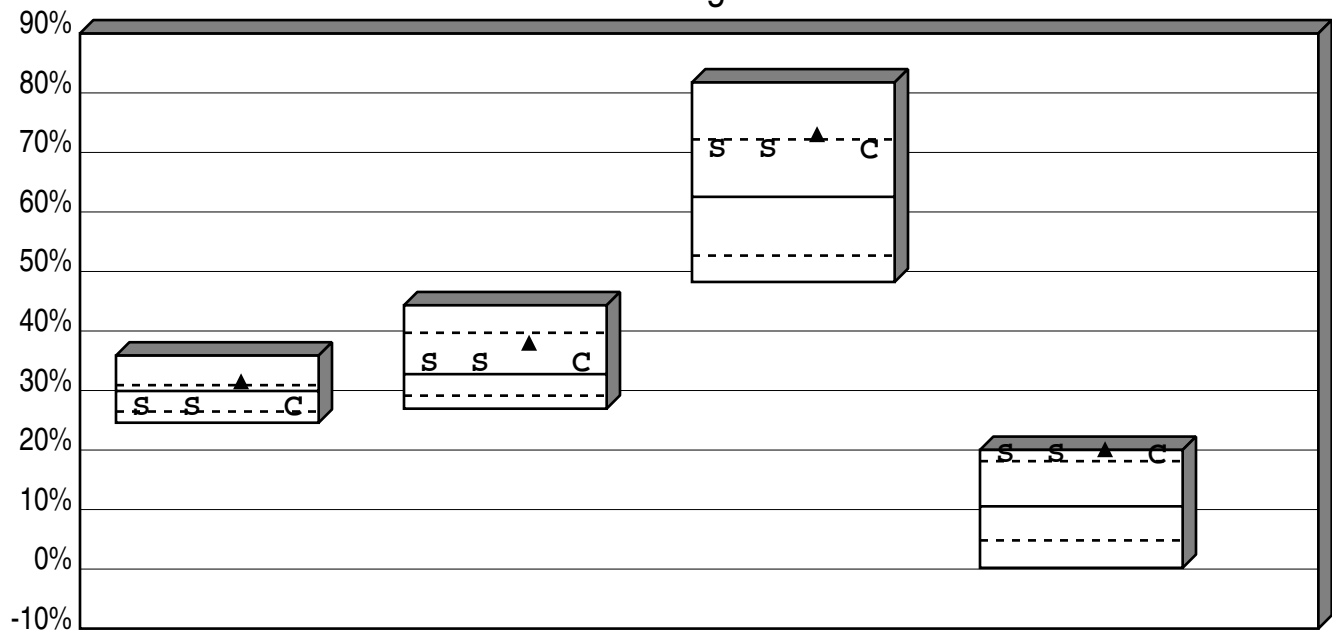
V Vanguard Inst 500 Index

Return	18.39	24.76	13.99	15.87
Rank	36	29	38	52

S Standard & Poors 500

Return	18.40	24.77	14.18	16.05	15.22	12.79	12.92	15.19	15.27	13.89
Rank	36	29	27	42	35	34	35	43	38	45

City of Dalton Employee's Pension Plan Small Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/20



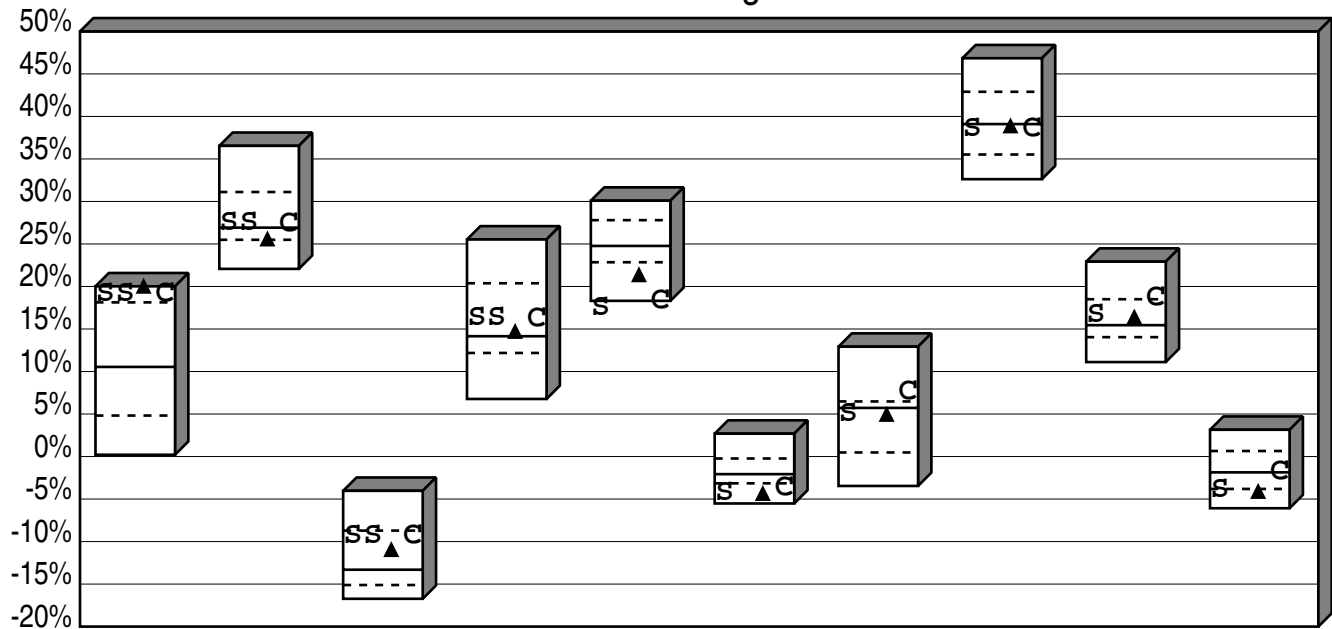
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	35.87	44.32	81.76	20.02
1st Qt	30.90	39.70	72.19	18.13
Median	29.92	32.75	62.54	10.54
3rd Qt	26.47	29.14	52.67	4.82
Low	24.59	26.95	48.24	0.21
s Total Small Cap Equity				
Return	27.10	34.47	70.36	19.12
Rank	66	44	27	16
s Vanguard Small-Cap Index				
Return	27.10	34.47	70.36	19.12
Rank	66	44	27	16
▲ Russell 2000				
Return	31.37	37.85	72.89	19.96
Rank	11	33	19	5
C CRSP Small Cap Index				
Return	27.10	34.45	70.29	19.07
Rank	66	44	27	16

City of Dalton Employee's Pension Plan

Small Neutral Consecutive Performance Comparisons

Total Returns of Equity Portfolios

Years Ending



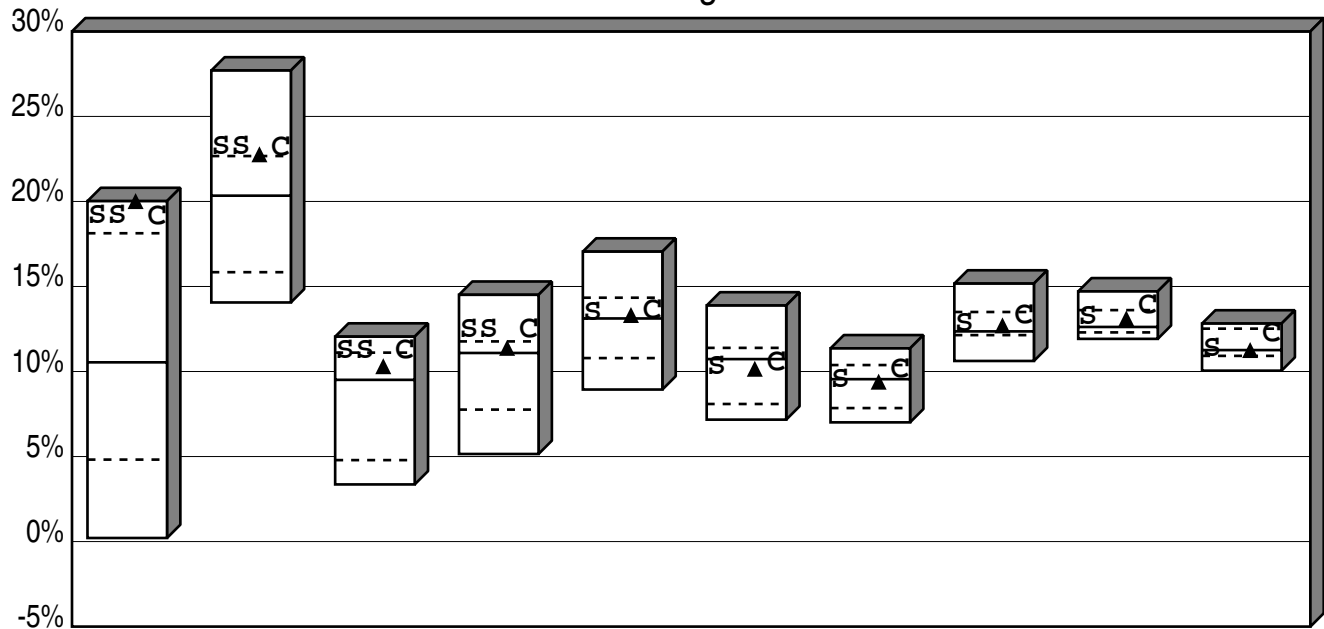
	12/20	12/19	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11
High	20.02	36.54	-4.03	25.53	30.09	2.69	12.92	46.84	22.92	3.15
1st Qt	18.13	31.11	-8.71	20.38	27.80	-0.23	6.48	42.90	18.50	0.65
Median	10.54	26.92	-13.31	14.15	24.77	-2.07	5.72	39.10	15.45	-1.86
3rd Qt	4.82	25.49	-15.11	12.18	22.85	-3.15	0.48	35.52	14.04	-3.81
Low	0.21	22.07	-16.73	6.77	18.31	-5.52	-3.46	32.62	11.11	-6.08
s Total Small Cap Equity										
Return	19.12	27.40	-9.32	16.25	17.43	-4.25	5.01	38.46	16.64	-3.98
Rank	16	44	25	29	96	88	62	59	38	75
s Vanguard Small-Cap Index										
Return	19.12	27.40	-9.32	16.25						
Rank	16	44	25	29						
▲ Russell 2000										
Return	19.96	25.52	-11.01	14.65	21.31	-4.41	4.89	38.82	16.34	-4.17
Rank	5	70	33	43	77	88	65	53	38	75
c CRSP Small Cap Index										
Return	19.07	27.35	-9.33	16.22	18.26	-3.68	7.54	38.48	18.59	-1.85
Rank	16	44	25	29	96	85	16	59	22	46

City of Dalton Employee's Pension Plan

Small Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 12/20



	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	20.02	27.70	12.05	14.51	17.05	13.88	11.36	15.17	14.71	12.82
1st Qt	18.13	22.67	11.11	11.77	14.34	11.39	10.38	13.50	13.61	12.52
Median	10.54	20.34	9.51	11.09	13.12	10.73	9.55	12.36	12.62	11.26
3rd Qt	4.82	15.84	4.79	7.76	10.79	8.09	7.85	12.14	12.30	10.92
Low	0.21	14.06	3.36	5.15	8.94	7.17	7.01	10.62	11.92	10.05

s Total Small Cap Equity

Return	19.12	23.19	11.23	12.46	13.44	10.28	9.51	12.77	13.19	11.34
Rank	16	16	22	16	40	50	53	38	37	46

s Vanguard Small-Cap Index

Return	19.12	23.19	11.23	12.46
Rank	16	16	22	16

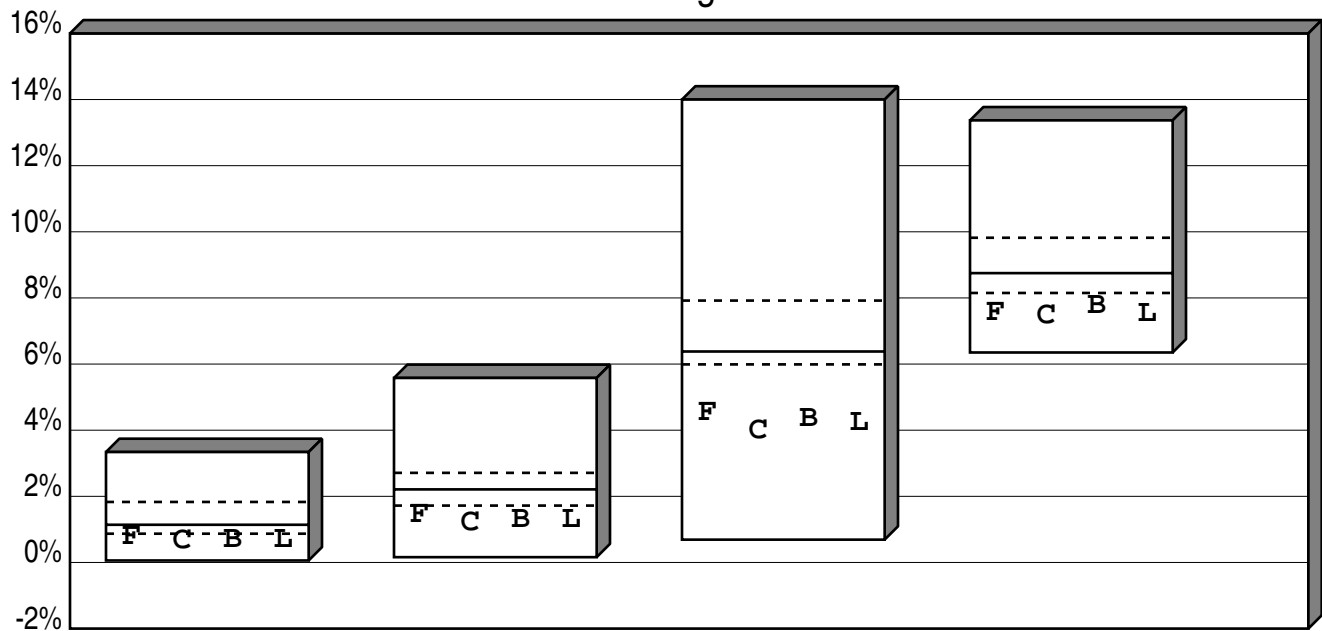
▲ Russell 2000

Return	19.96	22.71	10.25	11.33	13.26	10.10	9.34	12.65	13.06	11.20
Rank	5	22	40	40	43	57	60	39	38	54

c CRSP Small Cap Index

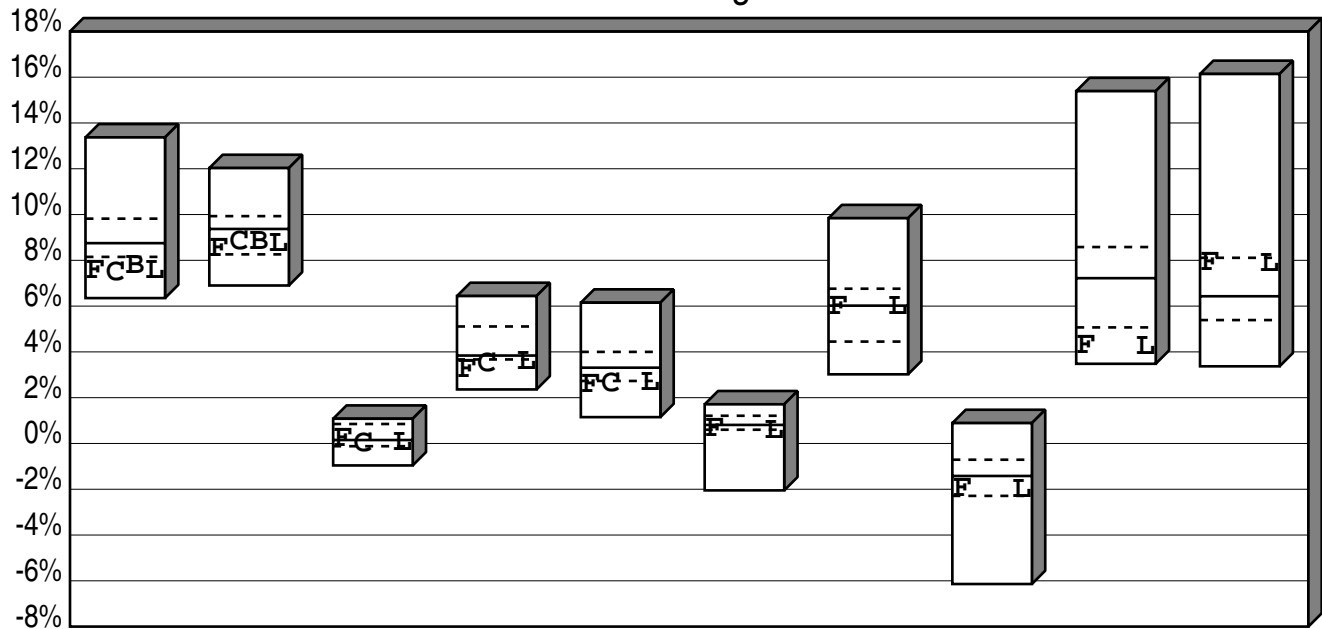
Return	19.07	23.14	11.20	12.43	13.58	10.50	10.07	13.28	13.85	12.18
Rank	16	16	22	16	40	50	25	29	24	33

City of Dalton Employee's Pension Plan
Fixed Income Core Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 12/20



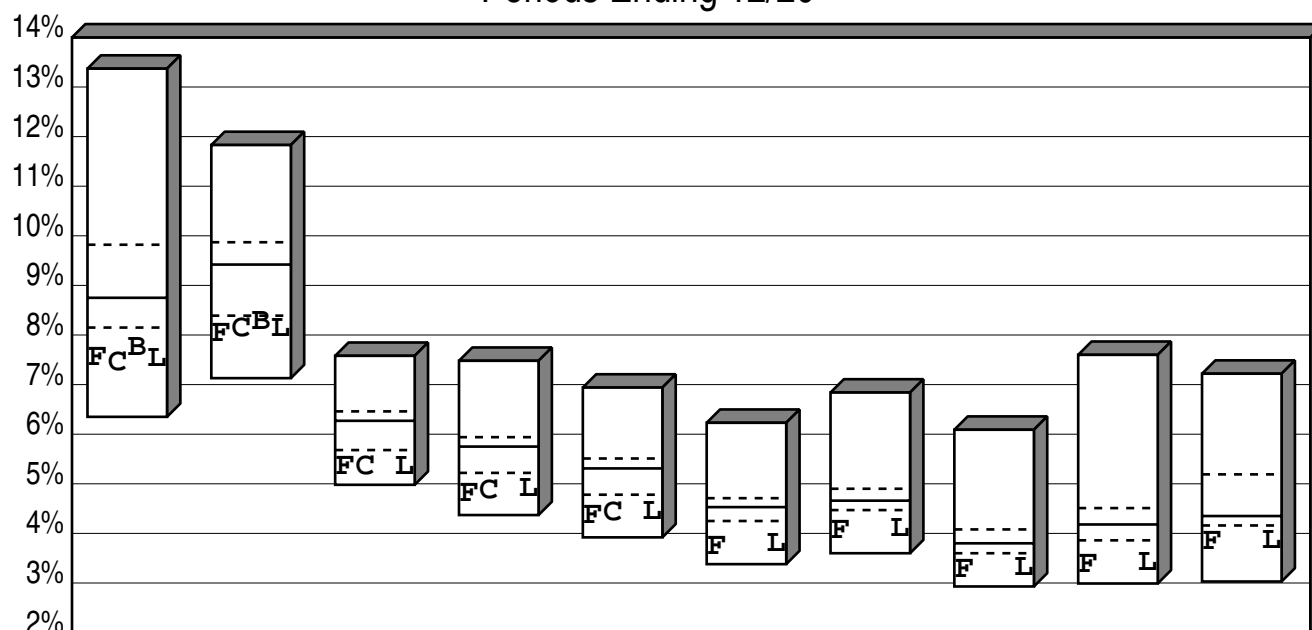
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	3.34	5.58	14.00	13.37
1st Qt	1.83	2.71	7.92	9.82
Median	1.14	2.21	6.38	8.75
3rd Qt	0.87	1.72	5.99	8.15
Low	0.06	0.16	0.69	6.35
F Total Fixed Income				
Return	0.76	1.42	4.51	7.53
Rank	81	86	87	92
C MetLife Core Bond Index Fund				
Return	0.65	1.20	3.97	7.44
Rank	87	87	89	92
B Vanguard Total Bond Mkt Index				
Return	0.67	1.29	4.33	7.74
Rank	87	87	87	89
L BBG Barc U.S. Aggregate				
Return	0.67	1.29	4.23	7.51
Rank	87	87	87	92

City of Dalton Employee's Pension Plan Fixed Income Core Consecutive Performance Comparisons Total Returns of Fixed Income Portfolios Years Ending



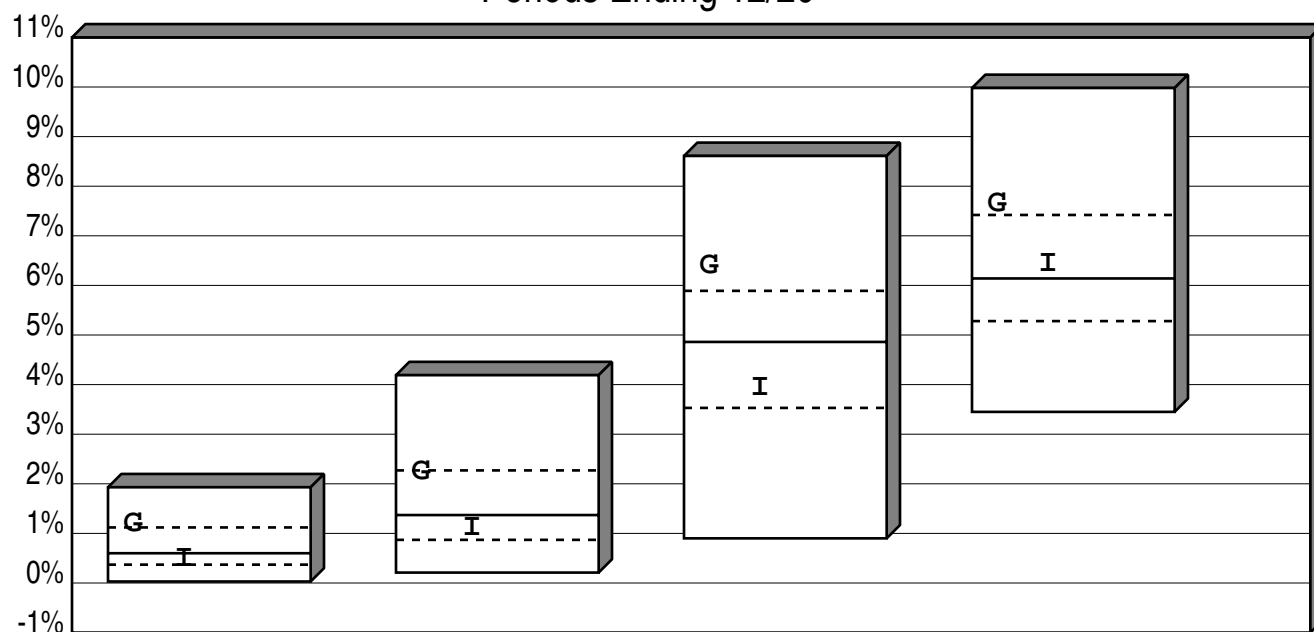
	12/20	12/19	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11
High	13.37	12.03	1.08	6.44	6.15	1.71	9.84	0.89	15.39	16.14
1st Qt	9.82	9.93	0.85	5.11	4.00	1.21	6.76	-0.71	8.58	8.11
Median	8.75	9.37	0.15	3.84	3.31	0.81	6.02	-1.42	7.22	6.43
3rd Qt	8.15	8.26	-0.12	3.67	2.73	0.60	4.45	-2.29	5.07	5.39
Low	6.35	6.90	-0.96	2.36	1.15	-2.05	3.02	-6.14	3.48	3.37
F Total Fixed Income										
Return	7.53	8.49	0.21	3.19	2.53	0.65	5.98	-1.98	4.26	7.90
Rank	92	70	47	83	79	67	54	68	87	30
C MetLife Core Bond Index Fund										
Return	7.44	8.80	-0.04	3.49	2.58					
Rank	92	66	73	80	79					
B Vanguard Total Bond Mkt Index										
Return	7.74	8.78								
Rank	89	66								
L BBG Barc U.S. Aggregate										
Return	7.51	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	4.22	7.84
Rank	92	67	67	80	75	77	54	68	87	30

City of Dalton Employee's Pension Plan Fixed Income Core Cumulative Performance Comparisons Total Returns of Fixed Income Portfolios Periods Ending 12/20



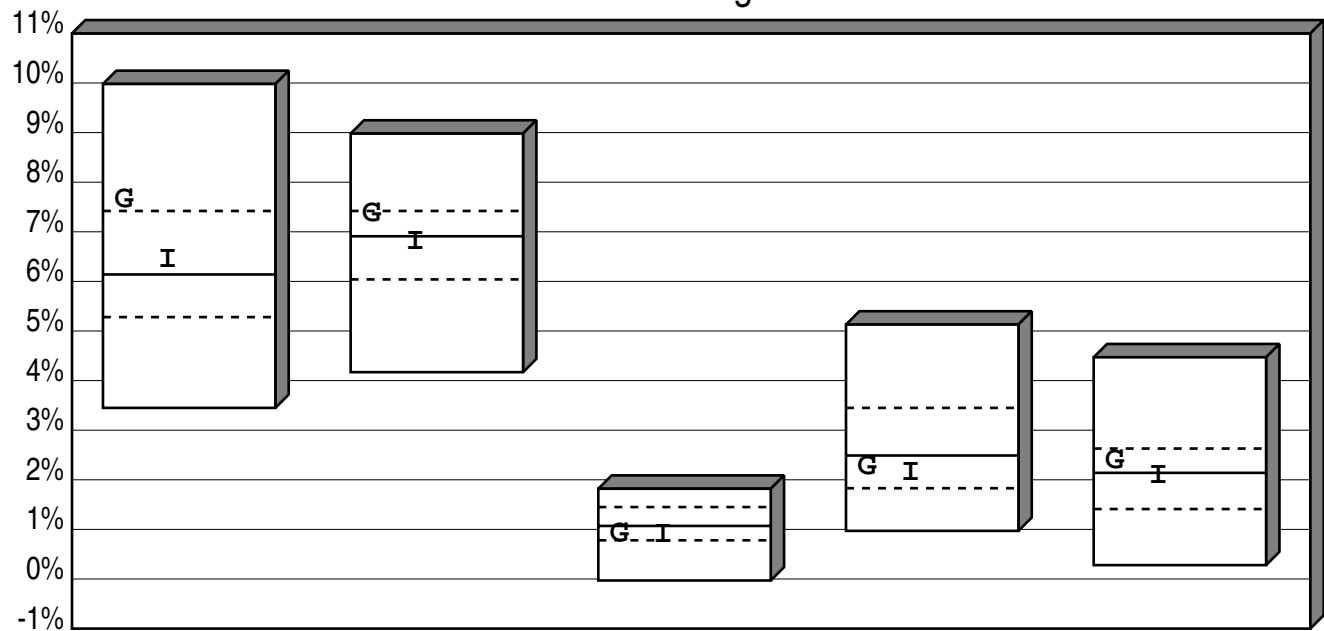
	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	13.37	11.83	7.58	7.48	6.94	6.23	6.84	6.09	7.60	7.22
1st Qt	9.82	9.87	6.46	5.94	5.51	4.71	4.90	4.08	4.51	5.19
Median	8.75	9.42	6.27	5.75	5.31	4.53	4.66	3.80	4.18	4.35
3rd Qt	8.15	8.39	5.68	5.22	4.78	4.25	4.47	3.60	3.86	4.16
Low	6.35	7.13	4.98	4.37	3.92	3.38	3.60	2.93	2.99	3.03
F Total Fixed Income										
Return	7.53	8.01	5.34	4.80	4.34	3.72	4.04	3.26	3.37	3.82
Rank	92	81	89	89	89	90	86	87	83	82
C MetLife Core Bond Index Fund										
Return	7.44	8.12	5.33	4.86	4.40					
Rank	92	81	91	89	89					
B Vanguard Total Bond Mkt Index										
Return	7.74	8.26								
Rank	89	78								
L BBG Barc U.S. Aggregate										
Return	7.51	8.11	5.34	4.89	4.44	3.78	4.09	3.30	3.40	3.84
Rank	92	81	89	89	87	88	86	87	83	82

City of Dalton Employee's Pension Plan
Intermediate Term Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 12/20



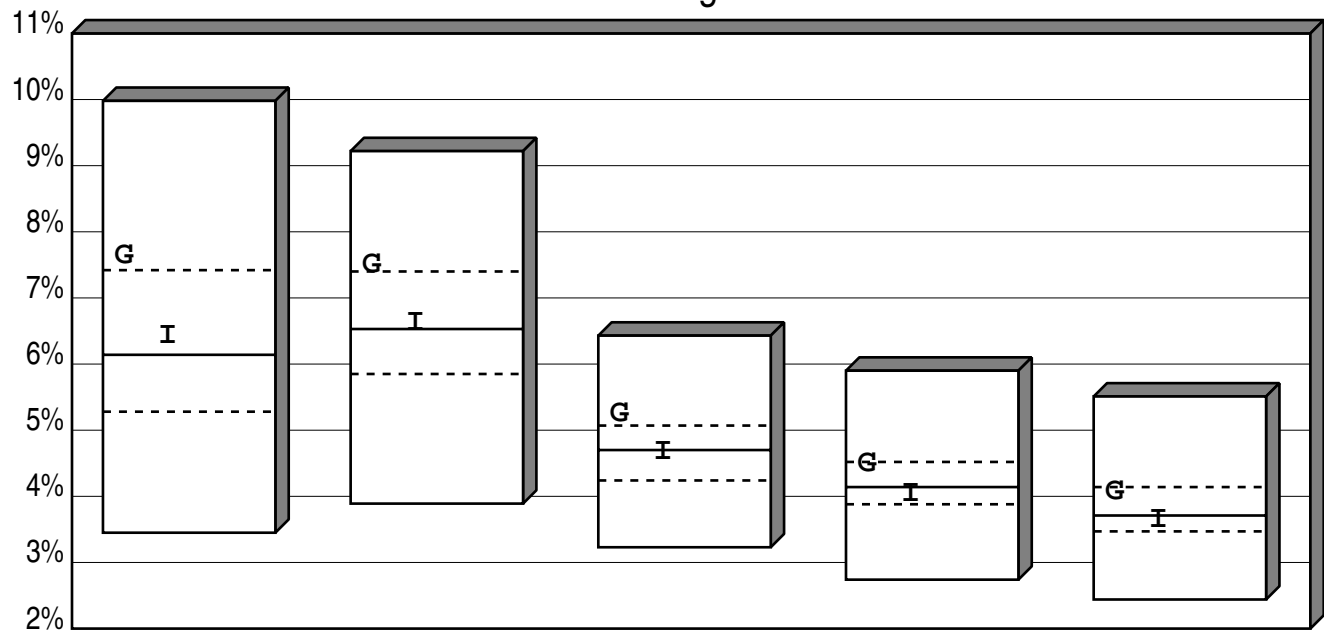
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	1.93	4.19	8.61	9.98
1st Qt	1.12	2.27	5.89	7.42
Median	0.60	1.37	4.86	6.14
3rd Qt	0.37	0.87	3.53	5.28
Low	0.03	0.21	0.90	3.45
G Goldman Sachs Fund				
Return	1.18	2.24	6.39	7.63
Rank	22	25	21	18
I BBG Barc Int Govt/Credit				
Return	0.48	1.10	3.94	6.43
Rank	60	63	68	45

City of Dalton Employee's Pension Plan
Intermediate Term Consecutive Performance Comparisons
Total Returns of Fixed Income Portfolios
Years Ending



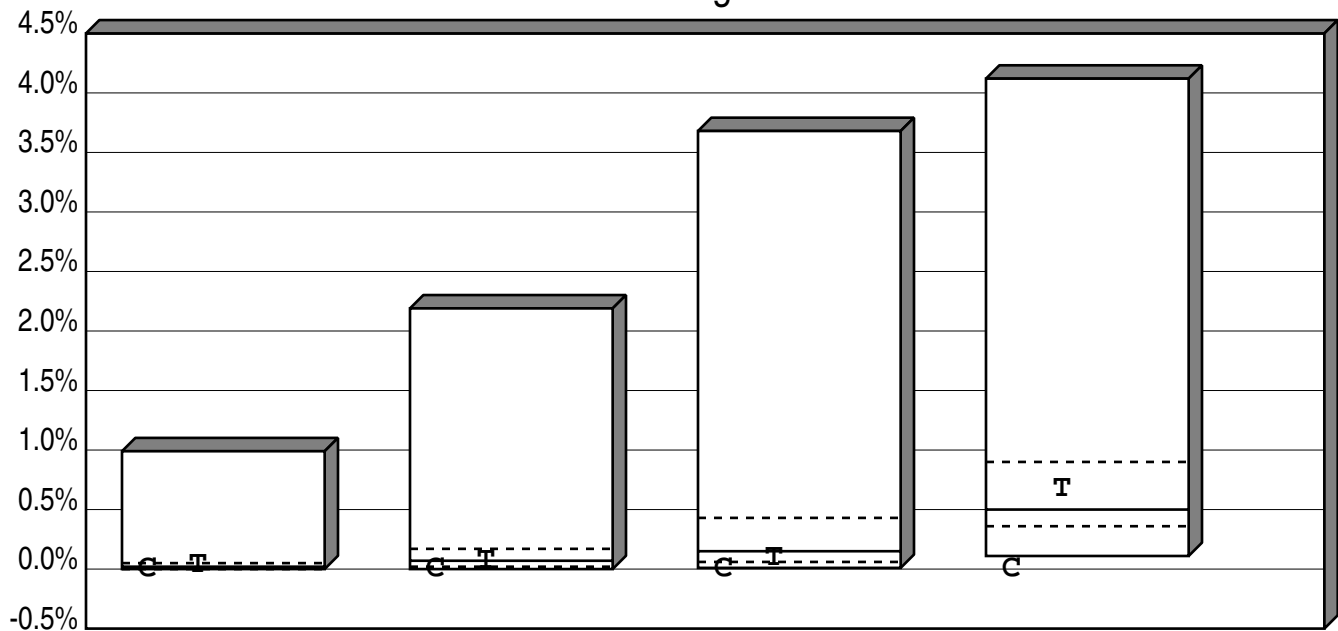
	12/20	12/19	12/18	12/17	12/16
High	9.98	8.98	1.82	5.13	4.47
1st Qt	7.42	7.42	1.45	3.45	2.63
Median	6.14	6.91	1.07	2.49	2.14
3rd Qt	5.28	6.04	0.78	1.83	1.41
Low	3.45	4.17	-0.03	0.97	0.28
G Goldman Sachs Fund					
Return	7.63	7.36	0.90	2.26	2.37
Rank	18	28	62	66	42
I BBG Barc Int Govt/Credit					
Return	6.43	6.80	0.88	2.14	2.08
Rank	45	54	63	68	52

City of Dalton Employee's Pension Plan
Intermediate Term Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 12/20



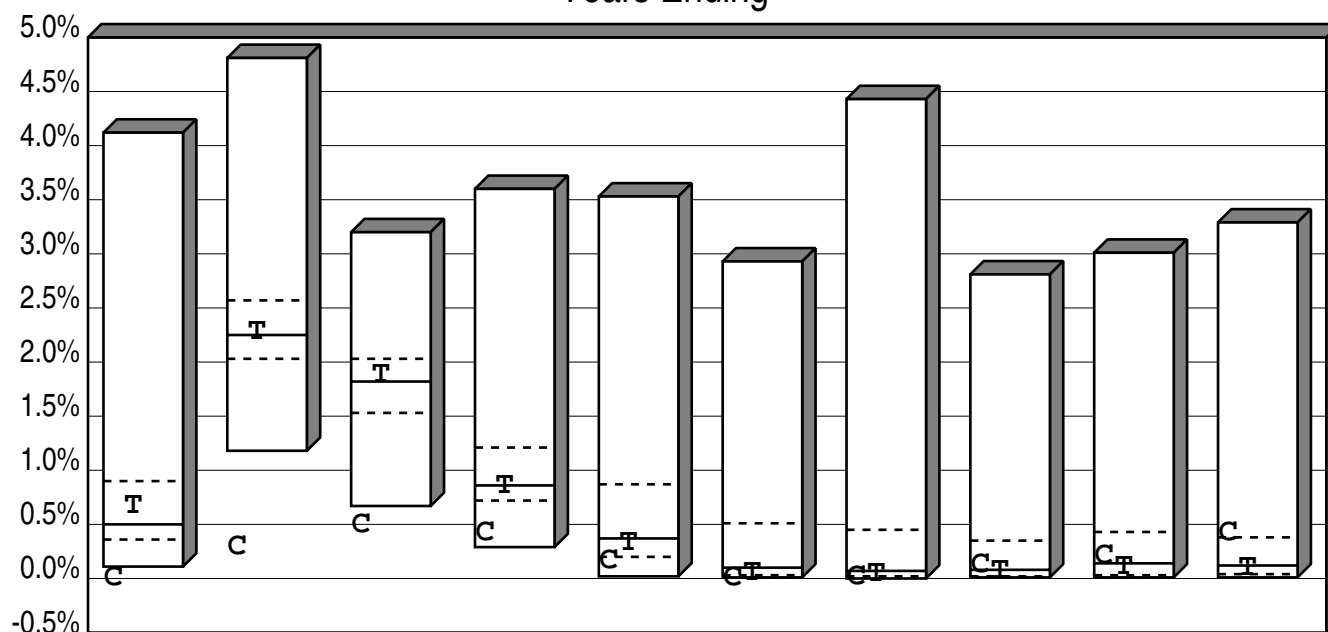
	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years
High	9.98	9.22	6.43	5.90	5.51
1st Qt	7.42	7.40	5.07	4.52	4.14
Median	6.14	6.53	4.70	4.14	3.71
3rd Qt	5.28	5.85	4.24	3.88	3.47
Low	3.45	3.89	3.23	2.74	2.44
G Goldman Sachs Fund					
Return	7.63	7.49	5.25	4.49	4.07
Rank	18	19	14	27	28
I BBG Barc Int Govt/Credit					
Return	6.43	6.62	4.67	4.03	3.64
Rank	45	46	51	64	58

City of Dalton Employee's Pension Plan Cumulative Performance Comparison Total Returns of Short Term Portfolios Periods Ending 12/20



	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	0.99	2.19	3.68	4.12
1st Qt	0.05	0.17	0.43	0.90
Median	0.02	0.07	0.15	0.50
3rd Qt	0.00	0.02	0.06	0.36
Low	0.00	0.00	0.01	0.11
C Cash Account				
Return	-0.00	-0.00	-0.00	0.00
Rank	100	100	100	100
T 91-Day Treasury Bill				
Return	0.03	0.07	0.09	0.67
Rank	47	51	62	36

City of Dalton Employee's Pension Plan Consecutive Performance Comparison Total Returns of Short Term Portfolios Years Ending



	12/20	12/19	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11
High	4.12	4.81	3.20	3.60	3.53	2.93	4.43	2.81	3.01	3.29
1st Qt	0.90	2.57	2.03	1.21	0.87	0.51	0.45	0.35	0.43	0.38
Median	0.50	2.25	1.82	0.86	0.37	0.10	0.07	0.08	0.14	0.12
3rd Qt	0.36	2.03	1.53	0.72	0.20	0.03	0.02	0.02	0.03	0.04
Low	0.11	1.18	0.67	0.29	0.02	0.01	0.00	0.01	0.01	0.01

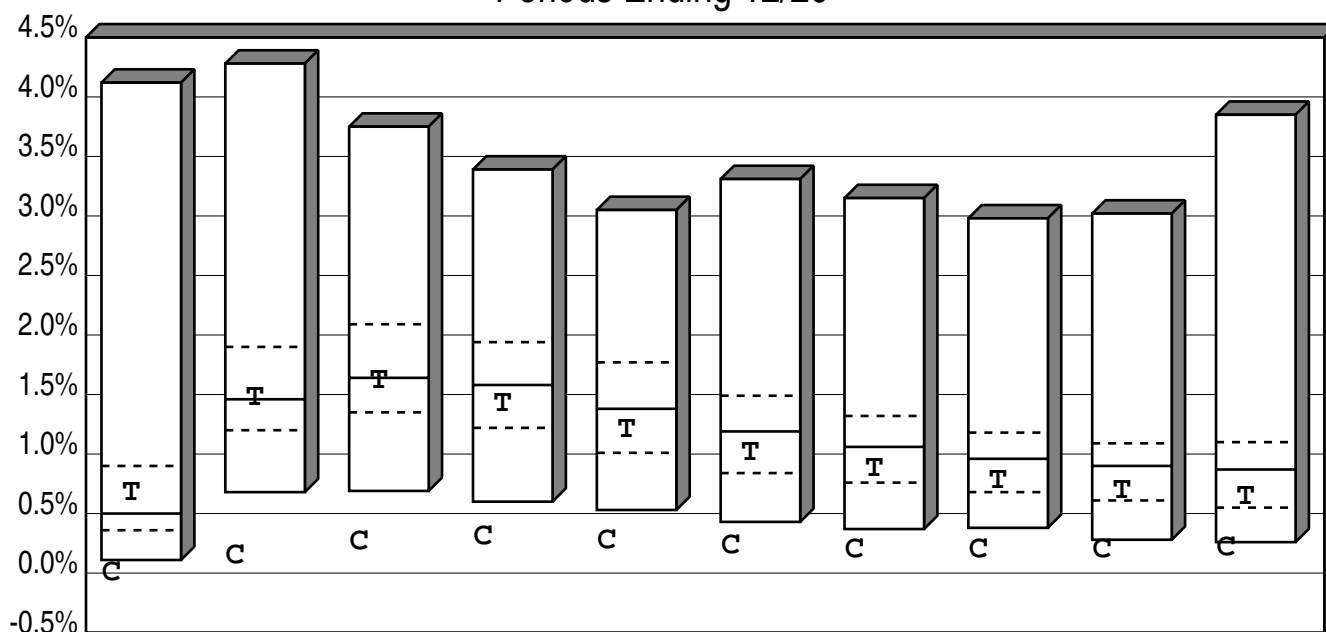
C Cash Account

Return	0.00	0.29	0.49	0.42	0.16	0.00	0.01	0.12	0.21	0.42
Rank	100	97	97	93	80	100	94	41	39	23

T 91-Day Treasury Bill

Return	0.67	2.28	1.88	0.85	0.33	0.05	0.04	0.07	0.11	0.10
Rank	36	47	43	57	59	70	65	57	58	55

City of Dalton Employee's Pension Plan
Cumulative Performance Comparison
Total Returns of Short Term Portfolios
Periods Ending 12/20



	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	4.12	4.28	3.75	3.39	3.05	3.31	3.15	2.98	3.02	3.85
1st Qt	0.90	1.90	2.09	1.94	1.77	1.49	1.32	1.18	1.09	1.10
Median	0.50	1.46	1.64	1.58	1.38	1.19	1.06	0.96	0.90	0.87
3rd Qt	0.36	1.20	1.35	1.22	1.01	0.84	0.76	0.68	0.61	0.55
Low	0.11	0.68	0.69	0.60	0.53	0.43	0.37	0.38	0.28	0.26

C Cash Account

Return	0.00	0.14	0.26	0.30	0.27	0.23	0.19	0.19	0.19	0.21
Rank	100	99	98	98	98	99	99	99	97	97

T 91-Day Treasury Bill

Return	0.67	1.47	1.61	1.42	1.20	1.01	0.87	0.77	0.69	0.64
Rank	36	49	52	65	67	68	69	70	69	70

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

Actuarial Valuation
As of January 1, 2021

Determines the Contribution
For the 2022 Fiscal Year

	<u>Page</u>
Discussion	1
 <u>Funding Results</u>	
Table I-A Minimum Required Contribution	I-1
Table I-B Sensitivity Analysis	I-2
Table I-C Gain and Loss Analysis	I-3
Table I-D Present Value of Future Benefits	I-4
Table I-E Present Value of Accrued Benefits	I-5
Table I-F Present Value of Vested Benefits	I-6
Table I-G Projected Unit Credit Accrued Liability	I-7
Table I-H Projected Unit Credit Normal Cost	I-8
Table I-I Unfunded Liability Bases	I-9
 <u>Accounting Results</u>	
GASB 67/68 Supplement as of December 31, 2020	
 <u>Assets</u>	
Table II-A Actuarial Value of Assets	II-1
Table II-B Market Value of Assets	II-2
Table II-C Investment Return	II-3
Table II-D Asset Reconciliation	II-4
Table II-E Historical Trust Fund Detail	II-5
Table II-F Other Reconciliations	II-6
 <u>Data</u>	
Table III-A Summary of Participant Data	III-1
Table III-B Data Reconciliation	III-2
Table III-C Active Participant Data	III-3
Table III-D Active Age-Service Distribution	III-4
Table III-E Active Age-Service-Salary Table	III-5
Table III-F Inactive Participant Data	III-6
Table III-G Projected Benefit Payments	III-7
 <u>Methods & Assumptions</u>	
Table IV-A Summary of Actuarial Methods and Assumptions	IV-1
Table IV-B Changes in Actuarial Methods and Assumptions	IV-3
 <u>Plan Provisions</u>	
Table V-A Summary of Plan Provisions	V-1
Table V-B Summary of Plan Amendments	V-4

March 18, 2021

Introduction

This report presents the revised results of the January 1, 2021 actuarial valuation of the Mayor and Council of the City of Dalton Employees' Pension Plan. This valuation is based upon the participant data and asset information provided as of January 1, 2021 by the City of Dalton and Dalton Utilities. Except for a cursory review for reasonableness, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of January 1, 2021 and to determine the minimum required contribution under Georgia Code Section 47-20-10 for the 2022 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

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

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

Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2022 plan year. The minimum required contribution is \$2,600,285 (or 18.24% of covered payroll), which represents a decrease of \$650,864 (or a decrease of 5.31% of covered payroll) from the prior year.

Table I-C provides a breakdown of the sources of change in the contribution rate. Significantly, the rate decreased by 21.95% of covered payroll due to investment gains, increased by 20.4% of covered payroll due to demographic experience, and decreased by 3.76% of covered payroll due to a change in the amortization payment. The market

value of assets earned 13.21% during the 2020 plan year, whereas a 6.75% annual investment return was required to maintain a stable contribution rate.

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

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$156,406,895. As illustrated in Table I-A, current assets are sufficient to cover \$140,899,437 of this amount, the employer's 2021 expected contribution will cover \$3,251,149 of this amount, the employer's 2022 expected contribution will cover \$2,600,285 of this amount, and future employee contributions will cover \$1,751,766 of this amount, leaving \$7,904,258 to be covered by future employer funding after 2022. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

Identification and Assessment of Risk

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

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

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

expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

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

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

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

Contents of the Report

Tables I-D through I-H provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of January 1, 2021, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

Certification

This actuarial valuation was prepared by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate and, in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Georgia Code Section 47-20-10. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs

have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,

Charles T. Carr

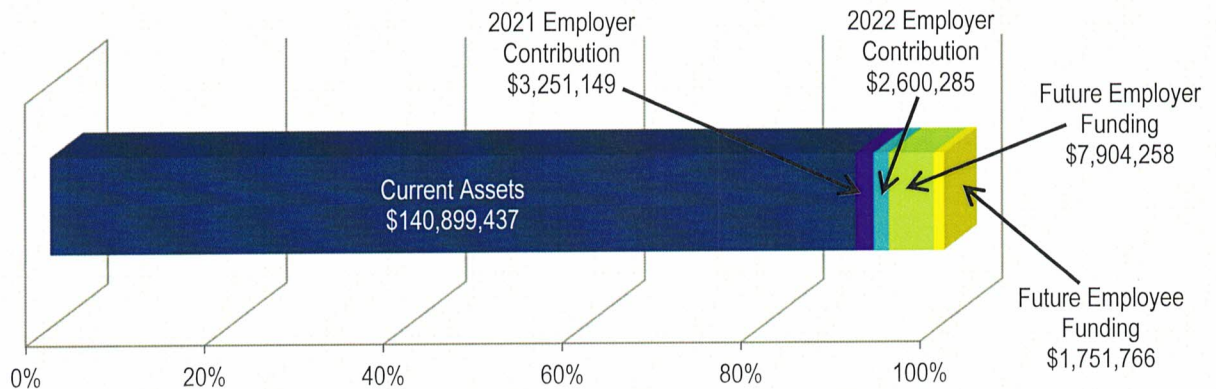
Charles T. Carr
Consulting Actuary
Southern Actuarial Services Company, Inc.

Enrolled Actuary No. 20-04927

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

Minimum Required Contribution

Table I-A



For the 2022 Plan Year

Normal Cost for the 2021 Plan Year	\$2,505,019
Unfunded Liability Amortization Payment for the 2021 Plan Year	\$685,560
Expense Allowance for the 2021 Plan Year	\$50,000
Expected Employee Contribution for the 2021 Plan Year	(\$687,037)
	<hr/>
	\$2,553,542
Interest Adjustment to Reflect Contributions After January 1, 2021	<hr/>
	\$46,743

Required Employer Contribution for the 2022 Plan Year **\$2,600,285**

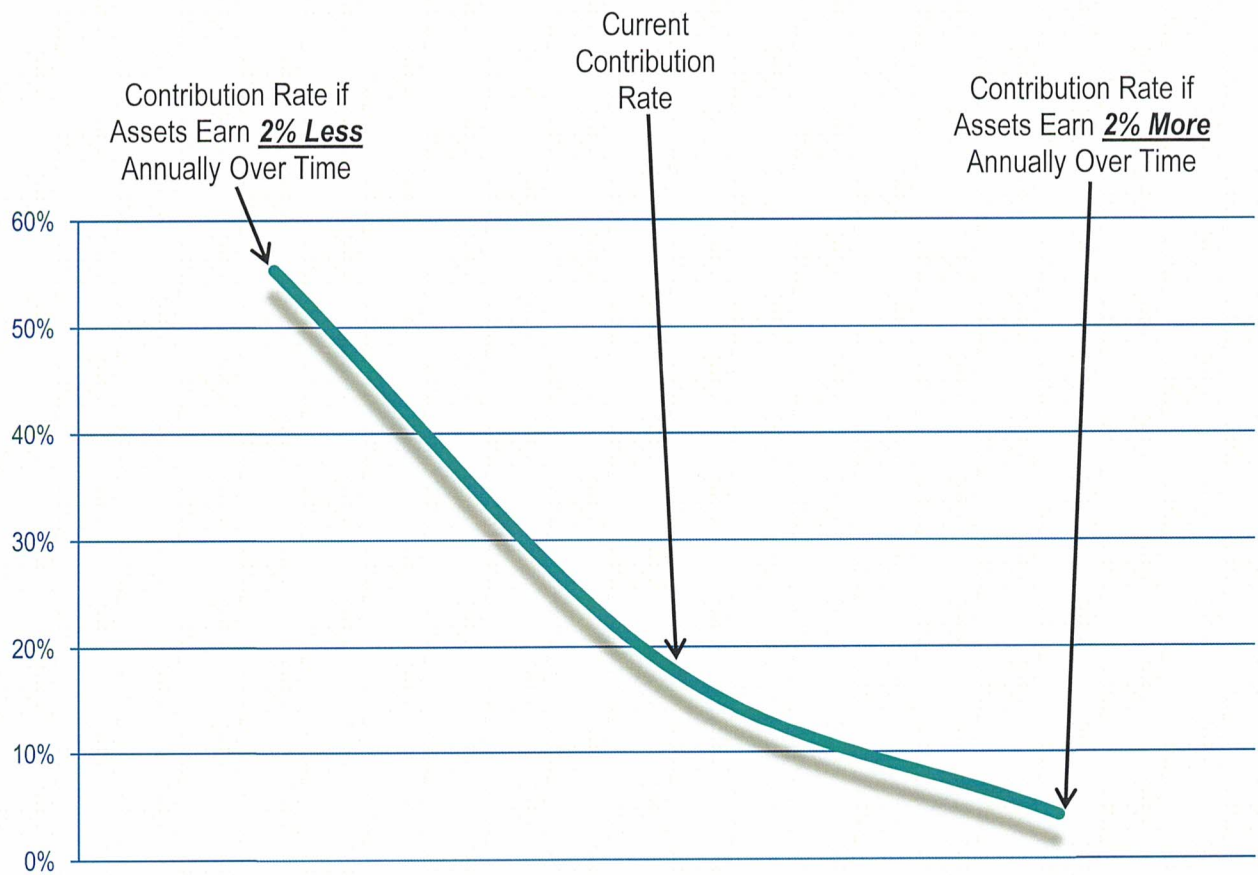
Exemption Test Under Georgia Code Section 47-20-13

Actuarial Value of Assets	\$140,899,437
Present Value of Accumulated Retirement System Benefits	\$142,090,304
Funded Ratio	99.16%

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

Sensitivity Analysis

Table I-B



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

Gain and Loss Analysis

Table I-C

Previous minimum required contribution rate	23.55%
Increase (decrease) due to investment gains and losses	-21.95%
Increase (decrease) due to demographic experience	20.40% *
Increase (decrease) due to change in amortization payment	-3.76%
Increase (decrease) due to plan amendments	0.00%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current minimum required contribution rate	<u>18.24%</u>

* *balancing item***Source of Change in the Unfunded Liability**

Previous unfunded liability	\$19,331,727
Increase due to interest	\$846,527
Decrease due to amortization payments	(\$6,790,586)
Increase (decrease) due to plan experience	(\$5,679,812)
Increase (decrease) due to plan amendments	\$0
Increase (decrease) due to actuarial assumption changes	\$0
Increase (decrease) due to actuarial method changes	\$0
Current unfunded liability	<u>\$7,707,856</u>

Present Value of Future Benefits

Table I-D

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$66,911,059	\$66,911,059	\$66,911,059
Termination benefits	\$1,061,028	\$1,061,028	\$1,061,028
Disability benefits	\$0	\$0	\$0
Death benefits	\$68,649	\$68,649	\$68,649
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$68,040,736	\$68,040,736	\$68,040,736
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,929,989	\$1,929,989	\$1,929,989
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,929,989	\$1,929,989	\$1,929,989
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$79,453,868	\$79,453,868	\$79,453,868
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$6,241,561	\$6,241,561	\$6,241,561
DROP participants	\$0	\$0	\$0
Sub-total	\$85,695,429	\$85,695,429	\$85,695,429
<u>Grand Total</u>	<u>\$155,666,154</u>	<u>\$155,666,154</u>	<u>\$155,666,154</u>
Present Value of Future Payroll	\$35,035,510	\$35,035,510	\$35,035,510
Present Value of Future Employee Contribs.	\$1,751,766	\$1,751,766	\$1,751,766
Present Value of Future Employer Contribs.	\$13,755,692	\$13,755,692	\$13,755,692

Present Value of Accrued Benefits

Table I-E

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$53,543,688	\$53,543,688	\$53,543,688
Termination benefits	\$864,006	\$864,006	\$864,006
Disability benefits	\$0	\$0	\$0
Death benefits	\$57,192	\$57,192	\$57,192
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$54,464,886	\$54,464,886	\$54,464,886
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,929,989	\$1,929,989	\$1,929,989
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,929,989	\$1,929,989	\$1,929,989
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$79,453,868	\$79,453,868	\$79,453,868
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$6,241,561	\$6,241,561	\$6,241,561
DROP participants	\$0	\$0	\$0
Sub-total	\$85,695,429	\$85,695,429	\$85,695,429
<u>Grand Total</u>	<u>\$142,090,304</u>	<u>\$142,090,304</u>	<u>\$142,090,304</u>

Funded Percentage

99.16%

99.16%

99.16%

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



Present Value of Vested Benefits

Table I-F

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$53,543,688	\$53,543,688	\$53,543,688
Termination benefits	\$864,006	\$864,006	\$864,006
Disability benefits	\$0	\$0	\$0
Death benefits	\$57,192	\$57,192	\$57,192
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$54,464,886	\$54,464,886	\$54,464,886
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,929,989	\$1,929,989	\$1,929,989
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,929,989	\$1,929,989	\$1,929,989
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$79,453,868	\$79,453,868	\$79,453,868
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$6,241,561	\$6,241,561	\$6,241,561
DROP participants	\$0	\$0	\$0
Sub-total	\$85,695,429	\$85,695,429	\$85,695,429
<u>Grand Total</u>	<u>\$142,090,304</u>	<u>\$142,090,304</u>	<u>\$142,090,304</u>

Projected Unit Credit Accrued Liability

Table I-G

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$59,960,391	\$59,960,391	\$59,960,391
Termination benefits	\$958,507	\$958,507	\$958,507
Disability benefits	\$0	\$0	\$0
Death benefits	\$62,977	\$62,977	\$62,977
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$60,981,875	\$60,981,875	\$60,981,875
<u>Deferred Vested Participants</u>			
Retirement benefits	\$1,929,989	\$1,929,989	\$1,929,989
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$1,929,989	\$1,929,989	\$1,929,989
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$79,453,868	\$79,453,868	\$79,453,868
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$6,241,561	\$6,241,561	\$6,241,561
DROP participants	\$0	\$0	\$0
Sub-total	\$85,695,429	\$85,695,429	\$85,695,429
<u>Grand Total</u>	<u>\$148,607,293</u>	<u>\$148,607,293</u>	<u>\$148,607,293</u>
less Actuarial Value of Assets	(\$140,899,437)	(\$140,899,437)	(\$140,899,437)
<u>Unfunded Accrued Liability</u>	<u>\$7,707,856</u>	<u>\$7,707,856</u>	<u>\$7,707,856</u>

Projected Unit Credit Normal Cost

Table I-H

	Old Assumptions <u>w/o Amendment</u>	Old Assumptions <u>w/ Amendment</u>	New Assumptions <u>w/ Amendment</u>
<u>Actively Employed Participants</u>			
Retirement benefits	\$2,456,824	\$2,456,824	\$2,456,824
Termination benefits	\$45,309	\$45,309	\$45,309
Disability benefits	\$0	\$0	\$0
Death benefits	\$2,886	\$2,886	\$2,886
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$2,505,019	\$2,505,019	\$2,505,019
<u>Deferred Vested Participants</u>			
Retirement benefits	\$0	\$0	\$0
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<u>Due a Refund of Contributions</u>	\$0	\$0	\$0
<u>Deferred Beneficiaries</u>	\$0	\$0	\$0
<u>Retired Participants</u>			
Service retirements	\$0	\$0	\$0
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$0	\$0	\$0
DROP participants	\$0	\$0	\$0
Sub-total	\$0	\$0	\$0
<u>Grand Total</u>	<u>\$2,505,019</u>	<u>\$2,505,019</u>	<u>\$2,505,019</u>



Unfunded Liability Bases

Table I-I

<u>Description</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Amortization Payment</u>	<u>Years Rem.</u>
	Total	\$7,707,856	\$685,560	
1/1/2020 Combined Base	\$19,331,727	\$13,387,668	\$1,190,740	19
2020 Experience Gain	(\$5,679,812)	(\$5,679,812)	(\$505,180)	19



Actuarial Value of Assets

Table II-A

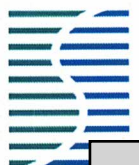
Market Value of Assets as of January 1, 2021 \$140,899,437

Minus advance employer contributions \$0

Actuarial Value of Assets as of January 1, 2021 \$140,899,437

Historical Actuarial Value of Assets

January 1, 2012	\$61,883,573
January 1, 2013	\$66,758,929
January 1, 2014	\$75,640,022
January 1, 2015	\$83,354,743
January 1, 2016	\$84,855,903
January 1, 2017	\$91,950,265
January 1, 2018	\$104,453,266
January 1, 2019	\$101,903,850
January 1, 2020	\$122,508,482
January 1, 2021	\$140,899,437

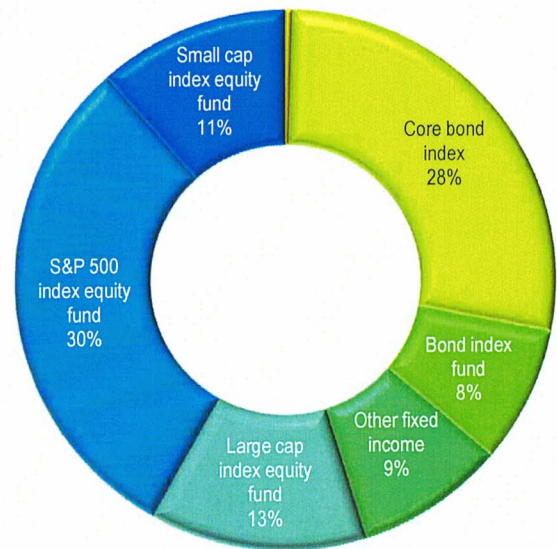


Market Value of Assets

Table II-B

As of January 1, 2021

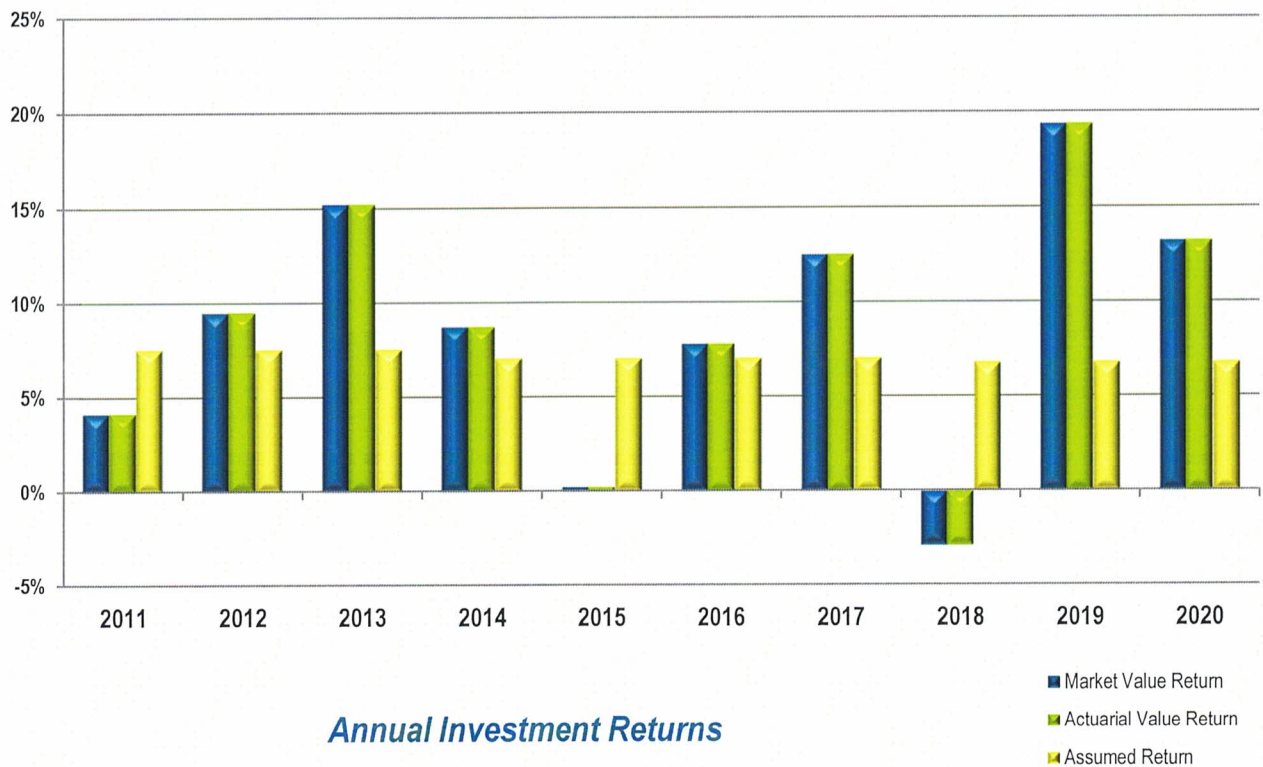
Market Value of Assets	<u>\$140,899,437</u>
Cash and cash equivalents	\$603,002
Core bond index	\$38,992,068
Bond index fund	\$11,536,930
Other fixed income	\$12,557,451
Large cap index equity fund	\$18,338,135
S&P 500 index equity fund	\$42,752,686
Small cap index equity fund	\$16,122,712
Accounts payable	(\$3,547)

**Historical Market Value of Assets**

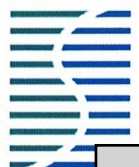
January 1, 2012	\$62,158,721
January 1, 2013	\$66,758,929
January 1, 2014	\$75,640,022
January 1, 2015	\$83,354,743
January 1, 2016	\$84,855,903
January 1, 2017	\$92,134,902
January 1, 2018	\$104,453,266
January 1, 2019	\$101,903,850
January 1, 2020	\$122,508,482
January 1, 2021	\$140,899,437

Investment Return

Table II-C

*Annual Investment Returns*

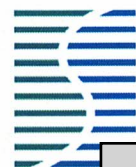
Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2011	4.12%	4.14%	7.50%
2012	9.48%	9.50%	7.50%
2013	15.19%	15.19%	7.50%
2014	8.71%	8.71%	7.00%
2015	0.23%	0.23%	7.00%
2016	7.77%	7.77%	7.00%
2017	12.49%	12.51%	7.00%
2018	-2.92%	-2.92%	6.75%
2019	19.33%	19.33%	6.75%
2020	13.21%	13.21%	6.75%
10yr. Avg.	8.57%	8.57%	7.07%



Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of January 1, 2020	\$122,508,482	\$122,508,482
<i>Increases Due To:</i>		
Employer Contributions	\$9,130,197	\$9,130,197
Employee Contributions	\$677,164	\$677,164
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$9,807,361</u>	<u>\$9,807,361</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$5,561,843	
Unrealized Gains (Losses)	<u>\$10,950,286</u>	
Total Investment Income	\$16,512,129	\$16,325,808
Other Income	\$0	
Total Income	<u>\$26,319,490</u>	<u>\$26,133,169</u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$7,662,936)	(\$7,662,936)
Refund of Employee Contributions	\$0	\$0
Total Benefit Payments	<u>(\$7,662,936)</u>	<u>(\$7,662,936)</u>
Investment Expenses	(\$186,321)	
Administrative Expenses	(\$79,278)	(\$79,278)
Advance Employer Contribution		\$0
Total Expenses	<u>(\$7,928,535)</u>	<u>(\$7,742,214)</u>
As of January 1, 2021	<u><u>\$140,899,437</u></u>	<u><u>\$140,899,437</u></u>



Historical Trust Fund Detail

Table II-E

Income

Plan	Employer	Employee	Service		Realized	Unrealized	
<u>Year</u>	<u>Contribs.</u>	<u>Contribs.</u>	<u>Purchase</u>	<u>Interest /</u>	<u>Gains /</u>	<u>Gains /</u>	<u>Other</u>
			<u>Contribs.</u>	<u>Dividends</u>	<u>Losses</u>	<u>Losses</u>	<u>Income</u>
2011	\$3,977,435	\$938,804	\$0	\$564,535	\$843,312	\$1,206,718	\$0
2012	\$4,220,538	\$880,846	\$0	\$714,938	\$942,984	\$4,310,015	\$0
2013	\$4,374,373	\$856,937	\$0	\$743,561	\$1,155,066	\$8,288,096	\$0
2014	\$6,789,929	\$836,978	\$0	\$819,365	\$2,537,770	\$3,417,790	\$0
2015	\$7,099,693	\$784,870	\$0	\$1,166,608	\$3,496,413	-\$4,313,054	\$602
2016	\$6,841,734	\$769,248	\$0	\$0	\$4,321,811	\$2,492,238	\$9,853
2017	\$7,225,029	\$727,343	\$0	\$0	\$3,994,252	\$7,749,037	\$0
2018	\$7,311,443	\$688,300	\$0	\$0	\$3,421,230	-\$6,300,899	\$0
2019	\$7,728,729	\$663,908	\$0	\$0	\$4,121,853	\$15,839,031	\$0
2020	\$9,130,197	\$677,164	\$0	\$0	\$5,561,843	\$10,950,286	\$0

Expenses

Plan	Benefit	Admin.	Invest.	Other Actuarial Adjustments
<u>Year</u>	<u>Payments</u>	<u>Expenses</u>	<u>Expenses</u>	Advance Employer <u>Contribs.</u>
2011	\$5,811,768	\$54,330	\$134,134	\$83,551
2012	\$6,296,942	\$38,180	\$133,991	-\$275,148
2013	\$6,350,443	\$49,725	\$136,772	\$0
2014	\$6,499,344	\$50,890	\$136,877	\$0
2015	\$6,513,876	\$61,983	\$158,113	\$0
2016	\$6,904,592	\$42,900	\$208,393	\$184,627
2017	\$7,133,475	\$59,239	\$184,583	-\$184,627
2018	\$7,440,532	\$50,901	\$178,057	\$0
2019	\$7,499,751	\$70,763	\$178,375	\$0
2020	\$7,662,936	\$79,278	\$186,321	\$0

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

Other Reconciliations

Table II-F

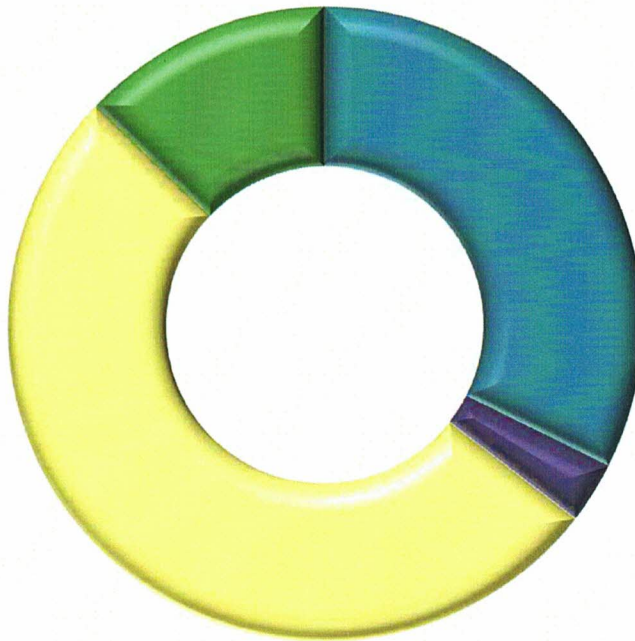
Advance Employer Contribution

Advance Employer Contribution as of January 1, 2020	\$0
Additional Employer Contribution	\$9,130,197
Minimum Required Contribution	<u>(\$9,130,197)</u>
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of January 1, 2021	<u><u>\$0</u></u>

Summary of Participant Data

Table III-A

As of January 1, 2021

*Participant Distribution by Status*Actively Employed Participants

Active Participants	188
DROP Participants	0

Inactive Participants

Deferred Vested Participants	18
Due a Refund of Contributions	0
Deferred Beneficiaries	0

Participants Receiving a Benefit

Service Retirements	299
Disability Retirements	0
Beneficiaries Receiving	74

Total Participants 579Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
January 1, 2012	358	0	10	314	682
January 1, 2013	333	0	11	320	664
January 1, 2014	311	0	13	327	651
January 1, 2015	293	0	11	326	630
January 1, 2016	268	0	12	346	626
January 1, 2017	249	0	14	357	620
January 1, 2018	227	0	16	364	607
January 1, 2019	211	0	18	355	584
January 1, 2020	198	0	19	368	585
January 1, 2021	188	0	18	373	579

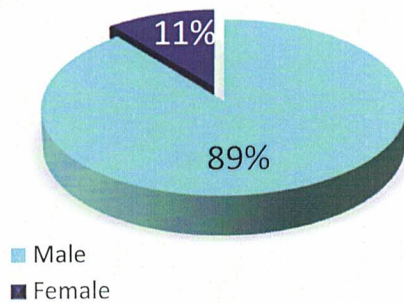
Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>January 1, 2020</u>	198	0	19	0	0	300	0	68	585
<u>Change in Status</u>									
Re-employed									
Terminated									
Retired	(10)		(1)			11			
<u>Participation Ended</u>									
Transferred Out									
Cashed Out									
Died						(12)		(4)	(16)
<u>Participation Began</u>									
Newly Hired									
Transferred In									
New Beneficiary								10	10
<u>Other Adjustment</u>									
<u>January 1, 2021</u>	188	0	18	0	0	299	0	74	579

Active Participant Data

Table III-C

Gender Mix**As of January 1, 2021**

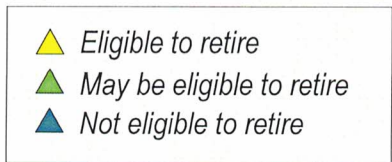
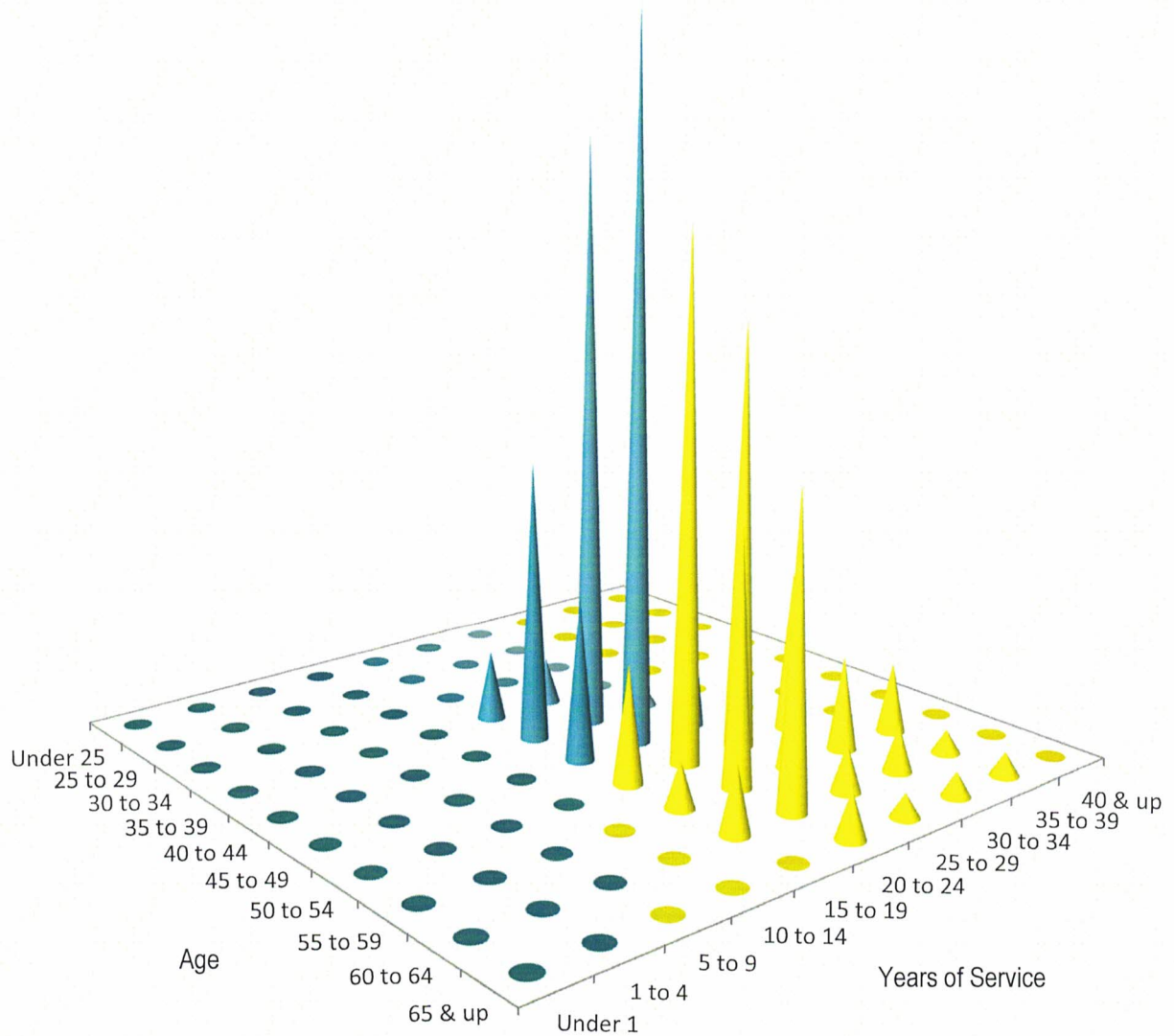
Average Age	50.9 years
Average Service	23.1 years
Total Annualized Compensation for the Prior Year	\$13,308,216
Total Expected Compensation for the Current Year	\$13,740,735
Average Increase in Compensation for the Prior Year	10.06%
Expected Increase in Compensation for the Current Year	3.75%

**Active Participant Statistics From Prior Valuations**

	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
January 1, 2012	46.6	16.6	\$51,735	4.00%	-2.50%
January 1, 2013	46.8	17.0	\$51,628	4.00%	3.06%
January 1, 2014	47.6	17.9	\$53,580	4.00%	3.10%
January 1, 2015	48.1	18.7	\$55,013	4.00%	2.76%
January 1, 2016	48.3	19.5	\$56,533	4.00%	3.21%
January 1, 2017	49.1	20.3	\$58,362	4.00%	3.33%
January 1, 2018	49.2	20.9	\$60,121	4.00%	3.20%
January 1, 2019	49.8	21.6	\$62,990	3.75%	3.81%
January 1, 2020	50.4	22.3	\$65,080	3.75%	2.52%
January 1, 2021	50.9	23.1	\$70,788	3.75%	10.06%

Active Age-Service Distribution

Table III-D



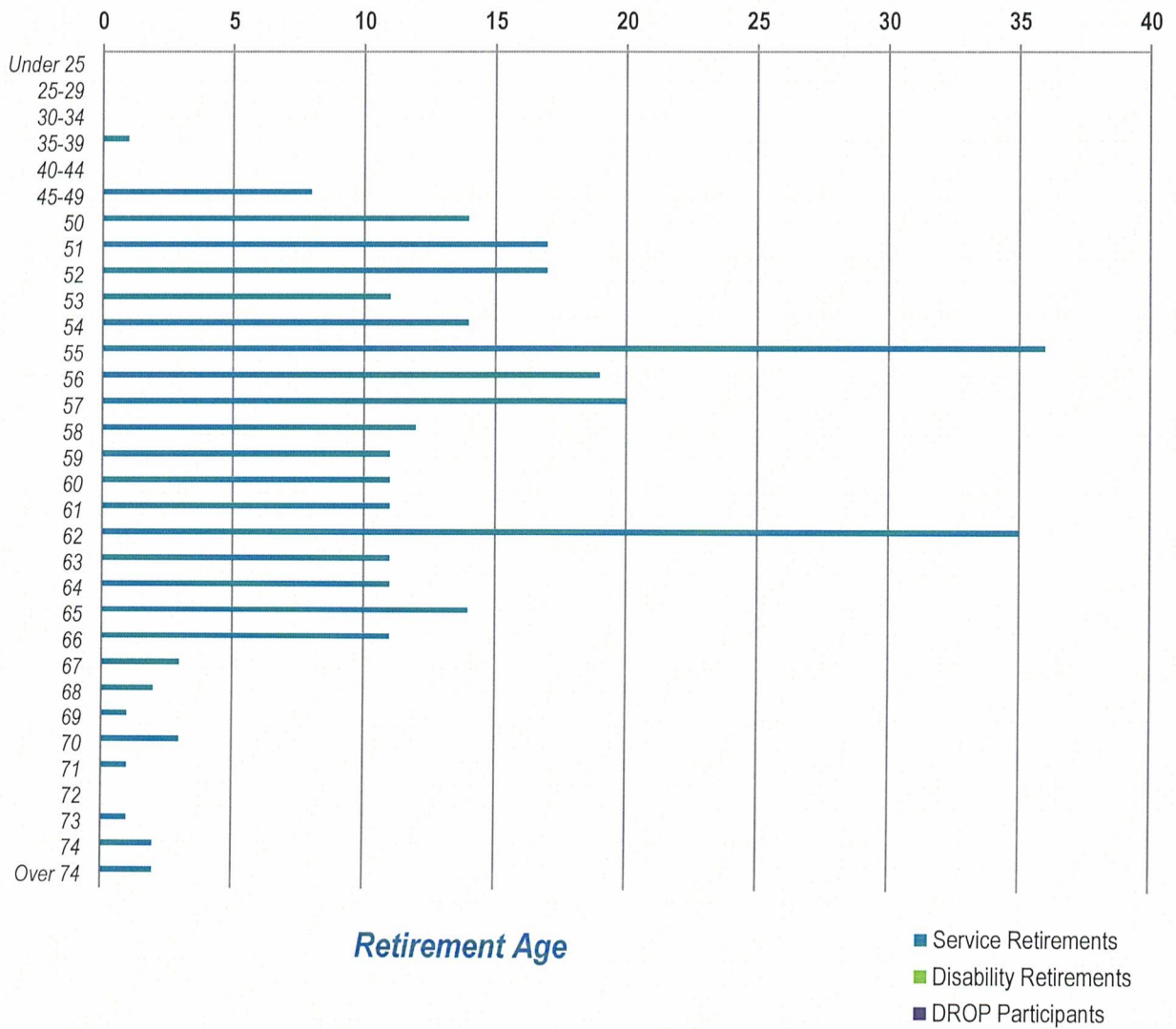
Active Age-Service-Salary Table

Table III-E

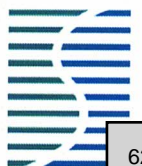
Attained Age	Completed Years of Service										Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	
Under 25	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	3	2	0	0	0	0	5
Avg.Pay	0	0	0	0	54,505	69,364	0	0	0	0	60,448
40 to 44	0	0	0	0	12	25	1	0	0	0	38
Avg.Pay	0	0	0	0	62,495	69,658	49,957	0	0	0	66,878
45 to 49	0	0	0	0	7	30	6	0	0	0	43
Avg.Pay	0	0	0	0	61,237	80,195	71,341	0	0	0	75,874
50 to 54	0	0	0	0	5	22	18	7	0	0	52
Avg.Pay	0	0	0	0	67,679	60,369	79,266	85,603	0	0	71,010
55 to 59	0	0	0	0	2	11	4	4	3	0	24
Avg.Pay	0	0	0	0	68,757	67,461	80,017	100,069	76,582	0	76,236
60 to 64	0	0	0	0	3	13	2	2	1	0	21
Avg.Pay	0	0	0	0	64,625	67,696	59,292	89,939	48,896	0	67,680
65 & up	0	0	0	0	0	2	1	1	1	0	5
Avg.Pay	0	0	0	0	0	43,668	54,338	56,726	60,191	0	51,718
Total	0	0	0	0	32	105	32	14	5	0	188
Avg.Pay	0	0	0	0	62,872	69,749	74,931	88,293	67,767	0	70,788

Inactive Participant Data

Table III-F

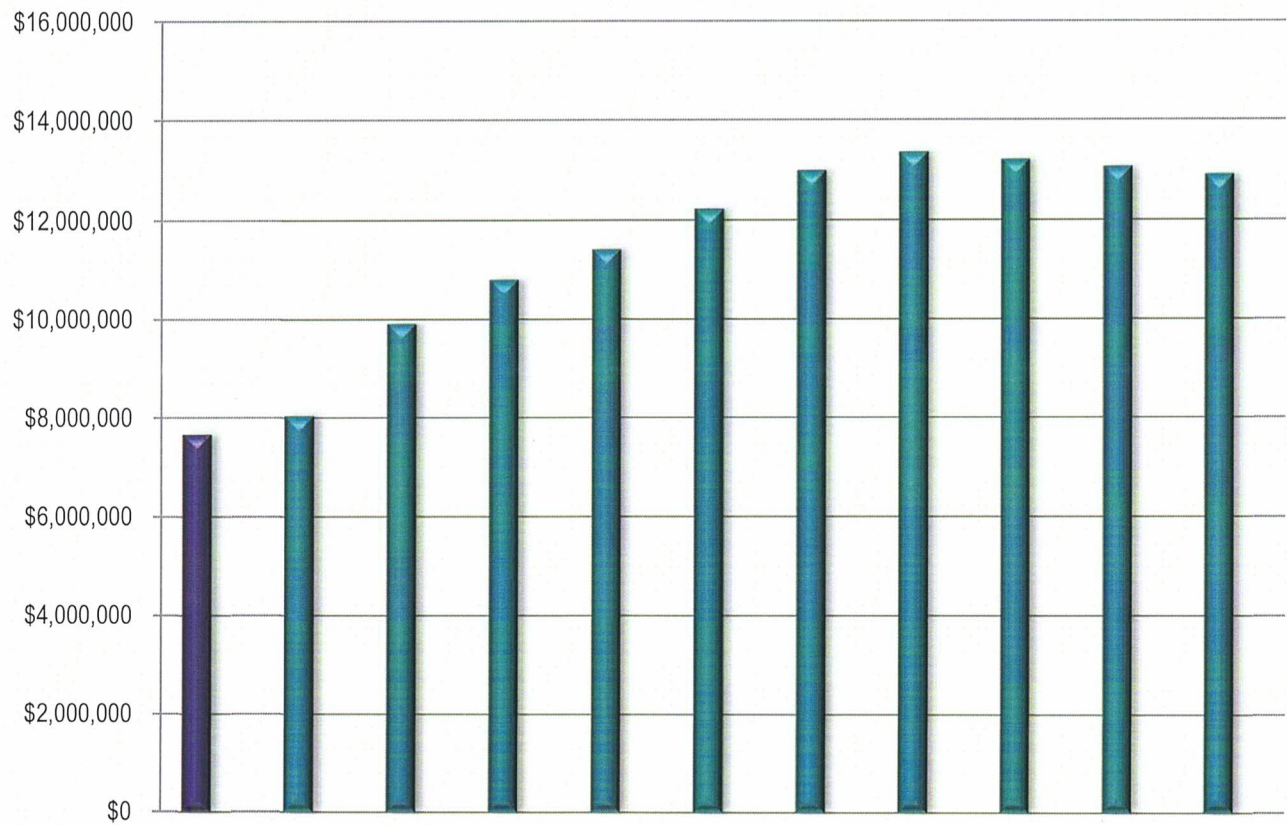
Average Monthly Benefit

Service Retirements	\$1,970.07
Disability Retirements	Not applicable
Beneficiaries Receiving	\$830.19
DROP Participants	Not applicable
Deferred Vested Participants	\$1,529.20
Deferred Beneficiaries	Not applicable



Projected Benefit Payments

Table III-G

Actual

For the period January 1, 2020 through December 31, 2020

\$7,662,936

Projected

For the period January 1, 2021 through December 31, 2021

\$8,030,533

For the period January 1, 2022 through December 31, 2022

\$9,910,392

For the period January 1, 2023 through December 31, 2023

\$10,796,914

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

\$11,414,309

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

\$12,214,642

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

\$12,986,564

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

\$13,354,474

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

\$13,208,172

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

\$13,063,594

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

\$12,903,162



Summary of Actuarial Methods and Assumptions

Table IV-A

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

1. **Actuarial Cost Method**

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

2. **Amortization Method**

The unfunded actuarial accrued liability is amortized over a 20-year period from January 1, 2020 with level dollar payments.

3. **Asset Method**

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

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

6.75% per annum

5. **Salary Increases**

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

6. **Decrements**

- Pre-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2017
- Post-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2017
- Disabled mortality: Sex-distinct rates set forth in the PUB-2010 Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2017

Summary of Actuarial Methods and Assumptions

Table IV-A

(continued)

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

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

7. Contingent Annuitants

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

8. Expenses

Administrative expenses of \$50,000 per year have been assumed. In addition, the interest rate set forth in item 4. above is assumed to be net of investment expenses and commissions.

9. Data-Related Assumptions

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

Changes in Actuarial Methods and Assumptions

Table IV-B

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

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

- (1) Effective January 1, 2020, the mortality basis was changed from the RP-2000 Combined Mortality Table with full generational improvements in mortality using Scale AA to the PUB-2010 Mortality Table for general employees with full generational improvements in mortality using Scale MP-2017.
- (2) Effective January 1, 2020, the amortization period was extended from 10 years to 20 years.
- (3) Effective January 1, 2018, the assumed interest (or discount) rate was decreased from 7.00% per annum to 6.75% per annum.
- (4) Effective January 1, 2018, the assumed increase in future salaries was decreased from 4.00% per year to 3.25% per year.
- (5) Effective January 1, 2018, the mortality basis was changed from a 2015 projection of the RP-2000 Mortality Table to the RP-2000 Combined Mortality Table with full generational improvements in mortality using Scale AA.
- (6) Effective January 1, 2014, the unfunded liability is amortized over a 10-year period with level-dollar payments. Previously, the unfunded liability was being amortized over a period of up to 30 years as a level percentage of payroll.
- (7) Effective January 1, 2014, the interest (or discount) rate was reduced from 7.50% per annum to 7.00% per annum.
- (8) Effective January 1, 2014, the mortality basis was changed from the unprojected RP-2000 Mortality Table to the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.
- (9) Effective January 1, 2014, the marriage assumption was changed from 70% of males and 50% of females assumed to be married to 80% of males and 60% of females assumed to be married.
- (10) Effective January 1, 2014, an expense allowance of \$50,000 per year was added.
- (11) Effective January 1, 2013, the minimum required contribution for the 2013 and later fiscal years is determined based on the actuarial valuation of the plan as of the January 1 preceding each fiscal year.

Summary of Plan Provisions

Table V-A

1. **Monthly Accrued Benefit**

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

2. **Normal Retirement Age and Benefit**

- **Age**

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

- **Amount**

Monthly Accrued Benefit (§3.01)

- **Form of Payment**

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

3. **Early Retirement Age and Benefit**

- **Age**

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

- **Amount**

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

- **Form of Payment**

Same as for Normal Retirement (§4.02)

4. **Delayed Retirement Age and Benefit**

- **Age**

After Normal Retirement Age

- **Amount**

Monthly Accrued Benefit

- **Form of Payment**

Same as for Normal Retirement

(§3)



Summary of Plan Provisions

Table V-A

(continued)

5. Deferred Vested Benefit

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

6. Disability Benefit

None

7. Pre-Retirement Death Benefit

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

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

For all other participants who die prior to retirement:

None

8. Average Monthly Compensation

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



Summary of Plan Provisions

Table V-A

(continued)

9. Employee Contribution

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

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

10. Years of Service

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

11. Participation Requirement

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

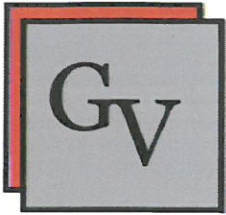
12. Original Effective Date

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

Summary of Plan Amendments

Table V-B

No significant plan changes have been adopted since the completion of the previous valuation.



Law Office of
Gargandi Vaughn, LLC

P.O. Box 2043
Dalton, Georgia 30720
#706-581-0198

GVaughn@GVaughnLaw.com

Statement for Legal Services	INVOICE #	DATE
City of Dalton Pension Board	2020-12-011	1/10/2021

DATE	DESCRIPTION	Time	Hourly rate	AMOUNT
1/5/2021	email to/by G. Hill	0.1	150.00	15.00
1/19/2021	email to/by G. Hill	0.1	150.00	15.00
1/22/2021	review Pension agenda and minutes	0.2	150.00	30.00
1/26/2021	attend Pension Board meeting	0.5	150.00	75.00
				-
Thank you for your business!		SUBTOTAL		\$ 135.00
		Admin. fee %		2.0%
		Total Admin fee		\$ 2.70
		TOTAL		\$ 137.70

If you have any questions about this invoice, please contact
GVaughn@GVaughnLaw.com

INVOICE

TO: Ms. Cindy Jackson, C.P.A.
Chief Financial Officer
City of Dalton
City Hall/Finance Department
300 W. Waugh Street
P.O. Box 1205
Dalton, GA 30720

FROM: Southeastern Advisory Services, Inc.
3495 Piedmont Road, NE
Building 12, Suite 202
Atlanta, Georgia 30305

RE: Invoice Number 208 for Investment Consulting Services

DATE: March 1, 2021

Monthly retainer ending February 28, 2021

\$2,040.00

TOTAL:.

\$2,040.00 ✓

Note: Invoice Payable upon receipt

CF
3/7/21

INVOICE

TO: Ms. Cindy Jackson, C.P.A.
Chief Financial Officer
City of Dalton
City Hall/Finance Department
300 W. Waugh Street
P.O. Box 1205
Dalton, GA 30720

FROM: Southeastern Advisory Services, Inc.
3495 Piedmont Road, NE
Building 12, Suite 202
Atlanta, Georgia 30305

RE: Invoice Number 207 for Investment Consulting Services

DATE: February 1, 2021

Monthly retainer ending January 31, 2021

\$2,040.00

Special consulting regarding Pension Plan modifications
3.5 hours at \$200 per hour
(From invoice 205)

~~\$ 700.00~~

TOTAL:

~~\$2,740.00~~

Note: Invoice Payable upon receipt

\$2,040.00

Market Indices Performance

As January 31, 2021

(%) Returns

	<u>1 Month</u>	<u>Q-T-D</u>	<u>Y-T-D</u>	<u>1 Year</u>	<u>3 Year</u>
<u>Equities</u>					
S&P 500	-1.01	-1.01	-1.01	17.25	11.70
Russell 1000 Growth	-0.74	-0.74	-0.74	34.46	19.92
Russell 1000 Value	-0.92	-0.92	-0.92	4.09	4.41
Russell 2000	5.03	5.03	5.03	30.17	11.11
MSCI EAFE	-1.07	-1.07	-1.07	8.94	2.23
MSCI Emerging Markets	3.07	3.07	3.07	27.90	4.42
<u>Fixed Income</u>					
Barclays Aggregate	-0.72	-0.72	-0.72	4.72	5.49
Barclays Intermediate G/C	-0.28	-0.28	-0.28	4.65	4.88
Barclays 1-3 Year G/C	0.03	0.03	0.03	2.80	3.09
Barclays High Yield	0.33	0.33	0.33	7.44	6.14
90 Day T Bills	0.01	0.01	0.01	0.45	1.53

SOUTHEASTERN ADVISORY SERVICES, INC.
Registered Investment Advisor

