



**EMPLOYEE PENSION PLAN  
BOARD OF TRUSTEES MEETING  
TUESDAY, MARCH 26, 2019  
3:00 PM  
CITY HALL - COUNCIL CHAMBERS**

**A G E N D A**

**Call To Order**

**Minutes**

- [1.](#) January 22, 2019

**Unfinished Business**

- [2.](#) SEAS - IPA Fourth Quarter  
Investment Performance Analysis - February 28, 2019

**New Business**

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

**Retirees**

- [4.](#) Brian Hart - Solid Waste Authority  
[5.](#) Buddy Ash - Dalton Utilities  
[6.](#) Clarence L. Dodson - Dalton Utilities  
[7.](#) Jane Means - Dalton Utilities

**Invoices**

- [8.](#) SEAS statement #183, dated 02/01/2019, in the amount of \$2,040.00 regarding Investment Consulting Services for January, 2019.  
[9.](#) SEAS statement #184, dated 03/01/2019, in the amount of \$2,040.00 regarding Investment Consulting Services for February, 2018.  
[10.](#) Fisher Phillips statement #1244662 dated 02/15/2019, in the amount of \$945.00 regarding Pension Matters.  
[11.](#) Hartford Fire Insurance Co, Policy number 22BDDEP3132, dated 02/06/19, in the amount of \$308.00 regarding policy renewal.  
[12.](#) The Minor Firm, statement number 168592, dated 02/19/19, in the amount of \$40.00 regarding Pension Matters  
[13.](#) The Minor Firm, statement number 169182, dated 03/13/19, in the amount of \$40.00 regarding Pension Matters

**Reports**

- [14.](#) 12/31/18 Financial Statement  
[15.](#) 1-31-19 and 2-28-19 Financial Statements  
[16.](#) 2019 MetLife MBR  
[17.](#) Market Indices Performance - January 31 & February 28, 2019

**Adjournment**

THE CITY OF DALTON  
EMPLOYEES PENSION PLAN – BOARD OF TRUSTEES  
REGULAR MEETING  
JANUARY 22, 2019

The regular meeting of the Board of Trustees of the City of Dalton Employees' Pension Plan was held this afternoon at 3:00 p.m. in the Council Chambers of City Hall. Present for the meeting were Chairman Gary Hill, Trustees Joe Yarbrough Mike Sloan, Dwayne Carvell, Rick Johnson, and Mayor Dennis Mock. Council member Tyree Goodlett was absent.

Chairman Gary Hill introduced newly elected Trustees Dwayne Carvell and Mike Sloan.

ELECTION OF OFFICERS 2019

On the motion of Trustee Johnson, second Trustee Yarbrough the following were elected Officers for 2019:

Chairman - Gary Hill  
Vice-Chairman - Rick Johnson  
Secretary - Mike Sloan

The vote was unanimous in favor.

MINUTES

The Trustees were presented written copies of the minutes of the meeting of November 28, 2018. After review, on the motion of Mayor Mock, second Trustee Johnson the minutes were approved. The vote was unanimous in favor.

PLAN ATTORNEY UPDATE

There was no Plan Attorney update.

SEAS

Hilda Thompson from SEAS reviewed the Investment Performance Analysis dated December 31, 2018. Thompson stated December was not a good month for the Plan however the total fund was still over 100 million at \$101,459,276.00.

Thompson further reviewed the Performance Summary Table and reiterated that not only December, but the last quarter of the year was not very good. Thompson stated the Plan did not meet the actuarial assumption of 7% for 2018; it was (-2.78). On the motion of Trustee Yarbrough second Trustee Carvell the minutes were approved. The vote was unanimous in favor.

FINANCIAL UPDATE

There was no Financial Update.

## RETIREEES

### Vernon Ray - Dalton Utilities

(1) On the motion of Trustee Johnson, second Trustee Yarbrough the Board ratified payment to Vernon Ray - 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 Board noted there is no qualifying spouse. The vote was unanimous in favor.

## INVOICES

On the motion of Mayor Mock, second Trustee Yarbrough the Board approved the following invoices:

Fisher Phillips statement #1225762 dated 12/07/2018, in the amount of \$337.50 regarding Pension Matters.

Fisher Phillips statement #1232930 dated 01/07/2018, in the amount of \$123.00 regarding Pension Matters.

SEAS statement #182, dated 01/03/2019, in the amount of \$2,040.00 regarding Investment Consulting Services for December 31, 2018.

The vote was unanimous in favor.

## REPORTS

Financial Report for November 30, 2018

Market Indices for Nov & December 2018

Investment Performance Analysis - December 31, 2018

## ANNOUNCEMENT

Chairman Hill announced that the next Pension Board meeting will be March 26<sup>th</sup> and Chuck Carr from Southern Actuarial Services will attend to present the end of the year numbers.

## ADJOURNMENT

Chairman Hill thanked everyone for coming. There being no further business to come before the trustees, the meeting was adjourned at 3:15 p.m.

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Gary Hill, Chairman

ATTEST:

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Mike Sloan, Secretary

RECORDED

APPROVED

City of Dalton  
Investment Performance Analysis  
February 28, 2019

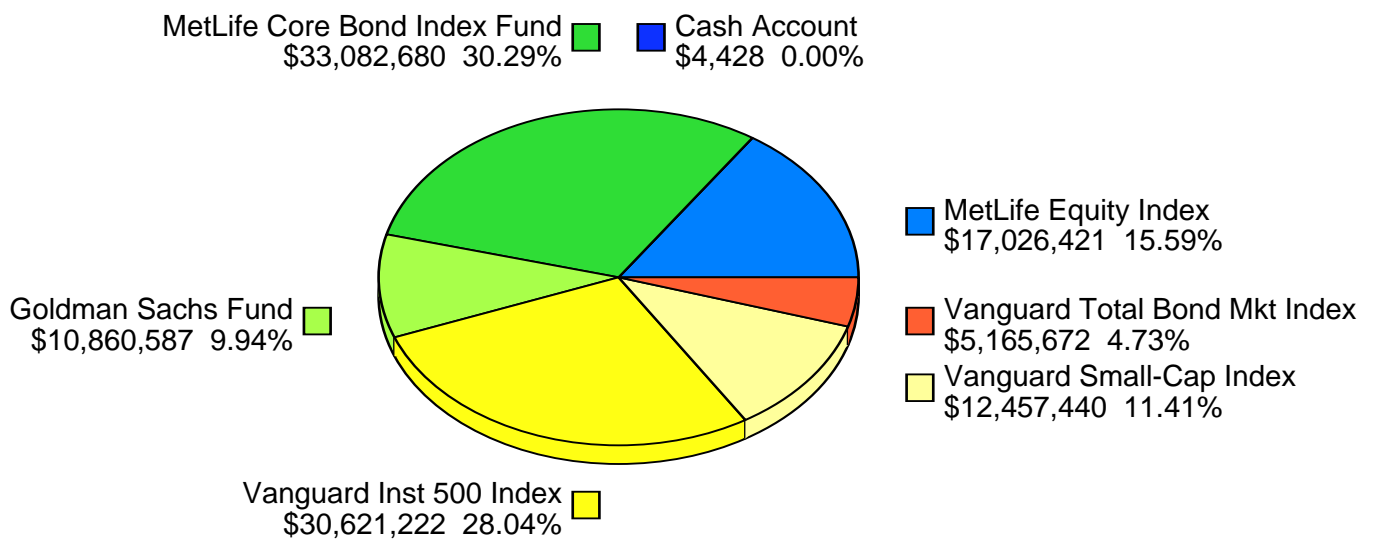
# City of Dalton

## Total Fund Allocation By Manager

### Total Fund

February 28, 2019

\$109,218,450



# City of Dalton

## Performance Summary Table

Periods Ending 2/28/19

Manager	1 Mo	QTD	YTD	1 Year	3 Yrs	5 Yrs	10 Yrs
<b>Total Large Cap Equity</b>							
Total Return	3.20	11.47	11.47	4.57	15.20	10.62	16.60
Standard & Poors 500	3.21	11.48	11.48	4.68	15.28	10.67	16.67
<b>MetLife Equity Index</b>							
Total Return	3.17	11.46	11.46	5.03	15.44	10.76	16.68
Standard & Poors 500	3.21	11.48	11.48	4.68	15.28	10.67	16.67
<b>Vanguard Inst 500 Index</b>							
Total Return	3.21	11.48	11.48	4.18			
Standard & Poors 500	3.21	11.48	11.48	4.68			
<b>Total Small Cap Equity</b>							
Total Return	4.84	17.26	17.26	7.76	16.70	7.49	16.60
Russell 2000	5.20	17.03	17.03	5.58	16.67	7.36	16.60
<b>Vanguard Small-Cap Index</b>							
Total Return	4.84	17.26	17.26	7.76			
CRSP Small Cap Index	4.83	17.26	17.26	7.76			
<b>Total Fixed Income</b>							
Total Return	-0.05	1.04	1.04	3.23	1.63	2.29	3.72
Barclays U.S. Aggregate	-0.06	1.00	1.00	3.17	1.69	2.32	3.71
<b>MetLife Core Bond Index Fund</b>							
Total Return	-0.09	1.01	1.01	3.14	1.62		
Barclays U.S. Aggregate	-0.06	1.00	1.00	3.17	1.69		
<b>Goldman Sachs Fund</b>							
Total Return	0.08	1.17	1.17	3.45	1.66		
Barclays Int Govt/Credit	0.09	0.95	0.95	3.22	1.44		
<b>Vanguard Total Bond Mkt Index</b>							
Total Return	-0.05	0.96	0.96				
BBG Barc U.S. Aggregate	-0.06	1.00	1.00				
<b>Cash Account</b>							
Total Return	0.13	0.14	0.14	0.61	0.39	0.24	0.29
91-Day Treasury Bill	0.18	0.38	0.38	2.04	1.13	0.70	0.41

City of Dalton  
Performance Summary Table  
Periods Ending 2/28/19

Manager	1 Mo	QTD	YTD	1 Year	3 Yrs	5 Yrs	10 Yrs
Total Fund							
Total Return	1.89	7.09	7.09	4.22	8.95	6.43	9.93
Policy Index	1.79	6.72	6.72	4.43	8.62	6.24	10.80
Indices							
91-Day Treasury Bill	0.18	0.38	0.38	2.04	1.13	0.70	0.41

**CITY OF DALTON EMPLOYEE'S PENSION PLAN**  
**INVESTMENT PERFORMANCE ANALYSIS**  
**FOURTH QUARTER 2018**

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](mailto: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, 2018

#### **I. MARKET ENVIRONMENT**

Index	Fourth Quarter	1 Year	3 Year
Standard & Poor's 500 Index	-13.5%	-4.4%	9.3%
Russell 2000 Index	-20.2%	-11.0%	7.4%
MSCI EAFE Index (Net)	-12.5%	-13.8%	2.9%
NCREIF Index	1.4%	6.7%	7.2%
CS Hedge Index	-4.3%	-3.2%	1.6%
BBG Barc U.S. Aggregate	1.6%	0.0%	2.1%
91 Day Treasury Bills	0.6%	1.9%	1.0%
Consumer Price Index (NSA)	-0.5%	1.9%	2.0%

Volatility returned to the U.S. stock market with concerns of an economic slowdown due to fears of additional rate increases by the Federal Reserve, ongoing trade negotiations between China and the U.S. and increasing, post-election political dysfunction in Washington resulting in a government shutdown. This pushed the U.S. stock market to its worst quarter since 2011 and the first down year since the Financial Crisis. Economic data continued strong with solid GDP and nonfarm employment growth drove the unemployment rate below 4% for the first time since 2000. Real GDP growth maintained a strong pace during the third quarter of 2018, at 3.4% annualized. Consumer spending and private investment were the main contributors to real growth, while government spending was up slightly. Businesses grew their inventories significantly during the quarter, adding more than 2% to economic growth. A change in net exports detracted from growth during the quarter due to an outsized increase in imports.

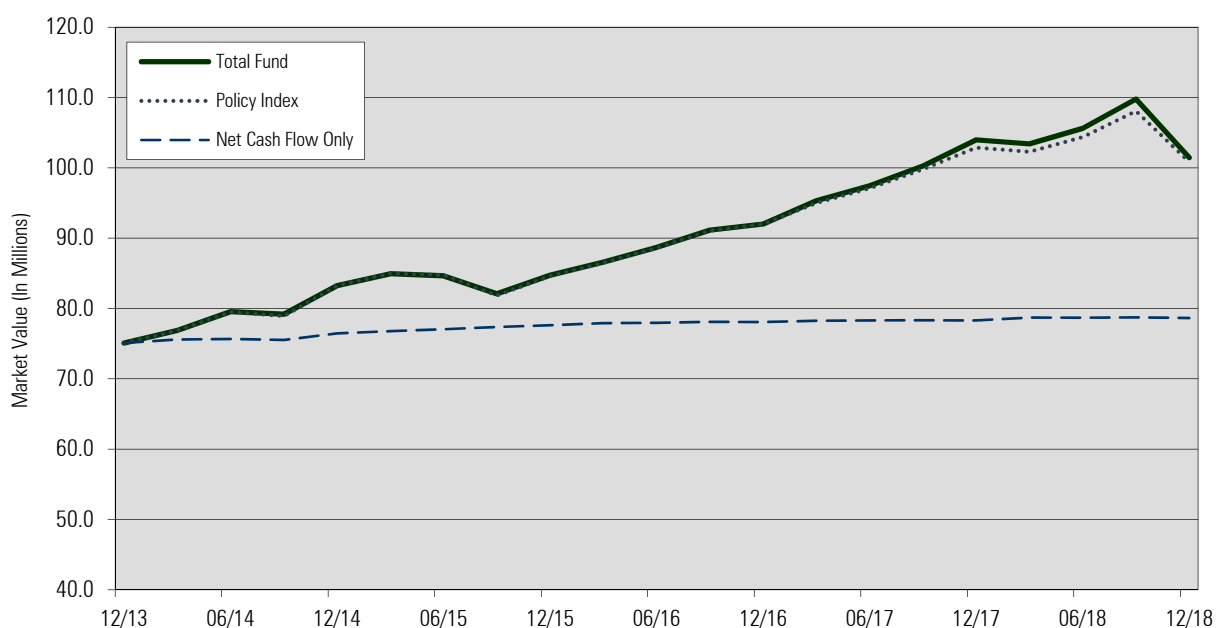
**Equities:** The U.S. stock market, represented by the S&P 500 Index, was down -13.5% for the fourth quarter of 2018 and -4.4% for the year. This marks the worst quarter for U.S. equities since 2011 and the first down year since the credit crisis sell-off of 2008. The index had been down by double-digits for the year in late-December before gaining nearly 7% during the final few trading days. Large capitalization stocks far outperformed small caps for the quarter as the Wilshire Large-Cap Index was down -13.7% versus a loss of -19.7% for the Wilshire US Small-Cap Index. The large-cap segment of the market leads small-caps for the past twelve months, as well. Growth stocks trailed value, generally, during the fourth quarter but outperformed during the past twelve months. Nearly all of the eleven major sectors were in negative territory during the fourth quarter. The only positive sector was Utilities (0.8%) with Energy (-25.5%), Industrials (-18.3%) and Information Technology (-17.6%) down the most.

**Fixed Income:** The U.S. Treasury yield curve fell across most maturities during the quarter with the biggest decreases occurring in the intermediate to longer segment of the curve. The bellwether 10-year Treasury yield ended the quarter at 2.69%, down .4% from September. The Federal Open Market Committee decided to increase its overnight rate by .25% in December to a range of 2.25% to 2.50%. The committee adjusted their forecast for future rates from three rate increases in 2019 to only two. Credit spreads widened during the quarter within both the investment grade and high yield markets. The Consumer Price Index was down -0.04% for the three months ending November and 2.2% for the one-year period.

**Alternatives:** A number of hedge funds announced closures in 2018, citing problems raising money and other industry issues. According to eVestment, investors removed nearly \$36 billion from hedge funds during the year; the highest level of redemptions since 2009. On average, hedge funds lost 6.7% in 2018 according to the HFRX Global Hedge Fund Index. *Hedge Week*



## II. **PORTFOLIO GROWTH- PERIOD ENDED DECEMBER 31, 2018**



Period Ending	Beginning Value \$(000)	Net Cash Flow	Net Gain/Loss	Ending Value \$(000)	Quarterly Return	Fiscal Yr Return
Dec-13	71,584	-359	3,865	75,090	5.4%	15.5%
Mar-14	75,090	506	1,280	76,876	1.7%	
Jun-14	76,876	72	2,597	79,546	3.4%	
Sep-14	79,546	-133	-229	79,183	-0.3%	
Dec-14	79,183	947	3,123	83,254	3.9%	8.9%
Mar-15	83,254	307	1,371	84,932	1.6%	
Jun-15	84,932	258	-546	84,644	-0.6%	
Sep-15	84,644	328	-2,890	82,082	-3.4%	
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%

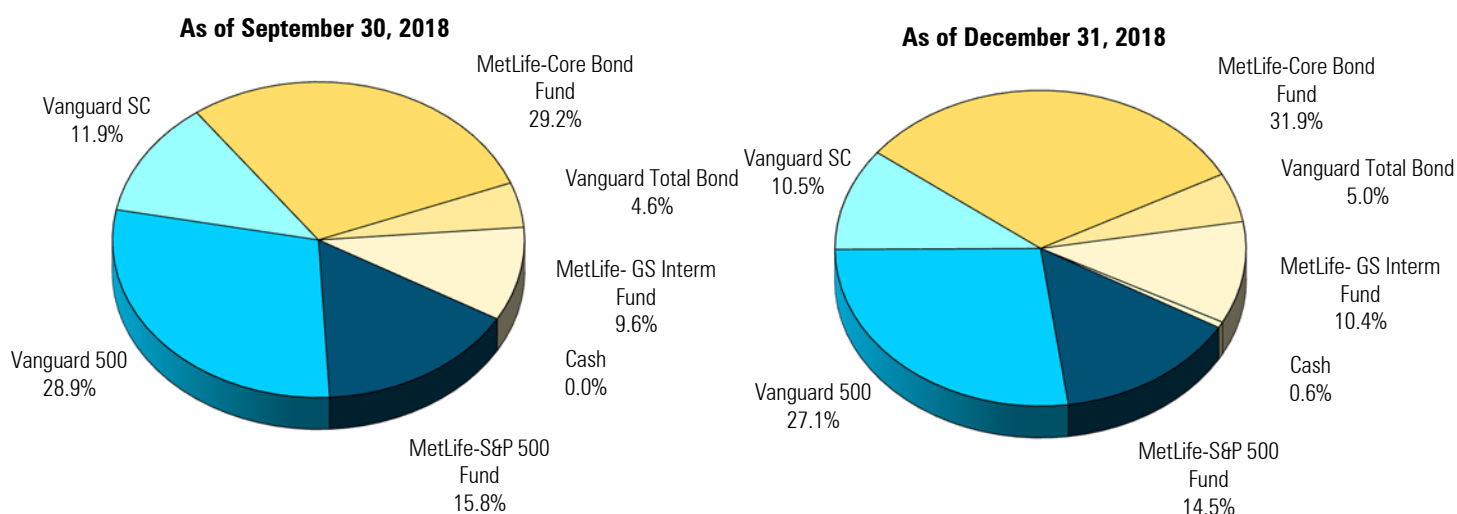


### III. Market Values

Manager	Market Values as of 9/30/2018	Market Values as of 12/31/2018
MetLife Equity Index	\$17,346,565	\$14,710,139
Vanguard Inst 500 Index	\$31,766,243	\$27,468,203
Vanguard Small-Cap Index	\$13,010,403	\$10,624,030
MetLife Core Bond Index Fund	\$32,057,657	\$32,316,735
Vanguard Total Bond Index	\$5,034,955	\$5,116,411
Goldman Sachs Fund	\$10,543,046	\$10,596,494
Cash	\$19,977	\$627,264
Total Fund	\$109,778,946	\$101,459,276

#### Asset Mix Policy – at market value

Asset Class	Minimum Weight	Target Weight	Maximum Weight	Comment
Domestic – Large Cap	35%	40%	50%	Within Range
Domestic – Small Cap	5%	10%	20%	Within Range
Fixed Income	40%	50%	70%	Within Range
Cash Equivalents	0%	0%	5%	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	-7.5%/28 <sup>th</sup>	-2.8%/15 <sup>th</sup>	5.8%/48 <sup>th</sup>	5.3%/25 <sup>th</sup>
Policy Index*	-6.6%/19 <sup>th</sup>	-2.3%/9 <sup>th</sup>	5.6%/52 <sup>nd</sup>	5.2%/31 <sup>st</sup>

\*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	-13.5%/48 <sup>th</sup>	-4.5%/47 <sup>th</sup>	9.2%/50 <sup>th</sup>	8.4%/48 <sup>th</sup>
MetLife Equity Index	-13.5%/41 <sup>st</sup>	-4.1%/34 <sup>th</sup>	9.4%/38 <sup>th</sup>	8.6%/40 <sup>th</sup>
Vanguard Inst 500 Index (Incept 8/19/2016)	-13.5%/52 <sup>nd</sup>	-4.8%/60 <sup>th</sup>	N/A	N/A
S&P 500	-13.5%/51 <sup>st</sup>	-4.4%/42 <sup>nd</sup>	9.3%/47 <sup>th</sup>	8.5%/45 <sup>th</sup>

Manager	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Small Cap Equity	-18.3%/31 <sup>st</sup>	-9.3%/18 <sup>th</sup>	7.4%/57 <sup>th</sup>	4.5%/67 <sup>th</sup>
Vanguard Small-Cap Index (Incept 8/19/2016)	-18.3%/31 <sup>st</sup>	-9.3%/18 <sup>th</sup>	N/A	N/A
CRSP Small Cap Index	-18.3%/31 <sup>st</sup>	-9.3%/18 <sup>th</sup>	7.6%/53 <sup>rd</sup>	5.2%/42 <sup>nd</sup>

##### C. Fixed Income Fund Analysis

Manager	4th Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Fixed Income	1.6%/21 <sup>st</sup>	0.2%/48 <sup>th</sup>	2.0%/90 <sup>th</sup>	2.5%/93 <sup>rd</sup>
MetLife Core Bond Index Fund*	1.6%/17 <sup>th</sup>	0.0%/65 <sup>th</sup>	2.0%/85 <sup>th</sup>	N/A
Vanguard Total Bond Index	1.6%/19 <sup>th</sup>	N/A	N/A	N/A
BBG Barc US Aggregate	1.6%/17 <sup>th</sup>	0.0%/59 <sup>th</sup>	2.1%/81 <sup>st</sup>	2.5%/93 <sup>rd</sup>

\* 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*	1.4%/50 <sup>th</sup>	0.9%/56 <sup>th</sup>	1.8%/47 <sup>th</sup>	N/A
BBG Barc Intermediate Govt/Credit	1.7%/37 <sup>th</sup>	0.9%/57 <sup>th</sup>	1.7%/64 <sup>th</sup>	1.5%/73 <sup>rd</sup>

\* 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	0.2%/96 <sup>th</sup>	0.5%/98 <sup>th</sup>	0.4%/99 <sup>th</sup>	0.2%/98 <sup>th</sup>
91-Day T-Bills	0.6%/51 <sup>st</sup>	1.9%/46 <sup>th</sup>	1.0%/56 <sup>th</sup>	0.6%/58 <sup>th</sup>

#### V. ANNUALIZED RETURN SINCE INCEPTION

Fund	Fund Return	Index Return
MetLife Equity Index (4/1/00)	4.8%	4.8%
Vanguard Inst 500 Index (8/19/16)	8.2%	8.5%
Vanguard Small-Cap Index (8/19/16)	5.1%	5.1%
MetLife Core Bond Index Fund (9/28/15)	1.7%	1.7%
Vanguard Total Bond Index (4/26/18)	2.3%	2.3%
Goldman Sachs Interm Fund (9/28/15)	1.5%	1.4%
Total Fund (1/1/99)	5.2%	5.7%



## 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%	7.0%

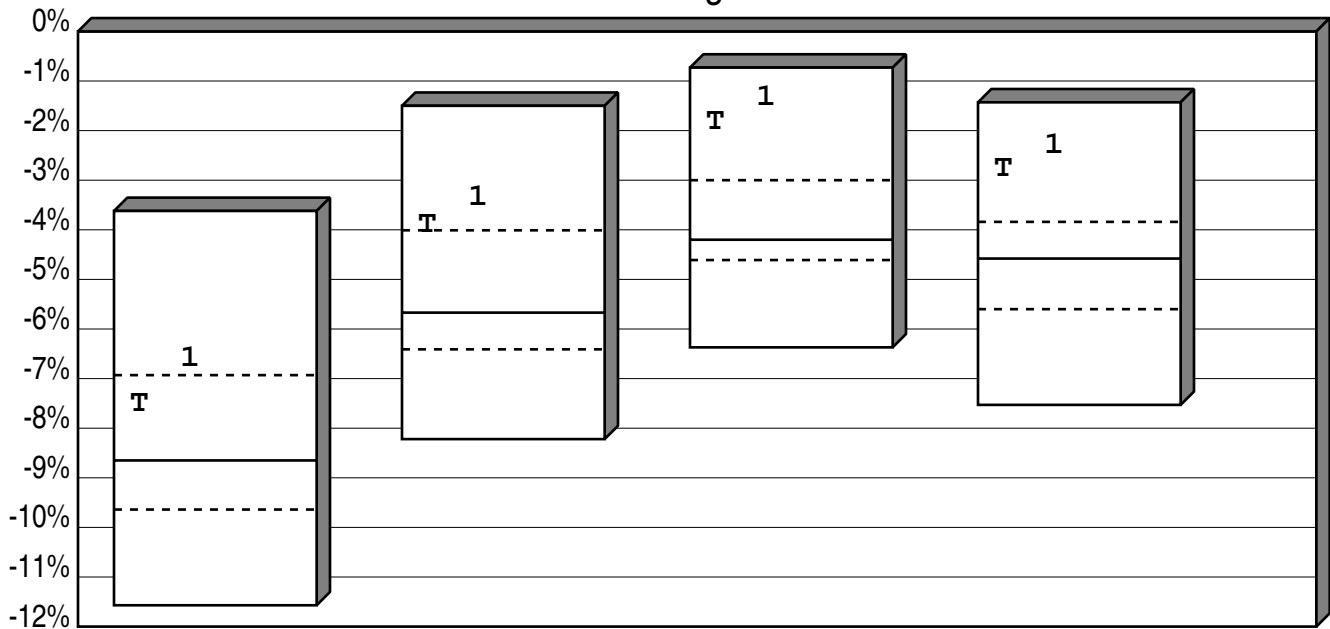


### Annual Fee Estimate

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	10
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	10
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	48

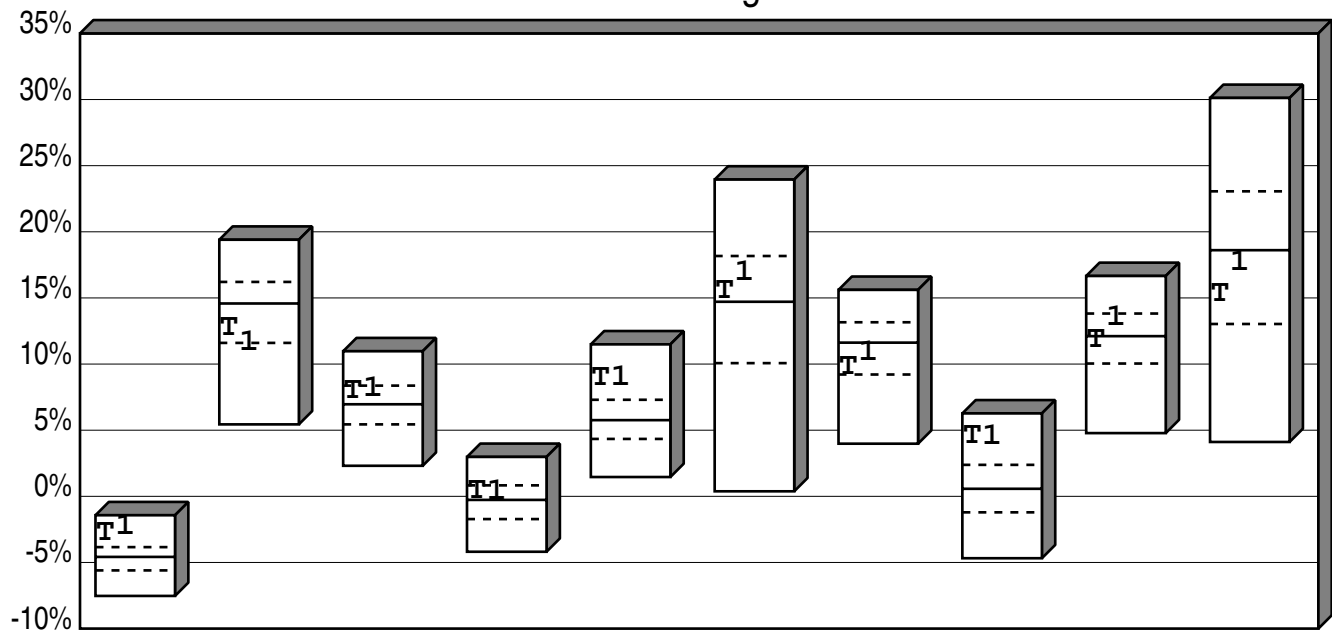


City of Dalton Employee's Pension Plan  
Cumulative Performance Comparison  
Total Returns of Total Fund Portfolios  
Periods Ending 12/18



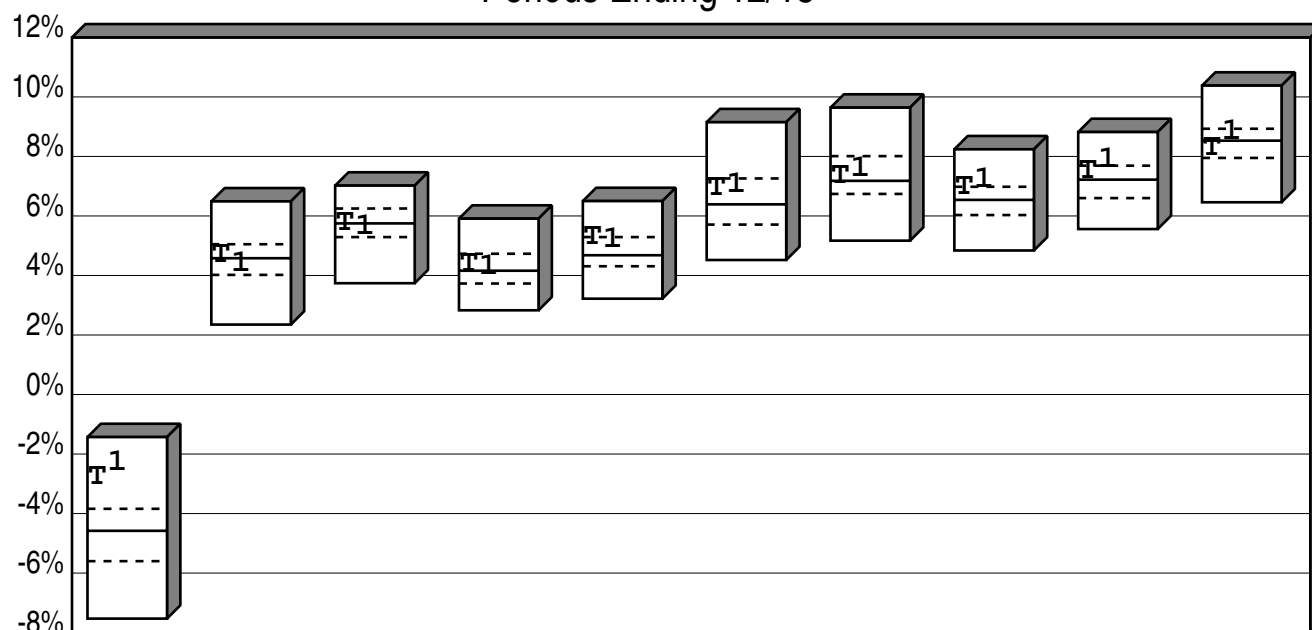
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	-3.62	-1.50	-0.73	-1.43
1st Qt	-6.93	-4.01	-3.00	-3.84
Median	-8.65	-5.67	-4.20	-4.58
3rd Qt	-9.64	-6.41	-4.61	-5.60
Low	-11.57	-8.22	-6.37	-7.53
<b>T</b> Total Fund				
Return	-7.51	-3.90	-1.83	-2.78
Rank	28	23	12	15
<b>1</b> Policy Index				
Return	-6.61	-3.36	-1.34	-2.31
Rank	19	13	6	9

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



	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11	12/10	12/09
High	-1.43	19.40	10.97	2.98	11.49	23.95	15.61	6.27	16.66	30.12
1st Qt	-3.84	16.21	8.37	0.83	7.30	18.17	13.16	2.38	13.82	23.06
Median	-4.58	14.58	6.96	-0.27	5.76	14.71	11.62	0.57	12.11	18.61
3rd Qt	-5.60	11.60	5.44	-1.72	4.34	10.07	9.21	-1.21	10.04	13.03
Low	-7.53	5.44	2.31	-4.19	1.46	0.38	3.98	-4.68	4.78	4.11
<b>T</b> Total Fund										
Return	-2.78	12.70	7.98	0.42	8.92	15.51	9.79	4.54	11.81	15.33
Rank	15	68	30	32	11	43	69	10	54	66
<b>1</b> Policy Index										
Return	-2.31	11.55	8.12	0.32	8.92	16.85	10.83	4.51	13.48	17.67
Rank	9	75	28	35	11	34	60	11	29	55

City of Dalton Employee's Pension Plan  
Cumulative Performance Comparison  
Total Returns of Total Fund Portfolios  
Periods Ending 12/18



	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	-1.43	6.49	7.02	5.91	6.50	9.15	9.64	8.24	8.82	10.38
1st Qt	-3.84	5.05	6.25	4.73	5.29	7.26	8.01	6.98	7.69	8.93
Median	-4.58	4.58	5.75	4.16	4.68	6.39	7.18	6.54	7.22	8.53
3rd Qt	-5.60	4.02	5.29	3.73	4.31	5.71	6.74	6.03	6.60	7.95
Low	-7.53	2.35	3.74	2.83	3.22	4.52	5.17	4.84	5.56	6.46

**T** Total Fund

Return	-2.78	4.67	5.77	4.40	5.29	6.93	7.34	6.98	7.51	8.27
Rank	15	44	48	37	25	40	47	25	40	65

**1** Policy Index

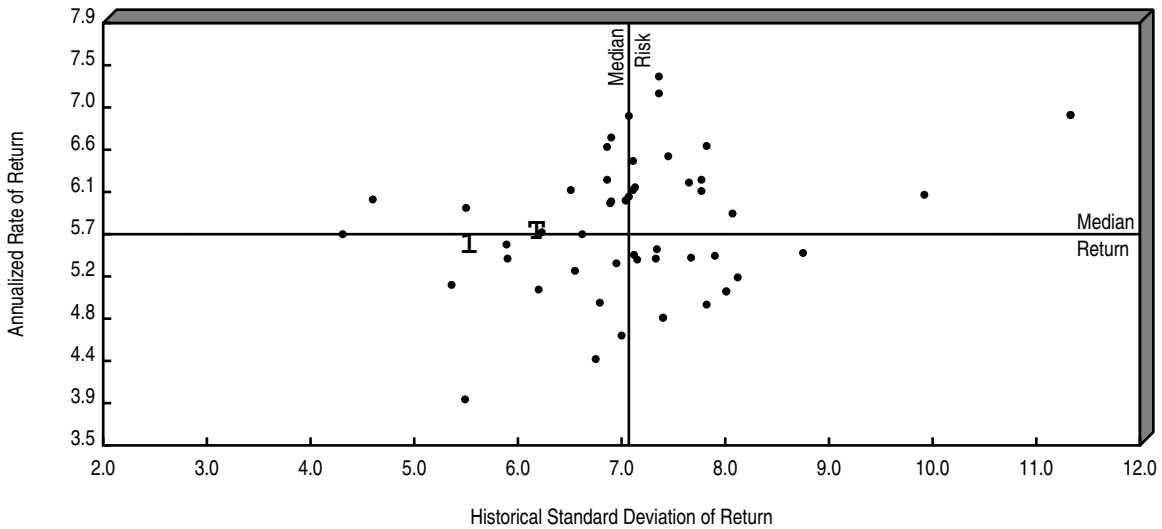
Return	-2.31	4.39	5.62	4.27	5.18	7.04	7.58	7.19	7.87	8.81
Rank	9	55	52	43	31	34	42	20	16	35

# City of Dalton Employee's Pension Plan

## Return vs Risk

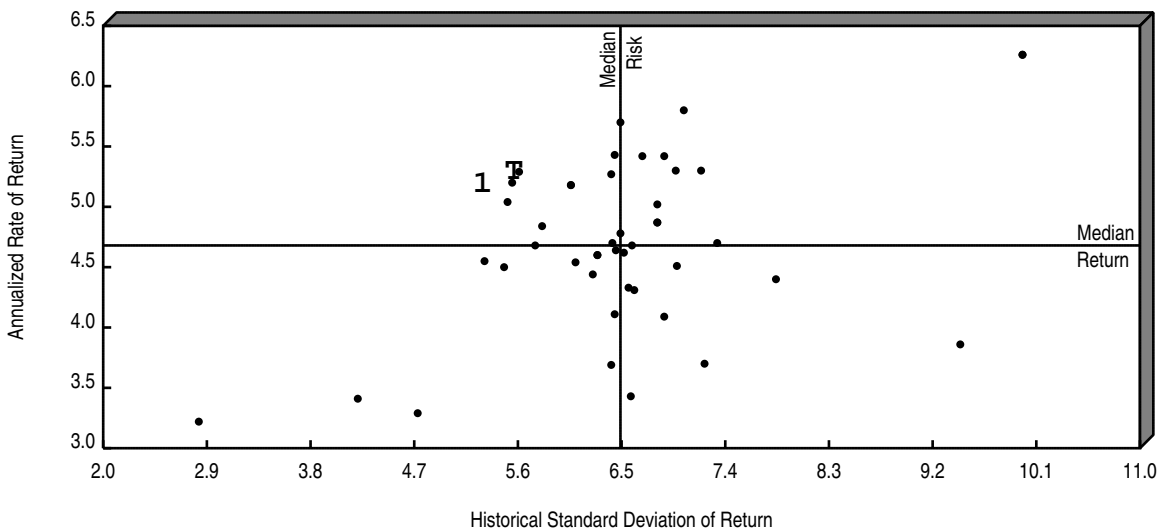
### Total Returns of Total Fund Portfolios

3 Years Ending 12/31/18



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	5.77	48	6.23	24
1	Policy Index	5.62	52	5.58	18
	Median	5.75		7.07	

5 Years Ending 12/31/18



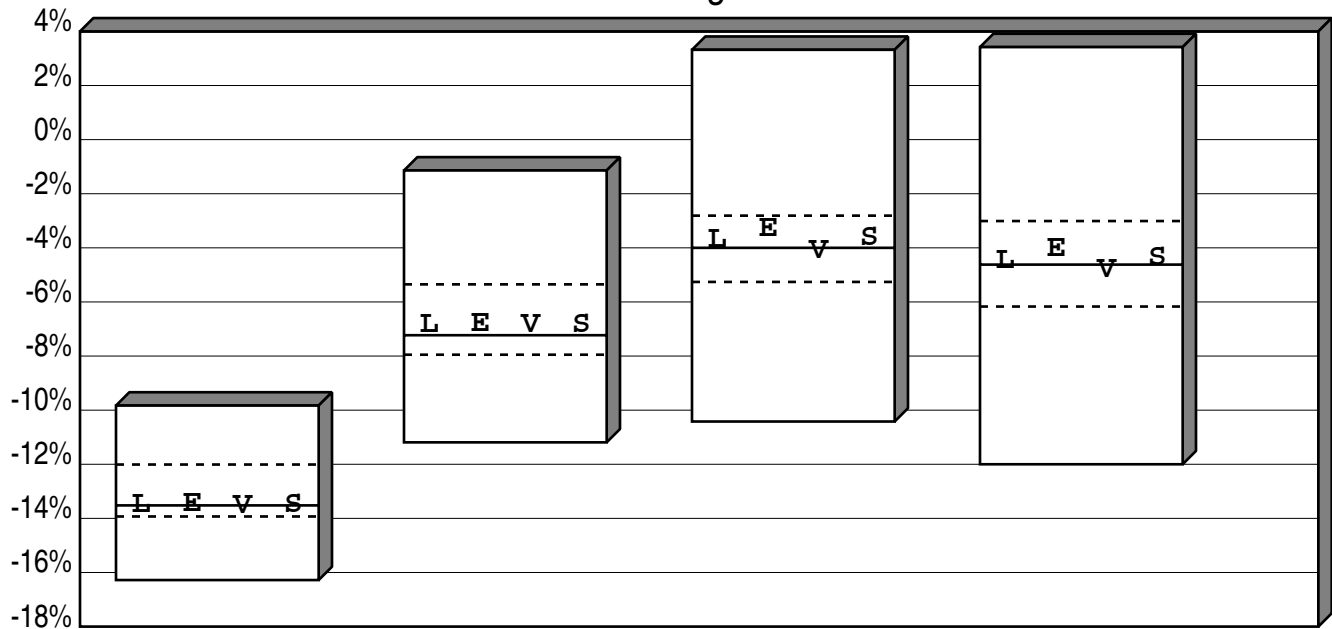
		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	5.29	25	5.61	22
1	Policy Index	5.18	31	5.34	12
	Median	4.68		6.49	

# City of Dalton Employee's Pension Plan

## Large Neutral Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/18



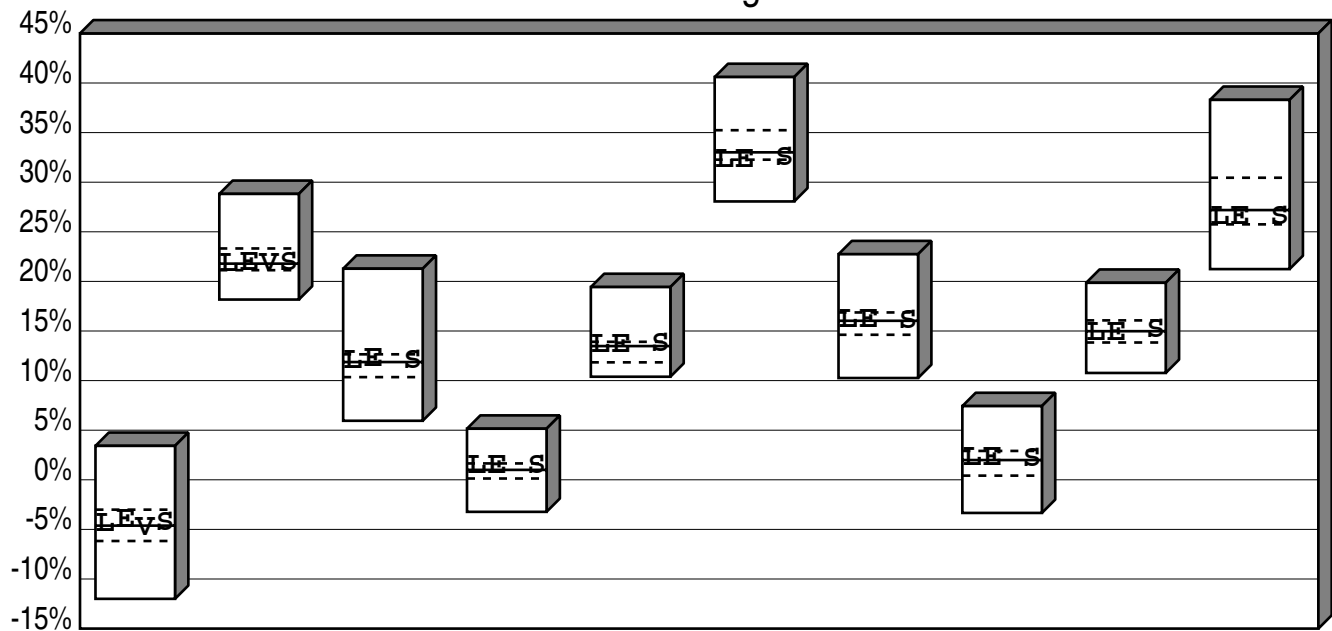
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	-9.83	-1.14	3.32	3.42
1st Qt	-12.01	-5.35	-2.81	-3.01
Median	-13.52	-7.23	-4.00	-4.62
3rd Qt	-13.93	-7.95	-5.26	-6.17
Low	-16.28	-11.19	-10.42	-12.00
<b>L</b> Total Large Cap Equity				
Return	-13.51	-6.85	-3.73	-4.48
Rank	48	42	39	47
<b>E</b> MetLife Equity Index				
Return	-13.48	-6.81	-3.29	-4.05
Rank	41	35	26	34
<b>V</b> Vanguard Inst 500 Index				
Return	-13.53	-6.87	-4.11	-4.84
Rank	52	43	56	60
<b>S</b> Standard & Poors 500				
Return	-13.52	-6.85	-3.65	-4.38
Rank	51	42	36	42

# City of Dalton Employee's Pension Plan

## Large Neutral Consecutive Performance Comparisons

### Total Returns of Equity Portfolios

#### Years Ending



	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11	12/10	12/09
High	3.42	28.82	21.28	5.15	19.43	40.60	22.74	7.43	19.86	38.30
1st Qt	-3.01	23.32	12.65	1.65	13.91	35.24	16.87	2.91	16.07	30.45
Median	-4.62	21.79	11.87	1.00	13.48	33.01	16.03	1.99	14.98	27.19
3rd Qt	-6.17	21.13	10.35	0.13	11.84	32.27	14.62	0.42	13.84	25.75
Low	-12.00	18.17	5.95	-3.23	10.39	28.06	10.26	-3.34	10.77	21.24

#### LE Total Large Cap Equity

Return	-4.48	21.77	11.97	1.36	13.59	32.23	16.07	2.16	14.79	26.53
Rank	47	51	42	44	45	76	44	40	58	62

#### EL MetLife Equity Index

Return	-4.05	21.81	12.16	1.36	13.59	32.23	16.07	2.16	14.79	26.53
Rank	34	48	31	44	45	76	44	40	58	62

#### V Vanguard Inst 500 Index

Return	-4.84	21.71
Rank	60	60

#### S Standard & Poors 500

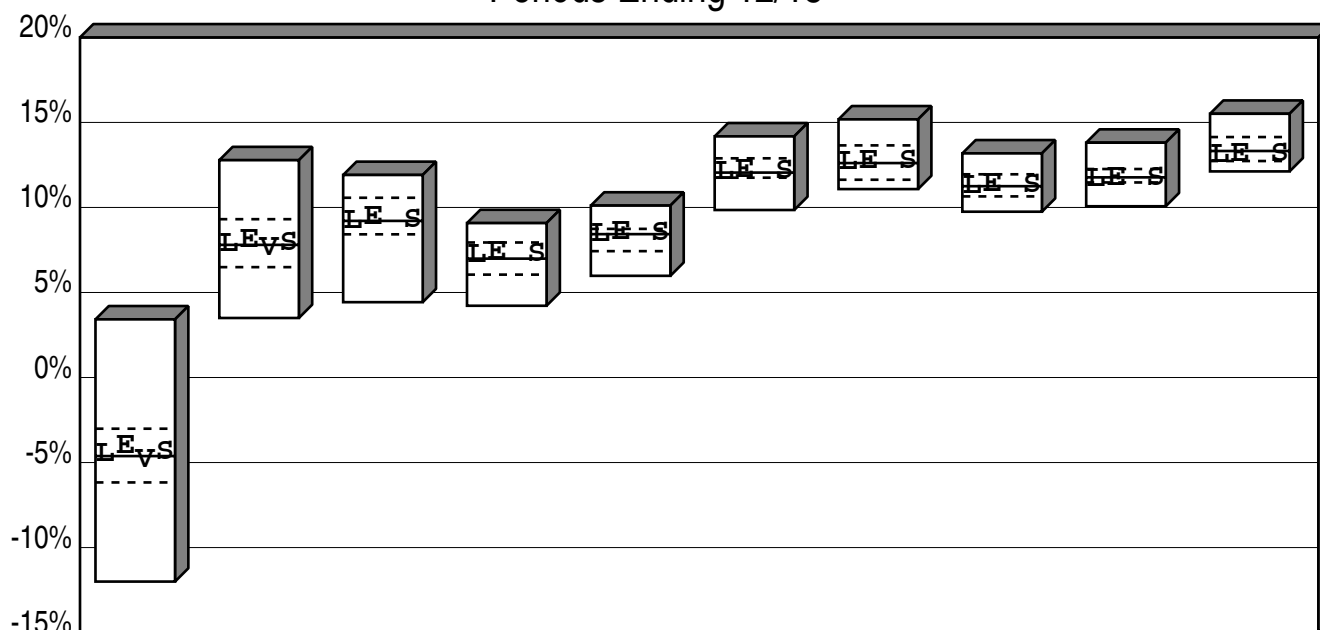
Return	-4.38	21.83	11.96	1.38	13.69	32.41	15.98	2.12	15.05	26.45
Rank	42	47	43	42	37	61	55	47	47	64

# City of Dalton Employee's Pension Plan

## Large Neutral Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/18



	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	3.42	12.78	11.91	9.08	10.11	14.18	15.18	13.18	13.81	15.51
1st Qt	-3.01	9.31	10.57	7.94	8.74	12.89	13.65	11.95	12.26	14.14
Median	-4.62	7.80	9.21	6.99	8.43	12.05	12.61	11.25	11.77	13.32
3rd Qt	-6.17	6.49	8.42	6.05	7.43	11.75	11.63	10.65	11.47	12.73
Low	-12.00	3.50	4.43	4.22	5.98	9.85	11.08	9.75	10.07	12.12

#### LE Total Large Cap Equity

Return	-4.48	7.85	9.21	7.19	8.44	12.09	12.65	11.28	11.66	13.07
Rank	47	48	50	39	48	46	44	48	61	58

#### EL MetLife Equity Index

Return	-4.05	8.11	9.44	7.36	8.58	12.20	12.75	11.37	11.74	13.14
Rank	34	37	38	31	40	36	37	40	52	55

#### V Vanguard Inst 500 Index

Return	-4.84	7.62
Rank	60	58

#### S Standard & Poors 500

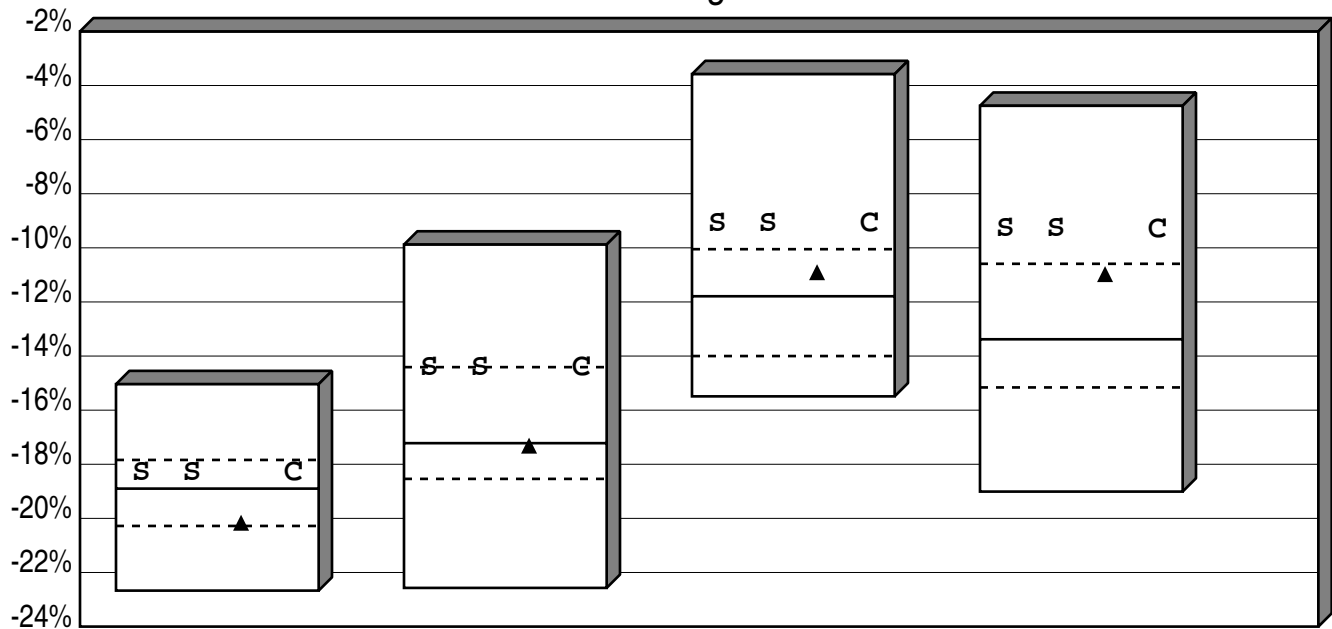
Return	-4.38	7.93	9.26	7.23	8.50	12.16	12.70	11.32	11.72	13.12
Rank	42	41	47	37	45	43	41	46	54	55

# City of Dalton Employee's Pension Plan

## Small Neutral Cumulative Performance Comparisons

### Total Returns of Equity Portfolios

#### Periods Ending 12/18



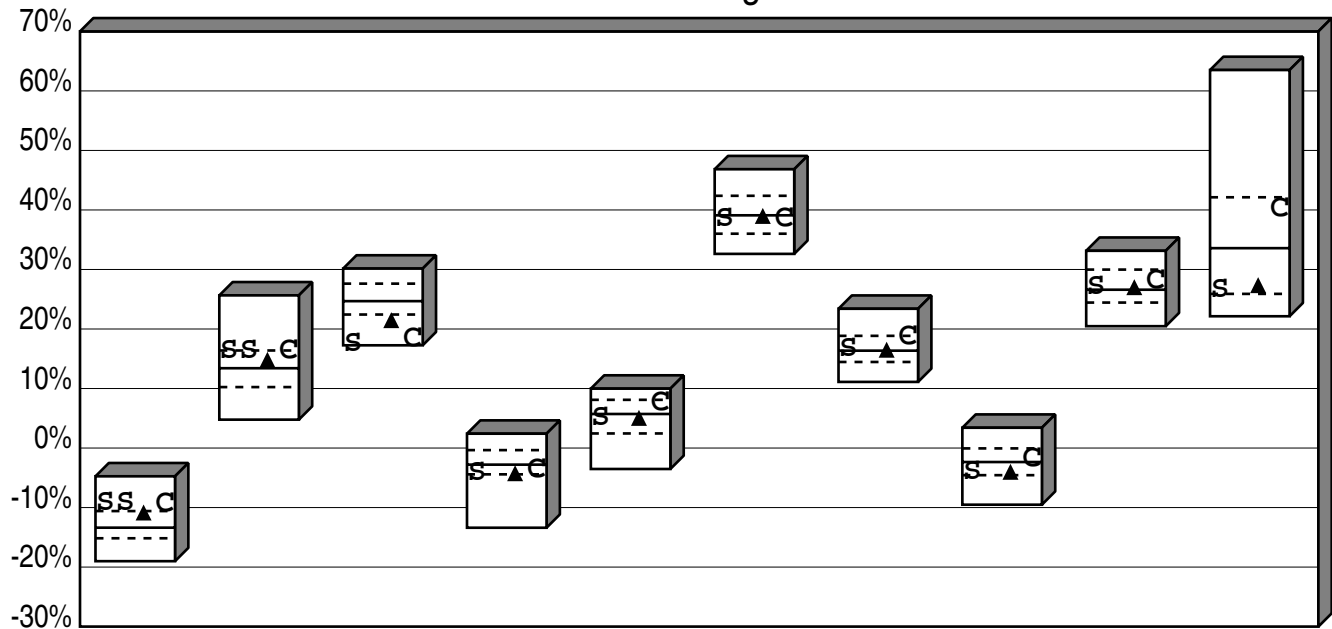
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	-15.04	-9.88	-3.58	-4.75
1st Qt	-17.84	-14.41	-10.05	-10.59
Median	-18.90	-17.22	-11.79	-13.38
3rd Qt	-20.28	-18.54	-14.00	-15.16
Low	-22.67	-22.57	-15.49	-19.01
s Total Small Cap Equity				
Return	-18.34	-14.44	-9.13	-9.32
Rank	31	26	18	18
S Vanguard Small-Cap Index				
Return	-18.34	-14.44	-9.13	-9.32
Rank	31	26	18	18
▲ Russell 2000				
Return	-20.20	-17.35	-10.94	-11.01
Rank	73	53	35	33
C CRSP Small Cap Index				
Return	-18.33	-14.43	-9.13	-9.33
Rank	31	26	18	18

# City of Dalton Employee's Pension Plan

## Small Neutral Consecutive Performance Comparisons

### Total Returns of Equity Portfolios

#### Years Ending



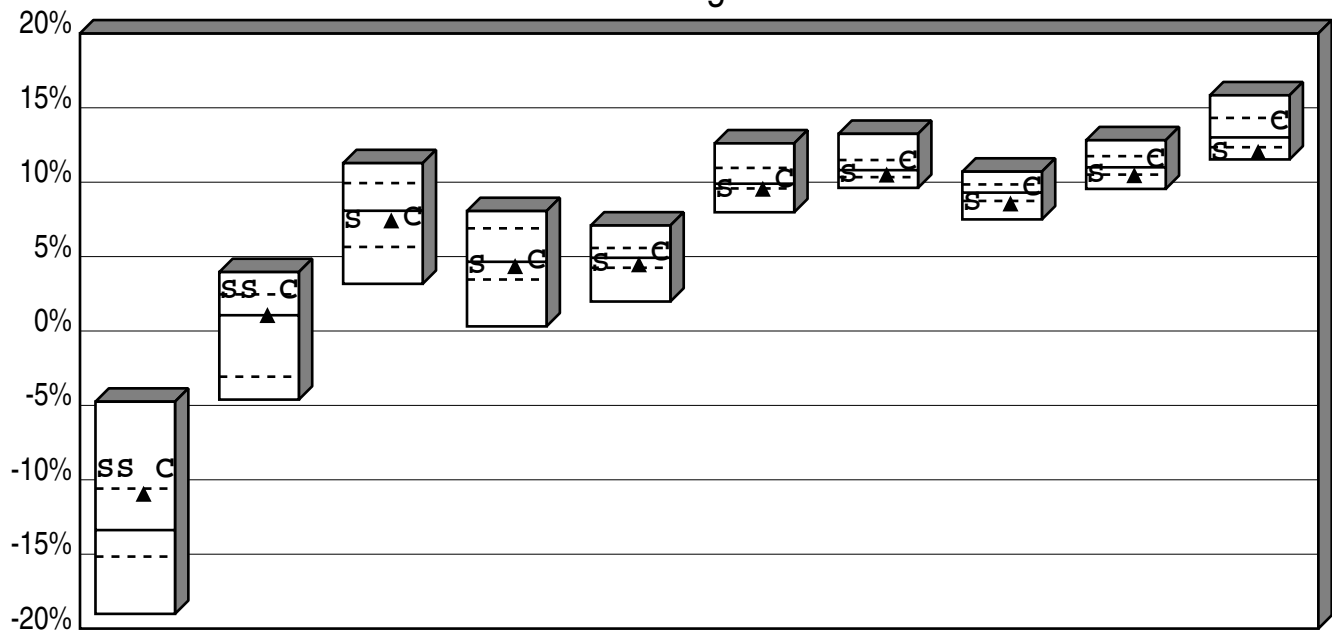
	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11	12/10	12/09
High	-4.75	25.65	30.15	2.41	9.98	46.84	23.40	3.41	33.14	63.51
1st Qt	-10.59	16.39	27.62	-0.35	8.10	42.38	18.85	-0.06	29.98	42.13
Median	-13.38	13.41	24.68	-2.79	5.72	39.10	16.36	-2.35	26.60	33.58
3rd Qt	-15.16	10.24	22.43	-4.42	2.45	36.01	14.46	-4.56	24.44	25.90
Low	-19.01	4.77	17.26	-13.39	-3.52	32.62	11.11	-9.52	20.47	22.14
<b>s Total Small Cap Equity</b>										
Return	-9.32	16.25	17.43	-4.25	5.01	38.46	16.64	-3.98	27.08	26.56
Rank	18	25	93	73	60	55	42	70	42	72
<b>s Vanguard Small-Cap Index</b>										
Return	-9.32	16.25								
Rank	18	25								
<b>▲ Russell 2000</b>										
Return	-11.01	14.65	21.31	-4.41	4.89	38.82	16.34	-4.17	26.85	27.19
Rank	33	39	78	73	65	54	50	70	42	67
<b>C CRSP Small Cap Index</b>										
Return	-9.33	16.22	18.26	-3.68	7.54	38.48	18.59	-1.85	27.98	40.11
Rank	18	26	91	68	33	55	25	43	37	27

# City of Dalton Employee's Pension Plan

## Small Neutral Cumulative Performance Comparisons

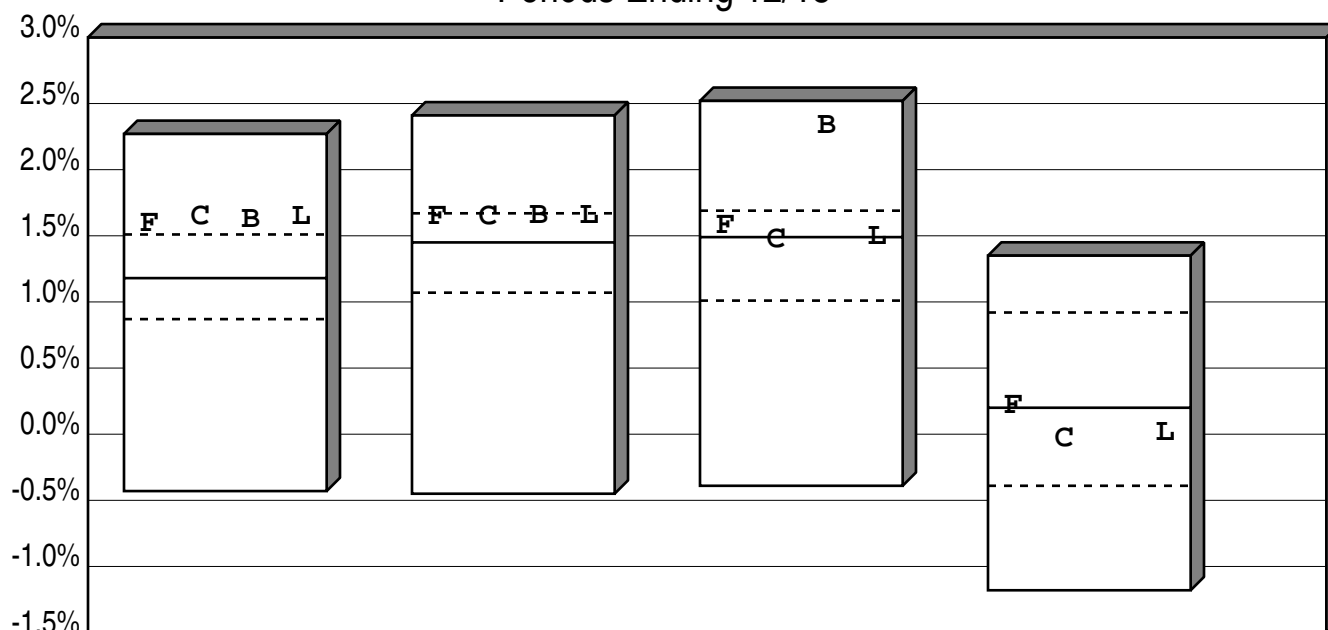
### Total Returns of Equity Portfolios

#### Periods Ending 12/18



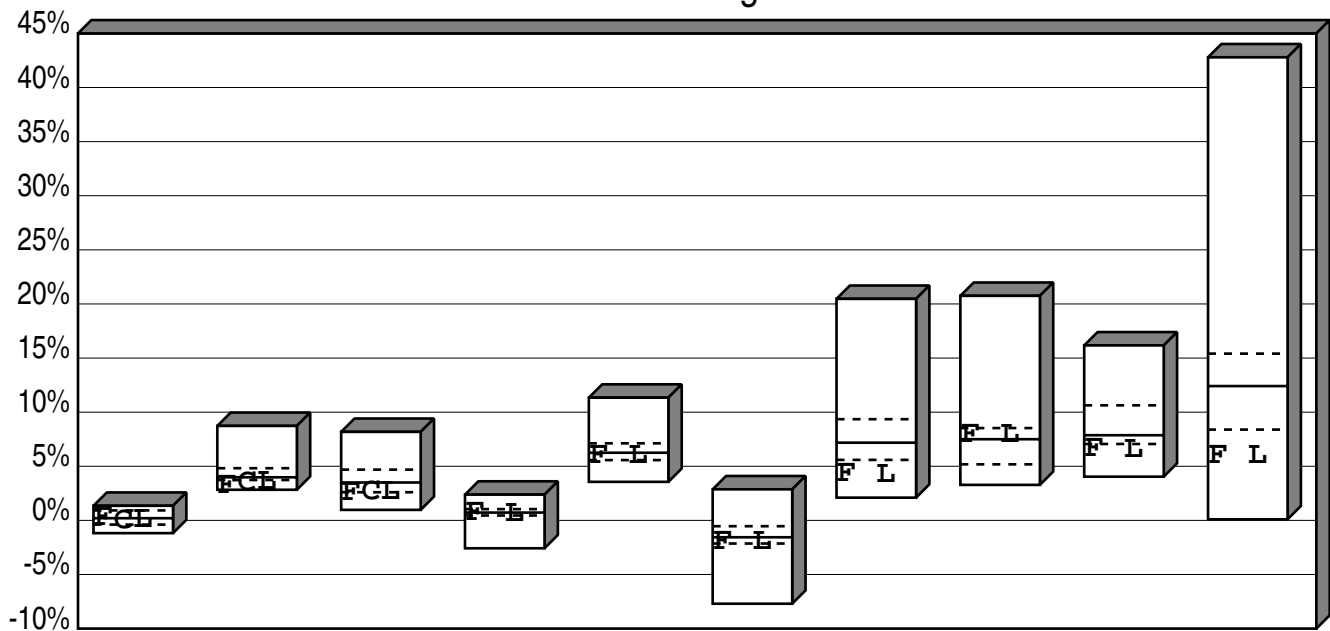
	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	-4.75	3.96	11.28	8.06	7.09	12.61	13.25	10.71	12.82	15.84
1st Qt	-10.59	2.46	9.94	6.90	5.58	10.96	11.49	9.85	11.75	14.32
Median	-13.38	1.06	8.08	4.65	4.92	9.90	10.81	9.30	11.00	13.01
3rd Qt	-15.16	-3.07	5.65	3.46	4.25	9.58	10.34	8.74	10.51	12.35
Low	-19.01	-4.61	3.17	0.31	1.98	7.98	9.62	7.50	9.55	11.53
<b>s Total Small Cap Equity</b>										
Return	-9.32	2.67	7.37	4.34	4.47	9.49	10.49	8.57	10.48	11.99
Rank	18	23	57	55	67	82	62	90	78	84
<b>s Vanguard Small-Cap Index</b>										
Return	-9.32	2.67								
Rank	18	23								
<b>▲ Russell 2000</b>										
Return	-11.01	1.00	7.36	4.29	4.41	9.49	10.44	8.50	10.40	11.97
Rank	33	51	57	55	67	82	67	90	81	84
<b>c CRSP Small Cap Index</b>										
Return	-9.33	2.66	7.62	4.67	5.24	10.17	11.33	9.59	11.50	14.07
Rank	18	23	53	48	42	38	25	27	34	29

City of Dalton Employee's Pension Plan  
Fixed Income Core Cumulative Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Periods Ending 12/18



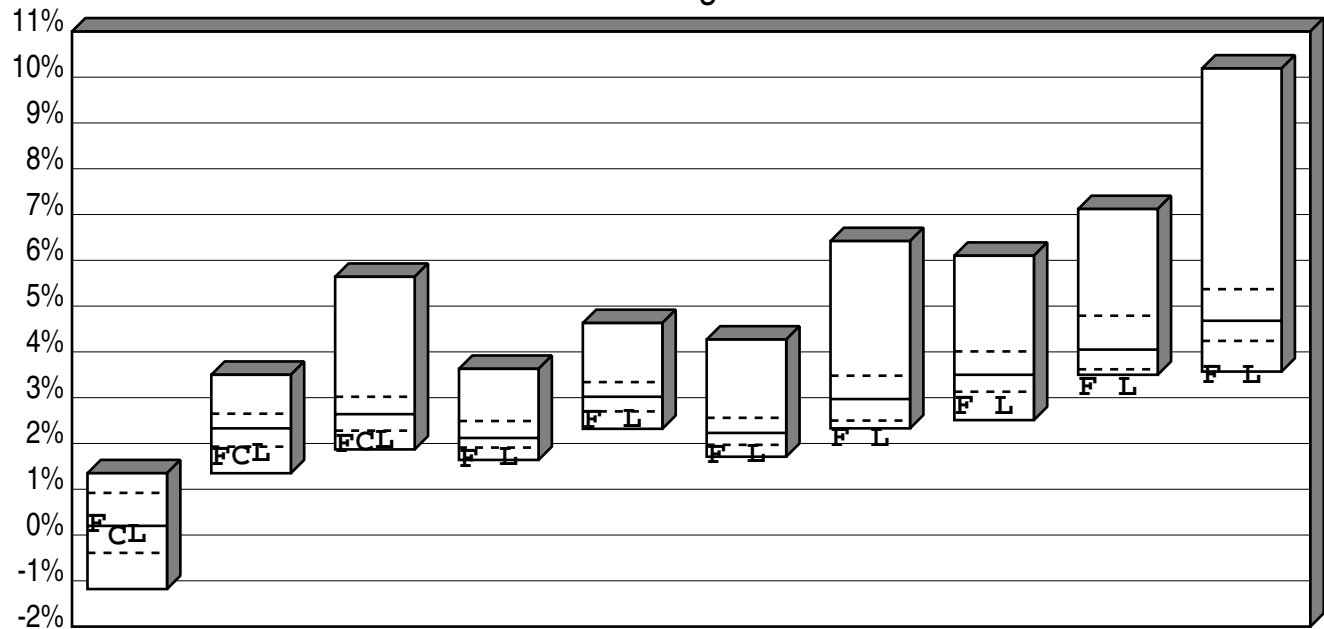
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	2.27	2.41	2.52	1.35
1st Qt	1.51	1.67	1.69	0.92
Median	1.18	1.45	1.49	0.20
3rd Qt	0.87	1.07	1.01	-0.39
Low	-0.43	-0.45	-0.39	-1.18
<b>F</b> Total Fixed Income				
Return	1.59	1.64	1.57	0.21
Rank	21	26	38	48
<b>C</b> MetLife Core Bond Index Fund				
Return	1.64	1.64	1.47	-0.04
Rank	17	26	59	65
<b>B</b> Vanguard Total Bond Mkt Index				
Return	1.62	1.65	2.33	
Rank	19	26	5	
<b>L</b> BBG Barc U.S. Aggregate				
Return	1.64	1.65	1.49	0.01
Rank	17	26	50	59

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



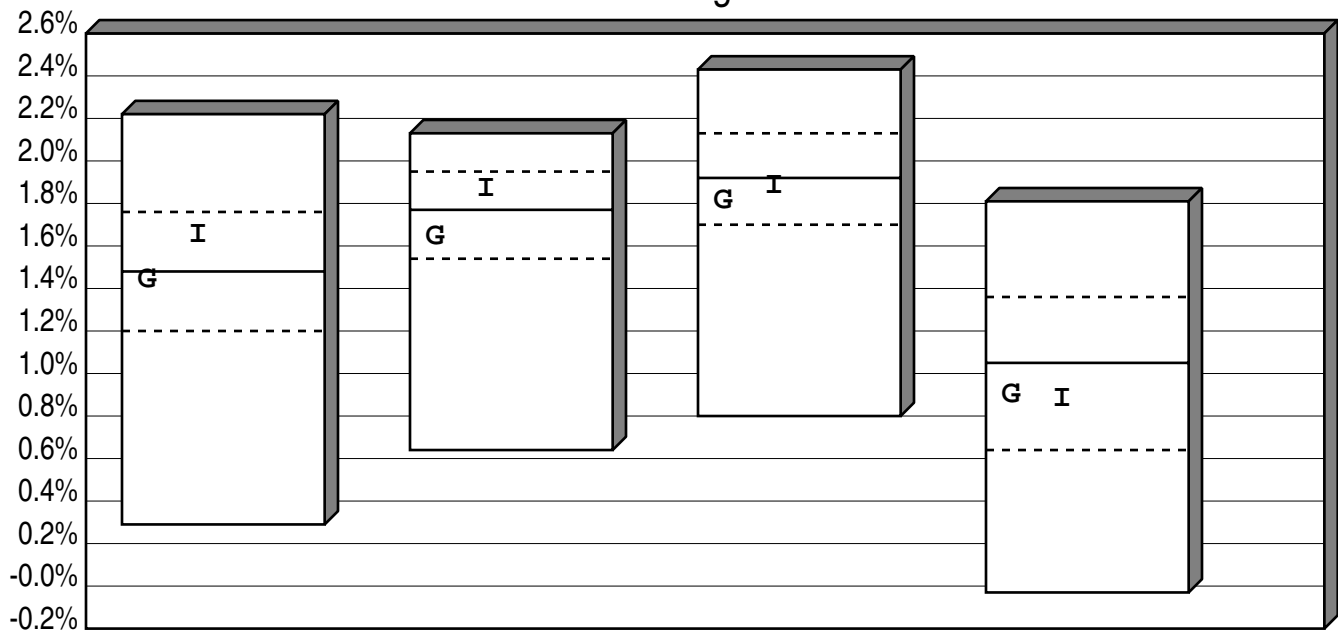
	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11	12/10	12/09
High	1.35	8.73	8.18	2.38	11.34	2.87	20.47	20.75	16.17	42.79
1st Qt	0.92	4.82	4.69	1.04	7.12	-0.54	9.35	8.53	10.63	15.41
Median	0.20	3.98	3.50	0.72	6.25	-1.56	7.18	7.50	7.87	12.41
3rd Qt	-0.39	3.73	2.60	0.45	5.57	-2.14	5.59	5.18	7.06	8.39
Low	-1.18	2.83	0.97	-2.58	3.56	-7.70	2.10	3.28	4.04	0.10
<b>F</b> Total Fixed Income										
Return	0.21	3.19	2.53	0.65	5.98	-1.98	4.26	7.90	6.55	5.98
Rank	48	91	77	55	62	73	89	39	88	89
<b>C</b> MetLife Core Bond Index Fund										
Return	-0.04	3.49	2.58							
Rank	65	88	77							
<b>L</b> BBG Barc U.S. Aggregate										
Return	0.01	3.54	2.65	0.55	5.97	-2.02	4.22	7.84	6.54	5.93
Rank	59	85	72	63	62	73	89	41	90	89

City of Dalton Employee's Pension Plan  
Fixed Income Core Cumulative Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Periods Ending 12/18



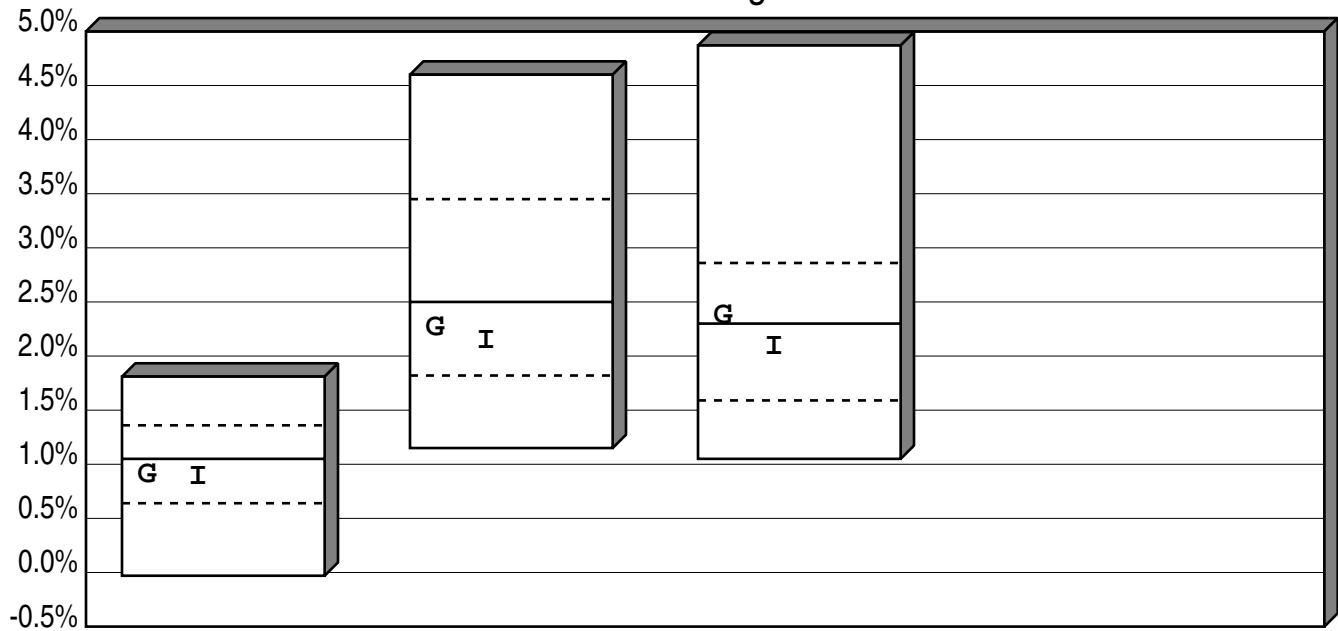
	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years	Last 6 Years	Last 7 Years	Last 8 Years	Last 9 Years	Last 10 Years
High	1.35	3.50	5.64	3.63	4.63	4.27	6.42	6.10	7.12	10.19
1st Qt	0.92	2.65	3.02	2.49	3.34	2.56	3.48	4.01	4.79	5.37
Median	0.20	2.33	2.64	2.12	3.02	2.23	2.97	3.50	4.05	4.68
3rd Qt	-0.39	1.93	2.28	1.91	2.70	1.97	2.50	3.13	3.62	4.24
Low	-1.18	1.35	1.87	1.64	2.32	1.71	2.33	2.51	3.50	3.57
<b>F</b> Total Fixed Income										
Return	0.21	1.69	1.97	1.64	2.49	1.73	2.09	2.80	3.21	3.48
Rank	48	87	90	96	93	92	95	94	99	99
<b>C</b> MetLife Core Bond Index Fund										
Return	-0.04	1.71	2.00							
Rank	65	87	85							
<b>L</b> BBG Barc U.S. Aggregate										
Return	0.01	1.76	2.06	1.68	2.52	1.75	2.10	2.80	3.21	3.48
Rank	59	85	81	91	93	92	95	94	99	99

City of Dalton Employee's Pension Plan  
Intermediate Term Cumulative Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Periods Ending 12/18



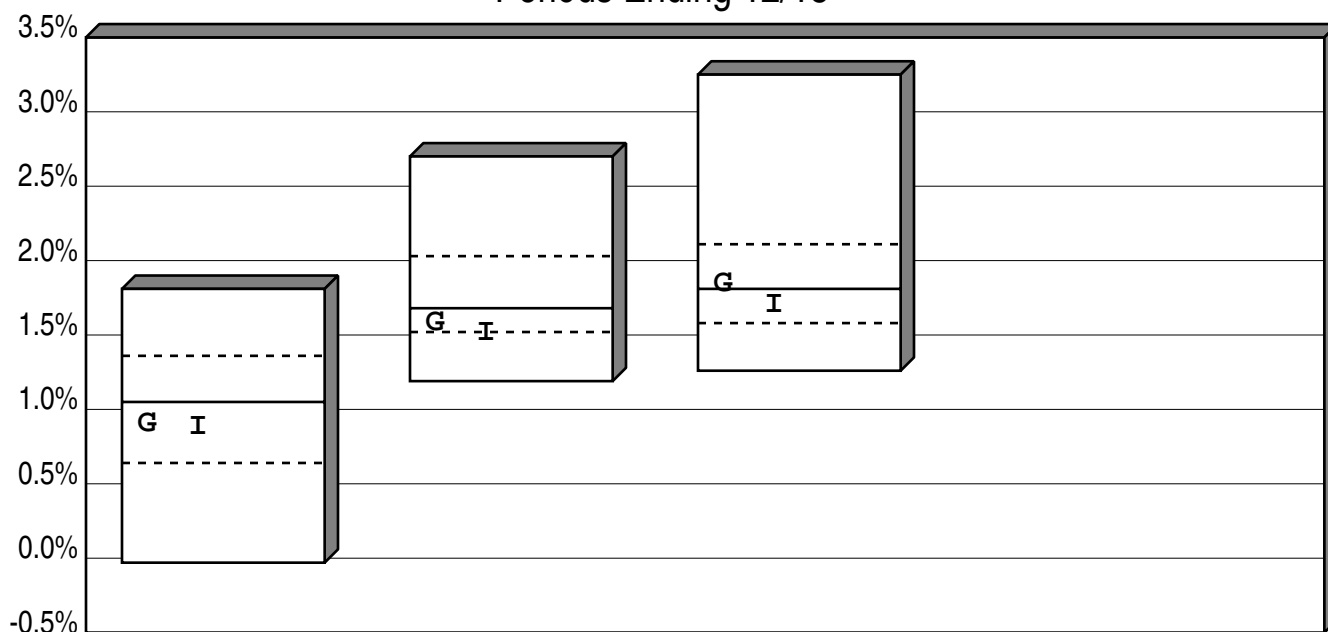
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	2.22	2.13	2.43	1.81
1st Qt	1.76	1.95	2.13	1.36
Median	1.48	1.77	1.92	1.05
3rd Qt	1.20	1.54	1.70	0.64
Low	0.29	0.64	0.80	-0.03
<b>G</b> Goldman Sachs Fund				
Return	1.44	1.64	1.81	0.90
Rank	50	70	62	56
<b>I</b> BBG Barc Int Govt/Credit				
Return	1.65	1.87	1.88	0.88
Rank	37	32	54	57

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



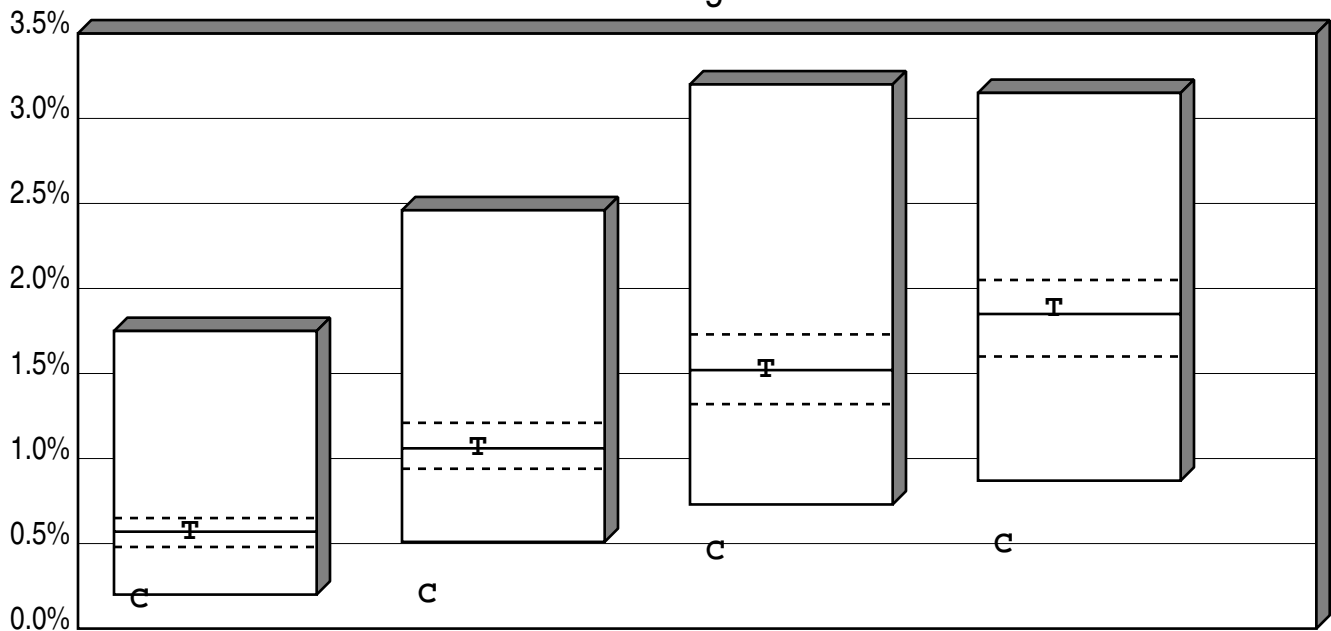
	12/18	12/17	12/16
High	1.81	4.60	4.87
1st Qt	1.36	3.45	2.86
Median	1.05	2.50	2.30
3rd Qt	0.64	1.82	1.59
Low	-0.03	1.15	1.05
<b>G Goldman Sachs Fund</b>			
Return	0.90	2.26	2.37
Rank	56	62	46
<b>I BBG Barc Int Govt/Credit</b>			
Return	0.88	2.14	2.08
Rank	57	66	58

City of Dalton Employee's Pension Plan  
Intermediate Term Cumulative Performance Comparisons  
Total Returns of Fixed Income Portfolios  
Periods Ending 12/18



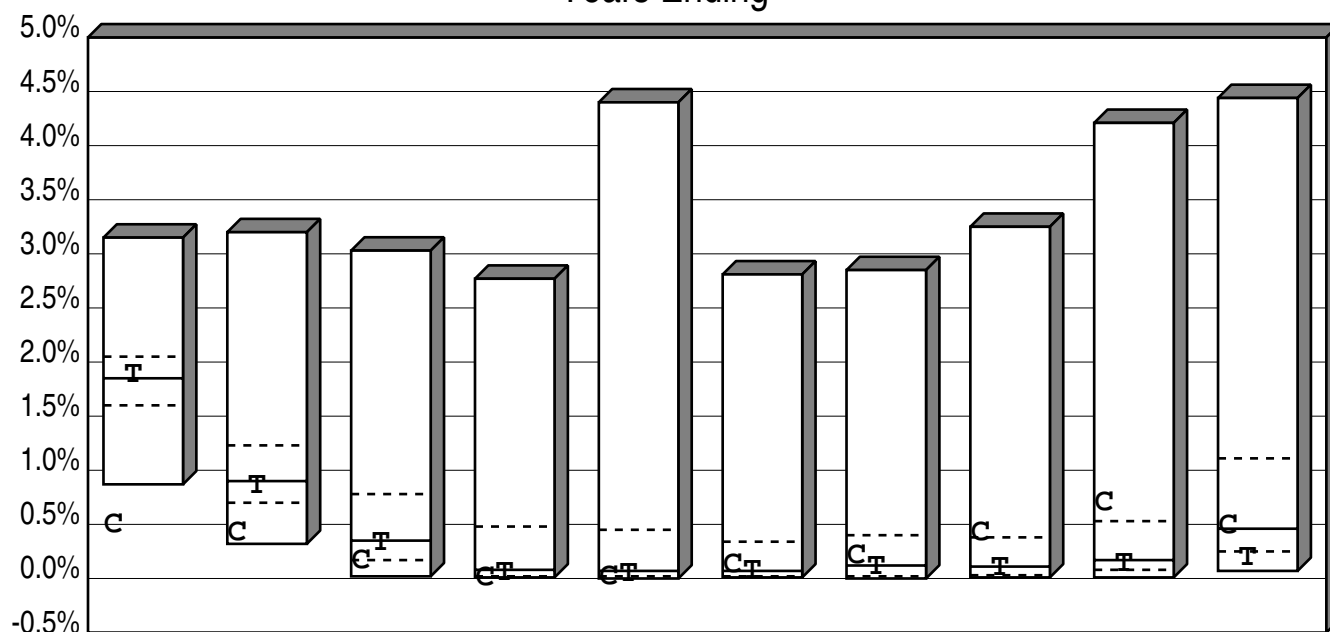
	Last Year	Last 2 Years	Last 3 Years
High	1.81	2.70	3.25
1st Qt	1.36	2.03	2.11
Median	1.05	1.68	1.81
3rd Qt	0.64	1.52	1.58
Low	-0.03	1.19	1.26
<b>G Goldman Sachs Fund</b>			
Return	0.90	1.58	1.84
Rank	56	65	47
<b>I BBG Barc Int Govt/Credit</b>			
Return	0.88	1.51	1.70
Rank	57	79	64

City of Dalton Employee's Pension Plan  
Cumulative Performance Comparison  
Total Returns of Short Term Portfolios  
Periods Ending 12/18



	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	1.75	2.46	3.20	3.15
1st Qt	0.65	1.21	1.73	2.05
Median	0.57	1.06	1.52	1.85
3rd Qt	0.48	0.94	1.32	1.60
Low	0.20	0.51	0.73	0.87
<b>C Cash Account</b>				
Return	0.17	0.20	0.45	0.49
Rank	96	99	98	98
<b>T 91-Day Treasury Bill</b>				
Return	0.57	1.06	1.52	1.88
Rank	51	54	53	46

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



	12/18	12/17	12/16	12/15	12/14	12/13	12/12	12/11	12/10	12/09
High	3.15	3.20	3.03	2.77	4.40	2.81	2.85	3.25	4.21	4.44
1st Qt	2.05	1.23	0.78	0.48	0.45	0.34	0.40	0.38	0.53	1.11
Median	1.85	0.90	0.35	0.08	0.07	0.07	0.12	0.11	0.17	0.46
3rd Qt	1.60	0.70	0.17	0.02	0.02	0.02	0.02	0.03	0.08	0.25
Low	0.87	0.32	0.02	0.01	0.00	0.01	0.00	0.01	0.01	0.07

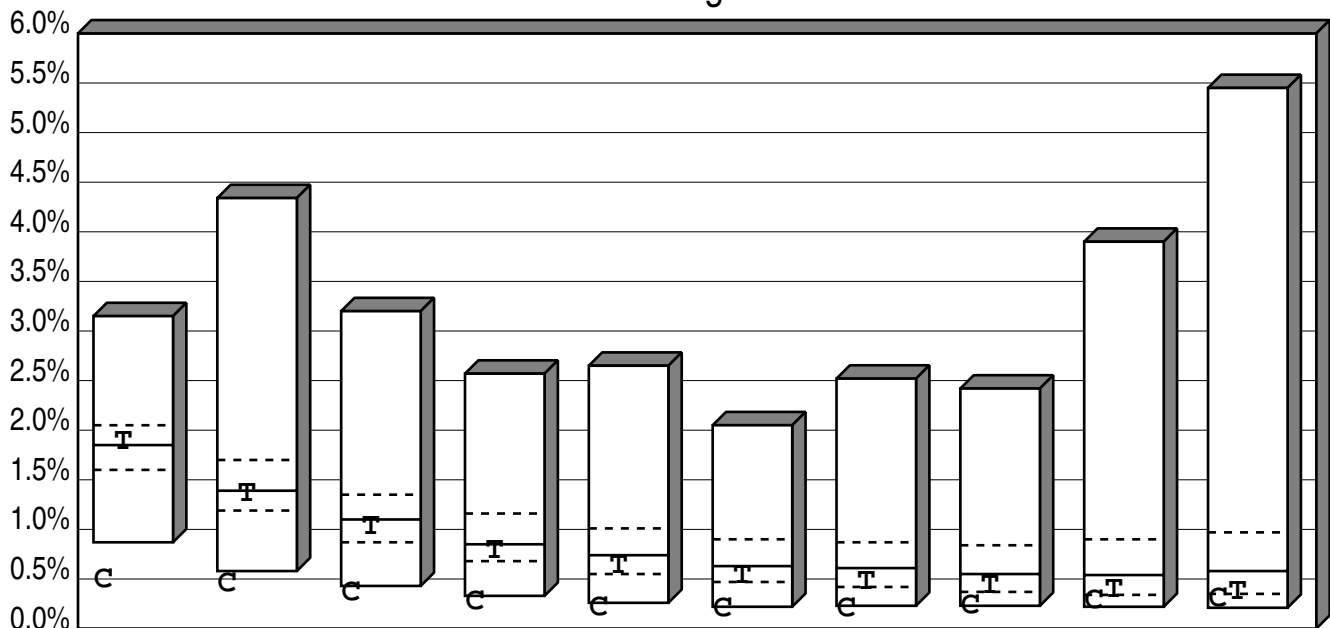
## **C** Cash Account

Return	0.49	0.42	0.16	0.00	0.01	0.12	0.21	0.42	0.70	0.48
Rank	98	93	76	100	94	40	37	23	21	48

## **T** 91-Day Treasury Bill

Return	1.88	0.85	0.33	0.05	0.04	0.07	0.11	0.10	0.13	0.19
Rank	46	56	54	68	62	54	54	53	60	84

City of Dalton Employee's Pension Plan  
Cumulative Performance Comparison  
Total Returns of Short Term Portfolios  
Periods Ending 12/18



	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	3.15	4.34	3.20	2.57	2.65	2.05	2.52	2.42	3.90	5.45
1st Qt	2.05	1.70	1.35	1.16	1.01	0.90	0.87	0.84	0.90	0.97
Median	1.85	1.39	1.10	0.85	0.74	0.63	0.61	0.55	0.54	0.58
3rd Qt	1.60	1.19	0.87	0.68	0.55	0.47	0.42	0.37	0.34	0.35
Low	0.87	0.58	0.43	0.33	0.26	0.22	0.23	0.23	0.22	0.21

**C** Cash Account

Return	0.49	0.45	0.36	0.27	0.21	0.20	0.20	0.23	0.28	0.30
Rank	98	98	99	99	98	98	96	95	89	88

**T** 91-Day Treasury Bill

Return	1.88	1.36	1.02	0.78	0.63	0.53	0.47	0.43	0.39	0.37
Rank	46	53	56	57	58	60	64	63	67	73

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## INVOICE

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**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 183 for Investment Consulting Services

**DATE:** February 1, 2019

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Monthly Retainer ending January 31, 2019	<u>\$2,040.00</u>
--	-------------------

TOTAL:	<u>\$2,040.00</u>
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Note: Invoice Payable upon receipt

# ***Southeastern Advisory Services, Inc.***

REGISTERED INVESTMENT ADVISOR

February 1, 2019

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

RE: City of Dalton Employee's Pension Fund

Dear Cindy:

Enclosed is invoice number 183 for our investment consulting fees for the City of Dalton Employee's Pension Fund for the period ending January 31, 2019. If you have any comments or questions, please call.

Sincerely,



John L. Small  
Managing Principal

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## INVOICE

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**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 184 for Investment Consulting Services

**DATE:** March 1, 2019

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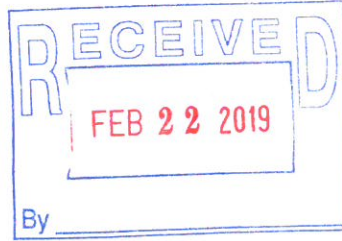
Monthly Retainer ending February 28, 2019	<u>\$2,040.00</u>
---	-------------------

TOTAL:	<u>\$2,040.00</u>
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Note: Invoice Payable upon receipt



[www.fisherphillips.com](http://www.fisherphillips.com)



**Atlanta**

1075 Peachtree Street, NE  
Suite 3500  
Atlanta, GA 30309

(404) 231-1400 TEL  
(404) 240-4249 FAX

**Writer's Direct Dial**

404-240-4256

**Writer's E-mail**

[rchristenson@fisherphillips.com](mailto:rchristenson@fisherphillips.com)

February 15, 2019

**PRIVILEGED AND CONFIDENTIAL  
ATTORNEY-CLIENT COMMUNICATION**

Greg Batts, SPHR, SHRM-SCP  
Director, Human Resources  
CITY OF DALTON, GEORGIA  
P.O. Box 1205  
Dalton, GA 30722

Dear Greg:

Enclosed is our statement for services through January 31, 2019, which I trust you will find to be in order. Please include the attached remittance page with your payment to ensure proper credit.

If you have any questions about the enclosure or any other matter, please do not hesitate to contact us. Thank you for the opportunity to be of service.

Sincerely,

Robert C. Christenson  
For FISHER & PHILLIPS LLP

RCC:Billing  
Enclosure

**Fisher & Phillips LLP**

Atlanta • Baltimore • Bethesda • Boston • Charlotte • Chicago • Cleveland • Columbia • Columbus • Dallas • Denver • Fort Lauderdale • Gulfport • Houston  
Irvine • Kansas City • Las Vegas • Los Angeles • Louisville • Memphis • New Jersey • New Orleans • New York • Orlando • Philadelphia  
Phoenix • Portland • Sacramento • San Diego • San Francisco • Seattle • Tampa • Washington, DC



**Fisher & Phillips LLP**  
 1075 Peachtree Street, NE  
 Suite 3500  
 Atlanta, GA 30309  
 (404) 231-1400 TEL

[www.fisherphillips.com](http://www.fisherphillips.com)

(Tax Identification No. 58-0619559)

February 15, 2019  
 Invoice Number: 1244662  
 Client Matter Number: 25994.0005

CITY OF DALTON, GEORGIA  
 P.O. Box 1205  
 Dalton, GA 30722

Attention: Greg Batts, SPHR, SHRM-SCP  
 Director, Human Resources

For services rendered through January 31, 2019

### **DALTON PENSION PLAN**

<u>Date</u>	<u>Atty</u>	<u>Description</u>	<u>Legal Fees</u>
01/15/19	SOB	Review pension plan for terminated vested spousal survivor benefits.	
		0.20	\$90.00
01/18/19	SOB	Review survivor benefit language in Plan for terminated vested who have not reached ERD or NRD; telephone call with Mr. Batts re same.	
		0.80	\$360.00
01/25/19	SOB	Review pension plan for term vested benefits, and draft email regarding Plan benefits, qualified preretirement benefits, and other terminated vested benefits commonly provided in the for-profit sector.	
		1.10	\$495.00

TOTAL LEGAL FEES THIS MATTER	\$945.00
------------------------------	----------

Timekeeper Summary

Stuart O. Baesel, Jr.	2.10 Of Counsel hours at \$450.00/hr.	\$945.00
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CURRENT LEGAL FEES & CHARGES THIS MATTER	\$945.00
--	----------

CURRENT LEGAL FEES THIS INVOICE	\$945.00
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PAYMENT IS DUE UPON RECEIPT OF INVOICE

## REMITTANCE SLIP

### Fisher & Phillips LLP

P.O. Box 117253  
Atlanta, GA 30368-7253  
(404) 231-1400 Tel

(Tax Identification No. 58-0619559)

CLIENT IDENTIFICATION: Client Number 25994  
CITY OF DALTON, GEORGIA  
P.O. Box 1205  
Dalton, GA 30722

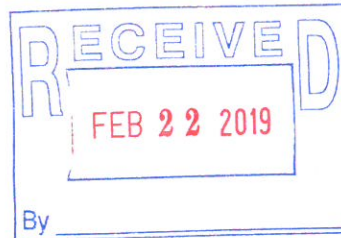
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#### CURRENT LEGAL FEES

<u>Date</u>	<u>Invoice No.</u>	<u>Balance Due</u>	<u>Amount Enclosed</u>
02/15/19	1244662	\$945.00	

**PAYMENT IS DUE UPON RECEIPT OF INVOICE  
PLEASE REMIT CHECKS TO THE ADDRESS LISTED ABOVE**

Hartford Fire Insurance Company



**Date:** February 6, 2019

**Agency Name:** MCGRIFF INSURANCE SERVICES INC/PHS

**Agency Code:** 22 274024

City of Dalton, Georgia Employee Pension Plan  
PO Box 1205  
Dalton, GA 30720

**Attn:**

**Insured / Principal:** City of Dalton, Georgia Employee Pension Plan

**Policy/Bond #:** 22BDDEP3132

**Account Name/Number:**

**Policy Term:** May 31, 2019 - May 31, 2022

**Type of Policy:** Commercial Crime

**Billing Term:** Three Years

**Transaction Type:** Renewal

**Transaction Effective Date:** May 31, 2019

**Bond Limit:** \$500,000

**Premium:** \$ 308

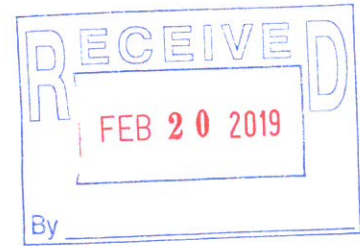
As a convenience, our customer service team is available to serve you. If you require any assistance with your policy including certificates of insurance coverages, or billing, please contact us at the Select Customer Service Center at The Hartford.

Our Business Insurance Professionals want to help and it's easy.

Simply, call toll free **866-467-8730** any weekday from 8 AM EST – 8 PM EST to talk to our customer service team.

**This record is a billing record advice only. You will be billed directly by The Hartford within 15 days of the effective date of the bond.**

**THE MINOR FIRM**  
**P.O. Box 2586**  
**Dalton, GA 30722-2586**  
**706-259-2586**  
 Federal I.D. #58-1544700



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

Page: 1  
 02/19/2019  
 ACCOUNT NO: 19908-0002  
 STATEMENT NUMBER 168592

Pension Matters

01/22/2019	JLB	Attendance at pension board meeting.	HOURS	
			0.20	40.00
		FOR CURRENT SERVICES RENDERED	0.20	40.00

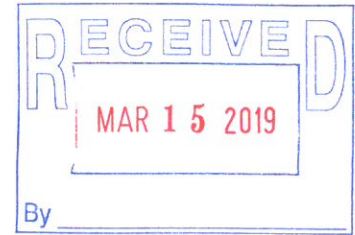
RECAPITULATION			
<u>TIMEKEEPER</u>	<u>HOURS</u>	<u>HOURLY RA</u>	<u>TOTAL</u>
Jonathan L. Bledsoe	0.20	\$200.00	\$40.00

**BALANCE DUE THIS INVOICE.....** 40.00

**TOTAL BALANCE DUE.....** \$40.00

**THE MINOR FIRM IS NOW ACCEPTING CREDIT CARDS**  
 Payments made by personal check authorize us to make  
 a one-time electronic fund transfer from your account.  
**BILLING IS THROUGH END OF PREVIOUS MONTH**

**THE MINOR FIRM**  
**P.O. Box 2586**  
**Dalton, GA 30722-2586**  
**706-259-2586**  
Federal I.D. #58-1544700



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

Page: 1  
03/13/2019  
ACCOUNT NO: 19908-0002  
STATEMENT NUMBER 169182

Pension Matters

PREVIOUS BALANCE .....	\$40.00
TOTAL BALANCE DUE.....	<u>\$40.00</u>

**THE MINOR FIRM IS NOW ACCEPTING CREDIT CARDS**  
Payments made by personal check authorize us to make  
a one-time electronic fund transfer from your account.  
**BILLING IS THROUGH END OF PREVIOUS MONTH**

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CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

DECEMBER 31, 2018

---

**City of Dalton**  
**Pension Trust Fund**  
**Statement of Net Position**  
**December 31, 2018 and 2017**  
**(Unaudited)**

	<u>2018</u>	<u>2017</u>
<b>Assets</b>		
Cash and cash equivalents:		
Cash	\$ 953	\$ 3,568
Payment fund	787,178	907,928
Contribution receivable	286,582	163,739
Investments, at fair value		
MetLife large cap index equity fund	14,710,139	25,137,255
MetLife fixed income - core bond index	32,316,735	32,201,701
MetLife fixed income - Goldman Sachs	10,596,494	10,499,182
Vanguard - 500 index fund	27,468,203	23,826,984
Vanguard - small cap index fund	10,624,030	11,715,771
Vanguard - bond index fund	5,116,411	-
<b>Total Assets</b>	<u>\$ 101,906,725</u>	<u>\$ 104,456,128</u>
 <b>Liabilities</b>		
Accounts payable	<u>2,876</u>	<u>2,855</u>
<b>Total Liabilities</b>	<u>2,876</u>	<u>2,855</u>
 <b>Total Net Position</b>	<u><u>\$ 101,903,850</u></u>	<u><u>\$ 104,453,273</u></u>

**City of Dalton**  
**Pension Trust Fund**  
**Statement of Change in Net Position**  
**For the Twelve Months Ended December 31, 2018**  
**With Comparative Amounts for 2017**  
**(Unaudited)**

	<b>2018</b>	<b>2017</b>
<b>Additions</b>		
Contributions:		
Employer	\$ 7,311,443	\$ 7,225,029
Plan members	688,300	727,343
Total contributions	<u>7,999,743</u>	<u>7,952,372</u>
Investment income:		
Interest, dividends and realized gains	3,421,230	3,994,258
Net increase (decrease) in fair value investments	<u>(6,300,906)</u>	<u>7,749,038</u>
Total investment income	<u>(2,879,676)</u>	<u>11,743,296</u>
Less: investment expense	178,057	184,583
Net investment income	<u>(3,057,733)</u>	<u>11,558,713</u>
<b>Total Additions</b>	<u>4,942,010</u>	<u>19,511,085</u>
<b>Deductions</b>		
Pension benefits	7,440,532	7,133,475
Legal fees	1,141	2,480
Fiduciary insurance	8,750	8,169
Accounting and audit fees	-	8,000
Actuarial fees	15,000	15,000
Consulting fees	24,480	24,040
Administrative fees	1,500	1,500
Miscellaneous	<u>30</u>	<u>50</u>
<b>Total Deductions</b>	<u>7,491,433</u>	<u>7,192,714</u>
<b>Change in Net Position</b>	(2,549,423)	12,318,371
<b>Net Position Beginning of Year</b>	104,453,273	92,134,902
<b>Net Position End of Period</b>	<u>\$ 101,903,850</u>	<u>\$ 104,453,273</u>

**City of Dalton**  
**Pension Trust Fund**  
**Supplemental Schedule**  
**For the Twelve Months Ended December 31, 2018**  
**With Comparative Amounts for 2017**  
**(Unaudited)**

	<u>2018</u>	<u>2017</u>
<b>Investment income:</b>		
Interest income:		
City's cash account interest	\$ 615	\$ 312
Payment fund interest	760	425
	<u>1,375</u>	<u>737</u>
Investment income:		
Index equity large cap	380,384	544,856
Fixed Income - core bond index	877,039	864,796
Fixed income - Goldman Sachs	268,634	221,235
Vanguard - 500 index fund	579,089	368,979
Vanguard - small cap index fund	176,557	157,902
Vanguard - bond index fund	96,597	-
	<u>2,378,300</u>	<u>2,157,768</u>
Realized gains (losses):		
Index equity large cap	1,098,765	1,779,477
Fixed Income - core bond index	6,410	74,406
Fixed income - Goldman Sachs	(122,936)	(18,130)
Vanguard - 500 index fund	59,316	-
Vanguard - small cap index fund	-	-
Vanguard - bond index fund	-	-
	<u>1,041,555</u>	<u>1,835,753</u>
<b>Total investment income</b>	<u><u>\$ 3,421,230</u></u>	<u><u>\$ 3,994,258</u></u>
<b>Change in fair value:</b>		
Index equity large cap	(2,104,257)	2,956,729
Fixed Income - core bond index	(899,466)	152,463
Fixed income - Goldman Sachs	(51,514)	30,883
Vanguard - 500 index fund	(1,997,186)	3,129,388
Vanguard - small cap index fund	(1,268,297)	1,479,575
Vanguard - bond index fund	19,814	-
<b>Total change in fair value</b>	<u><u>\$ (6,300,906)</u></u>	<u><u>\$ 7,749,038</u></u>
<b>Investment expense:</b>		
Payment fund		
Risk charges	\$ 12,084	\$ 12,891
Fund charges	67,136	69,339
	<u>79,220</u>	<u>82,230</u>
Investment funds		
Index equity large cap	17,511	21,102
Fixed Income - core bond index	30,577	30,503
Fixed income - Goldman Sachs	50,749	50,748
	<u>98,837</u>	<u>102,353</u>
<b>Total investment expense</b>	<u><u>\$ 178,057</u></u>	<u><u>\$ 184,583</u></u>

CITY OF DALTON, GA  
PAYMENT FUND STATEMENT  
GROUP ANNUITY CONTRACT # 1515  
BRANCH 040  
FOR THE PERIOD 12/31/17 TO 12/31/18

BALANCE AS OF 12/31/17	\$612,360.95
DEPOSITS	7,964,902.97
BENEFIT PAYMENTS	
GUARANTEED ANNUITIES	2,373,100.37-
NON-GUARANTEED ANNUITIES	5,067,431.82-
WITHDRAWALS	10,000,000.00-
TRANSFERS FROM GENERAL ACCOUNT	0.00
TRANSFERS FROM SEPARATE ACCOUNT	17,533,895.20
TRANSFERS TO SEPARATE ACCOUNT	7,964,902.97-
EXPENSES	
RISK CHARGES	12,084.34-
FUND CHARGES	67,135.65-
INTEREST EARNED	760.21
BALANCE AS OF 12/31/18	\$627,264.18
<i>Debit in Transit</i>	<u>159,914.04</u>
	<u>787,178.22</u>
INTEREST RATES:	
FROM 01/01/18 TO 03/31/18	1.39%
FROM 04/01/18 TO 06/30/18	1.83%
FROM 07/01/18 TO 09/30/18	1.95%
FROM 10/01/18 TO 12/31/18	2.18%

**City of Dalton**  
**METROPOLITAN LIFE INSURANCE COMPANY (INC)**  
**Monthly Statement Ending December 31, 2018**  
**Contract/Policy: 001515 City of Dalton Employees' Pension Plan**

Item	METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 BR 007	METROPOLITAN INDEX FUND MI VIA SA# II - SA MI BR 005	METLIFE SEPARATE ACCOUNT #263 - SA 263 BR 008	Total Market Values
Opening Balance	\$31,758,442.55	\$16,211,595.39	\$10,482,119.43	\$58,452,157.37
Deposits	209,556.00	279,408.00	69,852.00	558,816.00
Withdrawals	(233,873.26)	(311,831.02)	(77,957.75)	(623,662.03)
Fees	(2,533.90)	(1,321.32)	(4,223.21)	(8,078.43)
Other Contract Expenses	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Distribution of Income	\$0.00	\$0.00	\$0.00	\$0.00
Investment Income	\$73,242.32	\$23,636.62	\$26,748.42	\$123,627.36
Realized Capital Gains/Losses	(\$8,125.43)	\$52,679.20	\$20,957.17	\$65,510.94
Change in Unrealized Appreciation of Assets	\$520,026.70	(\$1,544,027.89)	\$78,997.62	(\$945,003.57)
Closing Balance	\$32,316,734.98	\$14,710,138.98	\$10,596,493.68	\$57,623,367.64
Closing Unit Value	183.0065	8,313.1144	253.8274	
Closing Number of Units	176,587.93	1,769.51	41,746.85	

**Investment Performance Results**  
for the period ending December 31, 2018

	1 Month	3 Months	YTD	1 Year	2 Years	3 Years	5 Years	10 Years	Since Inception*	Inception Date
METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 T&DWR**	1.83%	1.61%	-0.14%	-0.14%	1.61%	1.89%	N/A	N/A	1.60%	09/28/2015
METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 TWR****	1.84%	1.63%	-0.06%	-0.06%	1.71%	2.00%	N/A	N/A	1.69%	09/28/2015



Intermediary Services: 800-669-0498

## Corporation account

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

## Account overview

**\$43,208,644.39**

Total account value as of December 31, 2018

**Year-to-date income**

Taxable income	\$911,558.42
Nontaxable income	0.00
<b>Total</b>	<b>\$911,558.42</b>

**Balances and holdings for Vanguard funds**

Beginning on January 1, 2012, new tax rules on taxable (nonretirement) mutual fund accounts (excluding money market funds) require Vanguard to track cost basis information for shares acquired and subsequently sold, on or after that date. Unless you select another method, sales of Vanguard mutual funds, but not ETFs, will default to the average cost method. For more information, visit [vanguard.com/costbasis](http://vanguard.com/costbasis).

Symbol	Name	Fund and account	Average price per share	Total cost	Balance on 12/31/2017	Balance on 12/31/2018
VINIX	Inst Index Fund Inst	0094-88145531032	\$216.65	\$26,152,411.33	\$23,826,984.18	\$27,468,202.65
VSCIX	Small-Cap Index Fund Inst	0857-88145531032	58.86	9,891,988.27	11,715,771.10	10,624,030.34
VBPIX	Total Bond Mkt Index Inst	0222-88145531032	10.41	5,096,597.11	0.00	5,116,411.40
				<b>\$35,542,755.28</b>	<b>\$43,208,644.39</b>	

**Account activity for Vanguard funds**

Inst Index Fund Inst 0094-88145531032

Purchases	Withdrawals	Dividends	Short-term capital gains	Long-term capital gains
\$5,000,000.00	\$0.00	\$554,881.82	\$24,207.30	\$59,315.65

<p align="center"><b>CITY OF DALTON</b>  <b>MINIMUM REQUIRED CONTRIBUTION FY 2018</b>  <b>PER 1/1/17 PENSION VALUATION</b></p>
--

<b>Required Employer Contribution</b>	<b>\$ 7,311,443</b>
---------------------------------------	---------------------

**Employer Contributions**

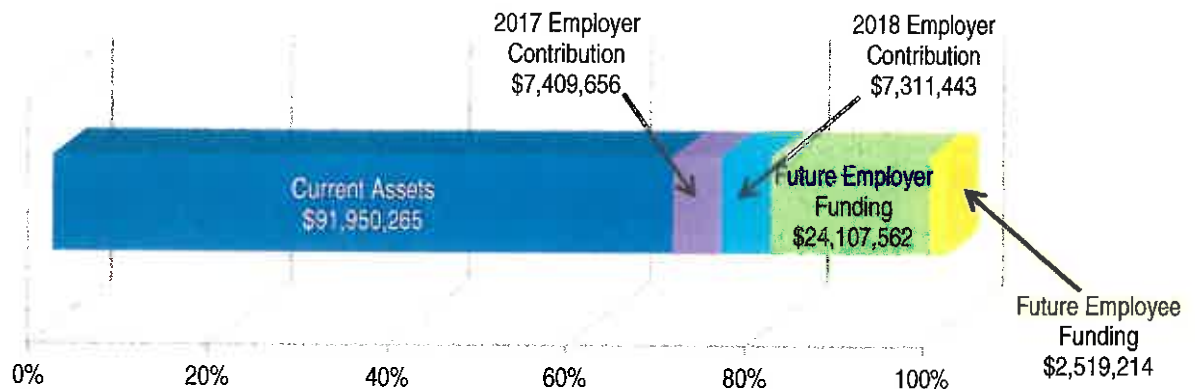
City of Dalton = 26 pay periods	\$ 3,461,609
Dalton Utilities = 26 pay periods + 4 special	3,563,252
	<u>\$ 7,024,861</u>

<b>Plan contribution (shortfall) excess</b>	<b>\$ 286,582</b>
---	-------------------

	<u>Contribution</u>	<u>%</u>	<b>Allocated Shortfall</b>
City of Dalton employer contribution	\$ 3,461,609	49.3%	\$ 141,218
Dalton Utility employer contribution	3,563,252	50.7%	145,364
	<u>\$ 7,024,861</u>	<u>100.0%</u>	<u>\$ 286,582</u>

## Minimum Required Contribution

Table I-A



### For the 2018 Plan Year

Normal Cost for the 2017 Plan Year	\$2,355,300
Unfunded Liability Amortization Payment for the 2017 Plan Year	\$5,416,207
Expense Allowance for the 2017 Plan Year	\$50,000
Expected Employee Contribution for the 2017 Plan Year	(\$755,676)
	<hr/>
	\$7,065,831

Interest Adjustment to Reflect Contributions After January 1, 2017	<hr/>
	\$245,612

**Required Employer Contribution for the 2018 Plan Year** **\$7,311,443**

### Exemption Test Under Georgia Code Section 47-20-13

Actuarial Value of Assets	\$91,950,265
Present Value of Accumulated Retirement System Benefits	\$117,974,468
Funded Ratio	77.94%

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

---

CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

FEBRUARY 28, 2019

---

**City of Dalton**  
**Pension Trust Fund**  
**Statement of Net Position**  
**February 28, 2019 and 2018**  
**(Unaudited)**

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Cash and cash equivalents:		
Cash	\$ 1,699	\$ 11,698
Payment fund	4,428	151,336
Investments, at fair value		
MetLife large cap index equity fund	17,026,421	26,132,185
MetLife fixed income - core bond index	33,082,680	31,920,014
MetLife fixed income - Goldman Sachs	10,860,587	10,487,186
Vanguard - 500 index fund	30,621,222	24,261,519
Vanguard - small cap index fund	12,457,440	11,560,179
Vanguard - bond index fund	5,165,672	-
<b>Total Assets</b>	<u>\$ 109,220,149</u>	<u>\$ 104,524,117</u>
 <b>Liabilities</b>		
Accounts payable	<u>3,275</u>	<u>2,430</u>
<b>Total Liabilities</b>	<u>3,275</u>	<u>2,430</u>
 <b>Total Net Position</b>	<u>\$ 109,216,874</u>	<u>\$ 104,521,687</u>

**City of Dalton**  
**Pension Trust Fund**  
**Statement of Change in Net Position**  
**For the Two Months Ended February 28, 2019**  
**With Comparative Amounts for 2018**  
**(Unaudited)**

	<u>2019</u>	<u>2018</u>
<b>Additions</b>		
Contributions:		
Employer	\$ 1,256,470	\$ 1,296,423
Plan members	109,824	127,375
Total contributions	<u>1,366,294</u>	<u>1,423,798</u>
Investment income:		
Interest, dividends and realized gains	227,659	274,691
Net increase (decrease) in fair value investments	<u>6,990,719</u>	<u>(364,678)</u>
Total investment income	7,218,378	(89,987)
Less: investment expense	<u>29,127</u>	<u>30,512</u>
Net investment income	<u>7,189,251</u>	<u>(120,499)</u>
<b>Total Additions</b>	<u>8,555,545</u>	<u>1,303,299</u>
<b>Deductions</b>		
Pension benefits	1,237,206	1,230,415
Legal fees	985	120
Fiduciary insurance	-	-
Accounting and audit fees	-	-
Actuarial fees	-	-
Consulting fees	4,080	4,080
Administrative fees	250	250
Miscellaneous	<u>-</u>	<u>20</u>
<b>Total Deductions</b>	<u>1,242,521</u>	<u>1,234,885</u>
<b>Change in Net Position</b>	7,313,024	68,414
<b>Net Position Beginning of Year</b>	101,903,850	104,453,273
<b>Net Position End of Period</b>	<u>\$ 109,216,874</u>	<u>\$ 104,521,687</u>

**City of Dalton**  
**Pension Trust Fund**  
**Supplemental Schedule**  
**For the Two Months Ended February 28, 2019**  
**With Comparative Amounts for 2018**  
**(Unaudited)**

	2019	2018
<b>Investment income:</b>		
Interest income:		
City's cash account interest	\$ 2	\$ 7
Payment fund interest	24	20
	<u>26</u>	<u>27</u>
Investment income:		
Index equity large cap	62,936	81,331
Fixed Income - core bond index	155,493	149,410
Fixed income - Goldman Sachs	53,929	40,880
Vanguard - 500 index fund	-	-
Vanguard - small cap index fund	-	-
Vanguard - bond index fund	24,817	-
	<u>297,175</u>	<u>271,621</u>
Realized gains (losses):		
Index equity large cap	14,111	24,040
Fixed Income - core bond index	(86,853)	11,080
Fixed income - Goldman Sachs	3,200	(32,077)
Vanguard - 500 index fund	-	-
Vanguard - small cap index fund	-	-
Vanguard - bond index fund	-	-
	<u>(69,542)</u>	<u>3,043</u>
<b>Total investment income</b>	<u><u>\$ 227,659</u></u>	<u><u>\$ 274,691</u></u>
<b>Change in fair value:</b>		
Index equity large cap	1,651,800	349,390
Fixed Income - core bond index	259,980	(844,777)
Fixed income - Goldman Sachs	68,066	(148,234)
Vanguard - 500 index fund	3,153,019	434,535
Vanguard - small cap index fund	1,833,410	(155,592)
Vanguard - bond index fund	24,444	-
<b>Total change in fair value</b>	<u><u>\$ 6,990,719</u></u>	<u><u>\$ (364,678)</u></u>
<b>Investment expense:</b>		
Payment fund		
Risk charges	\$ 1,940	\$ 2,092
Fund charges	10,792	11,344
	<u>12,732</u>	<u>13,436</u>
Investment funds		
Index equity large cap	2,592	3,471
Fixed Income - core bond index	5,195	5,130
Fixed income - Goldman Sachs	8,608	8,475
	<u>16,395</u>	<u>17,076</u>
<b>Total investment expense</b>	<u><u>\$ 29,127</u></u>	<u><u>\$ 30,512</u></u>

CITY OF DALTON, GA  
PAYMENT FUND STATEMENT  
GROUP ANNUITY CONTRACT # 1515  
BRANCH 040  
FOR THE PERIOD 12/31/18 TO 02/28/19

BALANCE AS OF 12/31/18	\$627,264.18
DEPOSITS	1,807,130.88
BENEFIT PAYMENTS	
GUARANTEED ANNUITIES	379,315.35-
NON-GUARANTEED ANNUITIES	857,891.64-
WITHDRAWALS	0.00
TRANSFERS FROM GENERAL ACCOUNT	0.00
TRANSFERS FROM SEPARATE ACCOUNT	627,078.08
TRANSFERS TO SEPARATE ACCOUNT	1,807,130.88-
EXPENSES	
RISK CHARGES	1,939.59-
FUND CHARGES	10,791.63-
INTEREST EARNED	23.77
BALANCE AS OF 02/28/19	\$4,427.82
INTEREST RATE:	2.44%

**City of Dalton**  
**METROPOLITAN LIFE INSURANCE COMPANY (INC)**  
**Monthly Statement Ending February 28, 2019**  
 Contract/Policy: 001515 City of Dalton Employees' Pension Plan

Item	METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 BR 007	METROPOLITAN INDEX FUND MI VIA SA# II - SA MI BR 005	METLIFE SEPARATE ACCOUNT #263 - SA 263 BR 008	Total Market Values
Opening Balance	\$33,103,741.56	\$16,491,457.37	\$10,853,224.07	\$60,448,423.00
Deposits	242,628.15	323,504.20	80,876.03	647,008.38
Withdrawals	(232,767.60)	(310,356.81)	(77,589.20)	(620,713.61)
Fees	(2,623.58)	(1,332.98)	(4,346.91)	(8,303.47)
Other Contract Expenses	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Distribution of Income	\$0.00	\$0.00	\$0.00	\$0.00
Investment Income	\$75,763.92	\$40,521.42	\$26,078.67	\$142,364.01
Realized Capital Gains/Losses	(\$72,742.63)	\$12,055.81	(\$1,310.04)	(\$61,996.86)
Change in Unrealized Appreciation of Assets	(\$31,319.53)	\$470,571.60	(\$16,345.21)	\$422,906.86
Closing Balance	\$33,082,680.29	\$17,026,420.61	\$10,860,587.41	\$60,969,688.31
Closing Unit Value	184.8559	9,269.5646	256.8051	
Closing Number of Units	178,964.70	1,836.81	42,291.17	

**Investment Performance Results**  
 for the period ending February 28, 2019

	1 Month	3 Months	YTD	1 Year	2 Years	3 Years	5 Years	10 Years	Since Inception*	Inception Date
METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 T&DWR***	-0.10%	2.84%	0.99%	3.04%	1.70%	1.52%	N/A	N/A	1.82%	09/28/2015
METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 TWR****	-0.08%	2.87%	1.01%	3.13%	1.79%	1.62%	N/A	N/A	1.91%	09/28/2015



Intermediary Services: 800-669-0498

## Corporation account

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

## Account overview

**\$48,244,333.88**

Total account value as of February 28, 2019

**Year-to-date income**

Taxable income	\$24,816.88
Nontaxable income	0.00
<b>Total</b>	<b>\$24,816.88</b>

**Balances and holdings for Vanguard funds**

Beginning on January 1, 2012, new tax rules on taxable (nonretirement) mutual fund accounts (excluding money market funds) require Vanguard to track cost basis information for shares acquired and subsequently sold, on or after that date. Unless you select another method, sales of Vanguard mutual funds, but not ETFs, will default to the average cost method. For more information, visit [vanguard.com/costbasis](http://vanguard.com/costbasis).

Symbol	Name	Fund and account	Average price per share	Total cost	Balance on 12/31/2018	Balance on 02/28/2019
VINIX	Inst Index Fund Inst	0094-88145531032	\$216.65	\$26,152,411.33	\$27,468,202.65	\$30,621,221.56
VSCIX	Small-Cap Index Fund Inst	0857-88145531032	58.86	9,891,988.27	10,624,030.34	12,457,440.20
VBPIX	Total Bond Mkt Index Inst	0222-88145531032	10.41	5,121,413.99	5,116,411.40	5,165,672.12
					<b>\$43,208,644.39</b>	<b>\$48,244,333.88</b>

**Account activity for Vanguard funds**

Inst Index Fund Inst 0094-88145531032

Purchases	Withdrawals	Dividends
\$0.00	\$0.00	\$0.00

February 28, 2019, year-to-date statement

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CITY OF DALTON EMPLOYEE PENSION PLAN

FINANCIAL REPORT

JANUARY 31, 2019

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**City of Dalton**  
**Pension Trust Fund**  
**Statement of Net Position**  
**January 31, 2019 and 2018**  
**(Unaudited)**

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Cash and cash equivalents:		
Cash	\$ 1,716	\$ 11,110
Payment fund	7,795	(120)
Investments, at fair value		
MetLife large cap index equity fund	16,491,457	27,156,788
MetLife fixed income - core bond index	33,103,742	32,254,381
MetLife fixed income - Goldman Sachs	10,853,224	10,550,452
Vanguard - 500 index fund	29,668,797	25,190,288
Vanguard - small cap index fund	11,882,714	12,050,129
Vanguard - bond index fund	5,168,427	-
<b>Total Assets</b>	<u>\$ 107,177,872</u>	<u>\$ 107,213,028</u>
 <b>Liabilities</b>		
Accounts payable	3,607	4,775
<b>Total Liabilities</b>	<u>3,607</u>	<u>4,775</u>
 <b>Total Net Position</b>	<u>\$ 107,174,265</u>	<u>\$ 107,208,253</u>

**City of Dalton**  
**Pension Trust Fund**  
**Statement of Change in Net Position**  
**For the One Month Ended January 31, 2019**  
**With Comparative Amounts for 2018**  
**(Unaudited)**

	<b>2019</b>	<b>2018</b>
<b>Additions</b>		
Contributions:		
Employer	\$ 657,059	\$ 645,702
Plan members	59,744	63,454
Total contributions	<u>716,803</u>	<u>709,156</u>
Investment income:		
Interest, dividends and realized gains	135,314	120,792
Net increase (decrease) in fair value investments	<u>5,055,388</u>	<u>2,555,012</u>
Total investment income	5,190,702	2,675,804
Less: investment expense	<u>14,456</u>	<u>15,200</u>
Net investment income	<u>5,176,246</u>	<u>2,660,604</u>
<b>Total Additions</b>	<u><b>5,893,049</b></u>	<u><b>3,369,760</b></u>
<b>Deductions</b>		
Pension benefits	619,484	612,485
Legal fees	985	120
Fiduciary insurance	-	-
Accounting and audit fees	-	-
Actuarial fees	-	-
Consulting fees	2,040	2,040
Miscellaneous	<u>125</u>	<u>135</u>
<b>Total Deductions</b>	<u><b>622,634</b></u>	<u><b>614,780</b></u>
<b>Change in Net Position</b>	<b>5,270,415</b>	<b>2,754,980</b>
<b>Net Position Beginning of Year</b>	<b>101,903,850</b>	<b>104,453,273</b>
<b>Net Position End of Period</b>	<u><u><b>\$ 107,174,265</b></u></u>	<u><u><b>\$ 107,208,253</b></u></u>

**City of Dalton**  
**Pension Trust Fund**  
**Supplemental Schedule**  
**For the One Month Ended January 31, 2019**  
**With Comparative Amounts for 2018**  
**(Unaudited)**

	2019	2018
<b>Investment income:</b>		
Interest income:		
City's cash account interest	\$ 1	\$ 7
Payment fund interest	16	4
	<u>17</u>	<u>11</u>
Investment income:		
Index equity large cap	22,415	26,571
Fixed Income - core bond index	79,729	76,500
Fixed income - Goldman Sachs	27,851	21,147
Vanguard - 500 index fund	-	-
Vanguard - small cap index fund	-	-
Vanguard - bond index fund	12,847	-
	<u>142,842</u>	<u>124,218</u>
Realized gains (losses):		
Index equity large cap	2,055	26,068
Fixed Income - core bond index	(14,110)	1,293
Fixed income - Goldman Sachs	4,510	(30,798)
Vanguard - 500 index fund	-	-
Vanguard - small cap index fund	-	-
Vanguard - bond index fund	-	-
	<u>(7,545)</u>	<u>(3,437)</u>
<b>Total investment income</b>	<u><u>\$ 135,314</u></u>	<u><u>\$ 120,792</u></u>
<b>Change in fair value:</b>		
Index equity large cap	1,181,229	1,391,669
Fixed Income - core bond index	291,300	(455,239)
Fixed income - Goldman Sachs	84,411	(79,080)
Vanguard - 500 index fund	2,200,595	1,363,304
Vanguard - small cap index fund	1,258,684	334,358
Vanguard - bond index fund	39,169	-
<b>Total change in fair value</b>	<u><u>\$ 5,055,388</u></u>	<u><u>\$ 2,555,012</u></u>
<b>Investment expense:</b>		
Payment fund		
Risk charges	\$ 970	\$ 1,046
Fund charges	5,395	5,669
	<u>6,365</u>	<u>6,715</u>
Investment funds		
Index equity large cap	1,259	1,693
Fixed Income - core bond index	2,571	2,563
Fixed income - Goldman Sachs	4,261	4,229
	<u>8,091</u>	<u>8,485</u>
<b>Total investment expense</b>	<u><u>\$ 14,456</u></u>	<u><u>\$ 15,200</u></u>

CITY OF DALTON, GA  
PAYMENT FUND STATEMENT  
GROUP ANNUITY CONTRACT # 1515  
BRANCH 040  
FOR THE PERIOD 12/31/18 TO 01/31/19

BALANCE AS OF 12/31/18	\$627,264.18
DEPOSITS	1,160,122.50
BENEFIT PAYMENTS	
GUARANTEED ANNUITIES	190,258.45-
NON-GUARANTEED ANNUITIES	429,225.97-
WITHDRAWALS	0.00
TRANSFERS FROM GENERAL ACCOUNT	0.00
TRANSFERS FROM SEPARATE ACCOUNT	6,364.47
TRANSFERS TO SEPARATE ACCOUNT	1,160,122.50-
EXPENSES	
RISK CHARGES	969.79-
FUND CHARGES	5,394.68-
INTEREST EARNED	15.57
BALANCE AS OF 01/31/19	\$7,795.33
INTEREST RATE:	2.44%

**City of Dalton**  
**METROPOLITAN LIFE INSURANCE COMPANY (INC)**  
**Monthly Statement Ending January 31, 2019**  
 Contract/Policy: 001515 City of Dalton Employees' Pension Plan

Item	METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 BR 007	METROPOLITAN INDEX FUND MI VIA SA# II - SA MI BR 005	METLIFE SEPARATE ACCOUNT #263 - SA 263 BR 008	Total Market Values
Opening Balance	\$32,316,734.98	\$14,710,138.98	\$10,596,493.68	\$57,623,367.64
Deposits	435,045.96	580,061.26	145,015.28	1,160,122.50
Withdrawals	(2,386.68)	(3,182.24)	(795.55)	(6,364.47)
Fees	(2,571.12)	(1,258.76)	(4,261.33)	(8,091.21)
Other Contract Expenses	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Distribution of Income	\$0.00	\$0.00	\$0.00	\$0.00
Investment Income	\$79,728.75	\$22,414.57	\$27,850.72	\$129,994.04
Realized Capital Gains/Losses	(\$14,110.18)	\$2,054.87	\$4,510.42	(\$7,544.89)
Change in Unrealized Appreciation of Assets	\$291,299.85	\$1,181,228.69	\$84,410.85	\$1,556,939.39
Closing Balance	\$33,103,741.56	\$16,491,457.37	\$10,853,224.07	\$60,448,423.00
Closing Unit Value	185.0115	8,981.8526	256.6025	
Closing Number of Units	178,928.05	1,836.09	42,295.87	

**Investment Performance Results**  
 for the period ending January 31, 2019

	1 Month	3 Months	YTD	1 Year	2 Years	3 Years	5 Years	10 Years	Since Inception*	Inception Date
METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 T&DWR***	1.09%	3.54%	1.09%	2.14%	2.08%	1.80%	N/A	N/A	1.89%	09/28/2015
METLIFE SEPARATE ACCOUNT # 377 ACCESS TO CORE LAGB - SA 377 TWR***	1.10%	3.56%	1.10%	2.23%	2.18%	1.90%	N/A	N/A	1.98%	09/28/2015



Intermediary Services: 800-669-0498

## Corporation account

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

## Account overview

**\$46,719,938.84**

Total account value as of January 31, 2019

**Year-to-date income**

Taxable income	\$12,847.25
Nontaxable income	0.00
<b>Total</b>	<b>\$12,847.25</b>

**Balances and holdings for Vanguard funds**

Beginning on January 1, 2012, new tax rules on taxable (nonretirement) mutual fund accounts (excluding money market funds) require Vanguard to track cost basis information for shares acquired and subsequently sold, on or after that date. Unless you select another method, sales of Vanguard mutual funds, but not ETFs, will default to the average cost method. For more information, visit [vanguard.com/costbasis](http://vanguard.com/costbasis).

Symbol	Name	Fund and account	Average price per share	Total cost	Balance on 12/31/2018	Balance on 01/31/2019
VINIX	Inst Index Fund Inst	0094-88145531032	\$216.65	\$26,152,411.33	\$27,468,202.65	\$29,668,797.39
VSCIX	Small-Cap Index Fund Inst	0857-88145531032	58.86	9,891,988.27	10,624,030.34	11,882,714.10
VBTIX	Total Bond Mkt Index Inst	0222-88145531032	10.41	5,109,444.36	5,116,411.40	5,168,427.35
					<b>\$43,208,644.39</b>	<b>\$46,719,938.84</b>

**Account activity for Vanguard funds**

Inst Index Fund Inst 0094-88145531032

Purchases	Withdrawals	Dividends
\$0.00	\$0.00	\$0.00

January 31, 2019, year-to-date statement

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**CITY OF DALTON PENSION  
MBR CALCULATION**

<b>Period Ended</b>	<b><u>12/31/12</u></b>	<b><u>12/31/13</u></b>	<b><u>12/31/14</u></b>	<b><u>12/31/15</u></b>	<b><u>12/31/16</u></b>	<b><u>12/31/17</u></b>	<b><u>12/31/18</u></b>
<b>MBR</b>	\$ 42,049,201	\$ 36,127,554	\$ 37,588,427	\$ 35,508,869	\$ 33,797,435	\$ 31,837,567	\$ 28,791,767
<b><i>Equities:</i></b>							
Large Cap Index Fund	25,259,024	32,724,389	34,613,665	35,550,915	29,713,206	25,137,254	14,710,139
Small Cap Index Fund	7,087,567	9,539,608	9,029,040	8,533,469	-	-	-
Sub-total	32,346,591	42,263,997	43,642,705	44,084,384	29,713,206	25,137,254	14,710,139
Equities at 75%	24,259,943	31,697,998	32,732,029	33,063,288	22,284,905	18,852,941	11,032,604
Fixed income at 100%	33,316,720	32,265,461	39,079,036	40,074,942	41,292,393	42,700,883	42,913,229
Payment fund at 100%	553,165	560,573	635,136	582,898	611,248	612,361	627,264
<b>Recognized assets</b>	58,129,828	64,524,032	72,446,201	73,721,128	64,188,546	62,166,185	54,573,097
<b>Minimum required balance</b>	42,049,201	36,127,554	37,588,427	35,508,869	33,797,435	31,837,567	28,791,767
<b>Excess (deficit) assets</b>	\$ 16,080,627	\$ 28,396,478	\$ 34,857,774	\$ 38,212,259	\$ 30,391,111	\$ 30,328,618	\$ 25,781,330

# Market Indices Performance

## As January 31, 2019

### (%) 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	8.01	8.01	8.01	-2.31	14.02
Russell 1000 Growth	8.99	8.99	8.99	0.24	16.60
Russell 1000 Value	7.78	7.78	7.78	-4.81	11.62
Russell 2000	11.25	11.25	11.25	-3.52	14.71
MSCI EAFE	6.57	6.57	6.57	-12.51	7.74
MSCI Emerging Markets	8.77	8.77	8.77	-14.24	14.89
<b><u>Fixed Income</u></b>					
Barclays Aggregate	1.06	1.06	1.06	2.25	1.95
Barclays Intermediate G/C	0.87	0.87	0.87	2.66	1.58
Barclays 1-3 Year G/C	0.39	0.39	0.39	2.27	1.20
Barclays High Yield	4.52	4.52	4.52	1.73	9.41
90 Day T Bills	0.20	0.20	0.20	1.96	1.05

SOUTHEASTERN ADVISORY SERVICES, INC.  
*Registered Investment Advisor*



# Market Indices Performance

## As February 28, 2019

### (%) 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	11.48	11.48	4.68	15.28
Russell 1000 Growth	3.58	12.89	12.89	6.62	17.99
Russell 1000 Value	3.20	11.23	11.23	3.16	12.80
Russell 2000	5.20	17.03	17.03	5.58	16.67
MSCI EAFE	2.55	9.29	9.29	-6.04	9.32
MSCI Emerging Markets	0.10	8.82	8.82	-12.07	12.39
<b><u>Fixed Income</u></b>					
Barclays Aggregate	-0.06	1.00	1.00	3.17	1.69
Barclays Intermediate G/C	0.09	0.95	0.95	3.22	1.44
Barclays 1-3 Year G/C	0.16	0.55	0.55	2.52	1.22
Barclays High Yield	1.66	6.26	6.26	4.31	9.81
90 Day T Bills	0.19	0.39	0.39	2.04	1.11

SOUTHEASTERN ADVISORY SERVICES, INC.  
*Registered Investment Advisor*

