



**EMPLOYEE PENSION PLAN
BOARD OF TRUSTEES MEETING
TUESDAY, SEPTEMBER 28, 2021
3:00 PM
300 WEST WAUGH ST - COUNCIL CHAMBERS**

A G E N D A

Call To Order

Minutes

- [1.](#) Pension Minutes 07-27-2021

Unfinished Business

- [2.](#) Investment Performance Analysis - August 31, 2021
Investment Performance Analysis - 2nd Quarter 2021

New Business

3. Attorney Update
[4.](#) Pension Retirees COLA Increase

Invoices

- [5.](#) Invoice # 710-0921 (\$475.00) from Southern Actuarial Services for cost-of-living adjustment study.

Reports

- [6.](#) Market Indices - July 31 and August 31, 2021

Adjournment

THE CITY OF DALTON
EMPLOYEES PENSION PLAN – BOARD OF TRUSTEES
REGULAR MEETING
JULY 27, 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 Chairman Gary Hill, Trustees Dwayne Carvell, Mike Sloan, Vernon Ray. Chairman of the Water, Light & Sinking Fund Commission Joe Yarbrough, Mayor David Pennington and Council member Annalee Harlan Trustees were absent.

MINUTES

The Trustees were presented written copies of the minutes of the meeting of May 25, 2021. On the motion of Trustee Sloan, second Trustee Yarbrough, the minutes were approved. The vote was unanimous in favor.

METLIFE MBR MEMO JULY 2021

Wallace Wilson of SEAS reviewed a memo sent to the Board dated July 13, 2021 regarding SEAS suggestion to transfer a conservative \$5 million dollars from MetLife equity investment and invest the \$5 million in the Vanguard Total Bond Market Index Fund (VBTIX) no later than August 31, 2021.

Wilson stated as of March 31, 2021 the MBR value was \$26.2 million and the assets at MetLife valued (according to the contract values) asset at \$65 million which leaves an excess of over the MBR of \$35.8 million. A copy of this memo is a part of these minutes.

On the motion of Trustee Sloan, second Trustee Yarbrough, the Board approved the transfer. The vote was unanimous in favor.

INVESTMENT PERFORMANCE ANALYSIS – JUNE 30, 2021

Wallace Wilson from SEAS reported on the June 30, 2021 Investment Performance Analysis report. Wilson stated as of June 30, 2021 the Plan's total fund is \$151,435,450.00. Wilson also reported that the Return for the total fund for the quarter is 5.25% and YTD is 7.81%. Wilson further stated that this is above the Plans actuary assumption of 6.75% and reported its been a favorably equity market. On the motion of Trustee Yarbrough, second Trustee Carvell, the Board approved the transfer. The vote was unanimous in favor.

ATTORNEY UPDATE

There was no attorney update.

RETIREEES

James L. Duncan - Dalton Utilities

(1) On the motion of Trustee Ray, second Trustee Sloan, the Board ratified payment to James L. Duncan - 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.

Marshall Wayne Hix – Public Works

(2) On the motion of Trustee Carvell, second Trustee Sloan, the Board ratified payment to Marshall Wayne Hix – Public Works. 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 Yarbrough, the invoices were approved:

- Invoices #211 and #212 (\$2,040.00 ea.) for SEAS services.

The vote was unanimous in favor.

REPORTS

Market Indices Performance – June 30, 2021
MBR Report for 2nd Quarter 2021
May and June 2021 Financial Reports

ADJOURNMENT

Chairman Hill thanked everyone for coming. There being no further business to come before the trustees, the meeting was adjourned at 3:19 p.m.

Gary Hill, Chairman

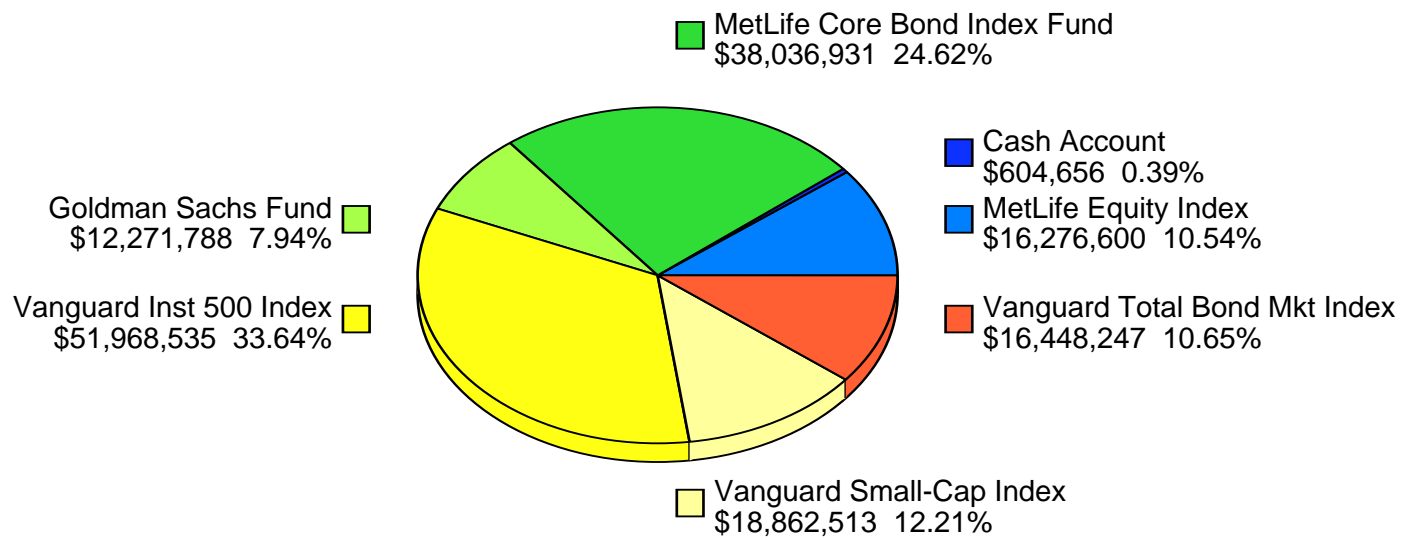
ATTEST:

Mike Sloan, Secretary
RECORDED
APPROVED

City of Dalton
Investment Performance Analysis
August 31, 2021

City of Dalton Total Fund Allocation By Manager Total Fund

August 31, 2021 \$154,469,269



City of Dalton

Performance Summary Table

Periods Ending 8/31/21

Manager	1 Mo	QTD	YTD	1 Year	3 Yrs	5 Yrs	10 Yrs
Total Large Cap Equity							
Total Return	3.06	5.51	21.60	31.19	18.09	17.98	16.30
Standard & Poors 500	3.04	5.49	21.58	31.17	18.07	18.02	16.34
MetLife Equity Index							
Total Return	3.13	5.60	21.74	31.34	18.16	18.13	16.39
Standard & Poors 500	3.04	5.49	21.58	31.17	18.07	18.02	16.34
Vanguard Inst 500 Index							
Total Return	3.04	5.48	21.56	31.14	18.05	17.87	
Standard & Poors 500	3.04	5.49	21.58	31.17	18.07	18.02	
Total Small Cap Equity							
Total Return	1.97	0.52	16.99	44.65	12.60	14.80	13.85
Russell 2000	2.24	-1.45	15.83	47.08	10.75	14.38	13.62
Vanguard Small-Cap Index							
Total Return	1.97	0.52	16.99	44.65	12.60	14.80	
CRSP Small Cap Index	1.98	0.50	16.96	44.62	12.57	14.77	
Total Fixed Income							
Total Return	-0.17	0.87	-0.66	0.06	5.38	3.12	3.16
Barclays U.S. Aggregate	-0.19	0.93	-0.69	-0.08	5.43	3.11	3.18
MetLife Core Bond Index Fund							
Total Return	-0.21	0.91	-0.77	-0.18	5.41	3.07	
Barclays U.S. Aggregate	-0.19	0.93	-0.69	-0.08	5.43	3.11	
Goldman Sachs Fund							
Total Return	-0.02	0.63	-0.28	0.83	5.18	3.18	
Barclays Int Govt/Credit	-0.16	0.60	-0.30	0.17	4.69	2.75	
Vanguard Total Bond Mkt Index							
Total Return	-0.21	1.01	-0.69	0.06	5.56		
BBG Barc U.S. Aggregate	-0.19	0.93	-0.69	-0.08	5.43		
Cash Account							
Total Return	0.00	0.00	0.00	0.00	0.16	0.25	0.18
91-Day Treasury Bill	0.00	0.01	0.03	0.08	1.23	1.17	0.63

City of Dalton
Performance Summary Table
Periods Ending 8/31/21

Manager	1 Mo	QTD	YTD	1 Year	3 Yrs	5 Yrs	10 Yrs
Total Fund							
Total Return	1.51	2.88	10.92	17.59	11.61	10.76	9.77
Policy Index	1.35	2.47	9.55	16.25	11.38	10.35	9.77
Indices							
91-Day Treasury Bill	0.00	0.01	0.03	0.08	1.23	1.17	0.63

CITY OF DALTON EMPLOYEE'S PENSION PLAN
INVESTMENT PERFORMANCE ANALYSIS
SECOND QUARTER 2021

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 June 30, 2021

I. MARKET ENVIRONMENT

Index	Second Quarter	1 Year	3 Year
Standard & Poor's 500 Index	8.6%	40.8%	18.7%
Russell 2000 Index	4.3%	62.0%	13.5%
MSCI EAFE Index (Net)	5.2%	32.4%	8.3%
NCREIF Index	3.6%	7.4%	5.5%
CS Hedge Index	3.0%	16.6%	5.9%
BBG Barc U.S. Aggregate	1.8%	-0.3%	5.3%
91 Day Treasury Bills	0.0%	0.1%	1.3%
Consumer Price Index (NSA)	2.6%	5.4%	2.5%

Inflation continues to accelerate in 2021, and it is unclear as to whether this is the beginning of a persistent trend or one effect of a rapidly reopening economy. U.S. CPI is up 6.5% (annualized) YTD through May, largely due to a spike in energy prices, with oil up more than 50%. Fed Chair Jerome Powell believes that price increases will wane, saying that current pressure points "don't speak to a broadly tight economy." Though not typically large contributors to overall inflation, used car and truck prices, which were up 10% in April and another 7% in May, provide some evidence of potentially transitory spikes. Real GDP grew by an annualized 6.4% during the first quarter of 2021 and is now just -0.9% below its pre-COVID high. The largest contributor to growth was personal consumption, up 11.4% for the quarter, which added 7.4% to the increase in real GDP. Strong household and business spending actually detracted from growth in other facets of GDP. Businesses had to draw down inventories and increasing demand for imports acted as detractors to growth. The Atlanta Fed's GDP now forecast for the second quarter currently stands at 8.3%.

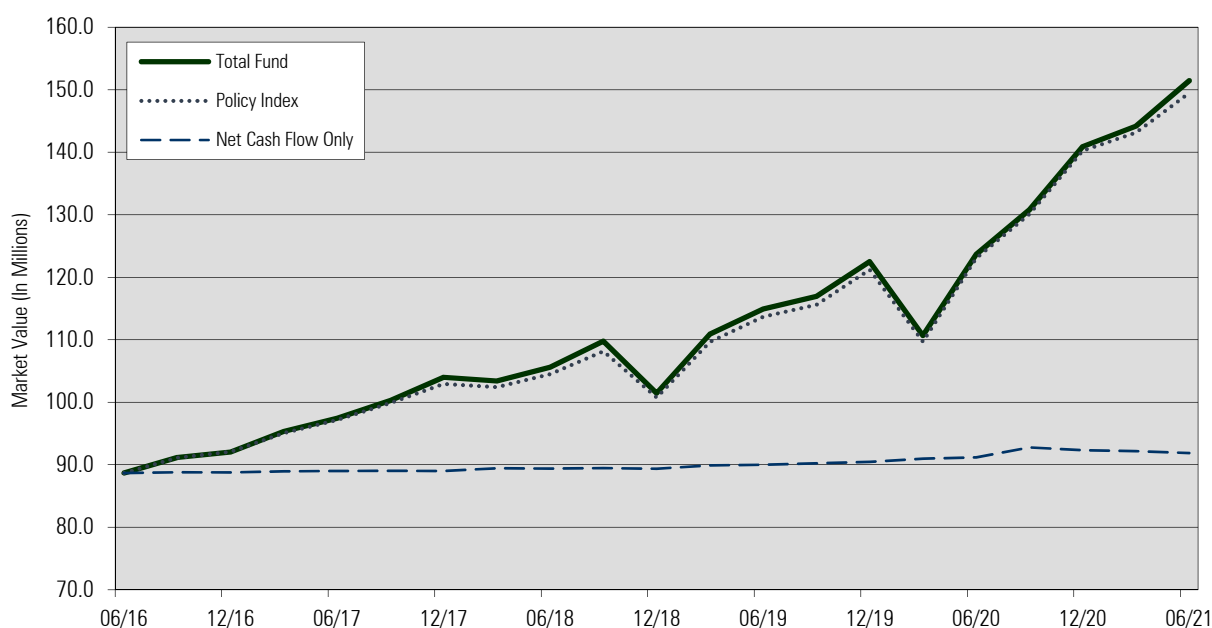
Equities: The U.S. stock market, represented by the Standard & Poor's 500 Index, was up 8.6% for the second quarter of 2021. Nearly all eleven sectors were in positive territory, with Energy (11.3%) and Real Estate (13.1%) representing the best performing sectors. The only sector with negative performance this quarter was Utilities (-0.4%), which represents a relatively small segment of the U.S. market, with a weight of 2.3%. From a size perspective, large-cap outperformed small-cap during the quarter. Style-based results were mixed as large-growth outperformed large-value while growth underperformed within the small-cap space.

Fixed Income: The U.S. Treasury yield curve flattened during the quarter with yields beyond a 3-year maturity falling and shorter-term rates generally rising. The 10-year Treasury yield ended the quarter at 1.5%, down .3% from March. Credit spreads tightened, with the spread on the broad high yield market closing the quarter at 2.7%. The Federal Open Market Committee (FOMC) met twice during the quarter, as scheduled, with no change to their overnight rate. Economists are split, however, on interpreting the Fed's current intentions. The FOMC recently opened the conversation on possible tapering of bond purchases and their median forecast for the future overnight rate moved from no change to a 0.5% increase --albeit in 2023. However, a week after the last meeting, Chair Jerome Powell indicated that the Fed would not raise rates "preemptively" on possible inflation fears.

Alternatives: CalSTRS, the second-largest U.S. public pension fund, recently reported that the hedge fund fee structure is "broken". CalSTRS is now seeking to replicate hedge funds through cheaper, passive strategies. Overall, Hedge Funds gained more than 10% in 2021, marking the industry's strongest first half performance in over 22 years. Total hedge capital surpassed a record \$3.96 trillion. *HRF/CNBC*



II. **PORTFOLIO GROWTH- PERIOD ENDED JUNE 30, 2021**



Period Ending	Beginning Value \$(000)	Net Cash Flow	Net Gain/Loss	Ending Value \$(000)	Quarterly Return	Fiscal Yr Return
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%
Mar-21	140,902	-152	3,417	144,147	2.4%	
Jun-21	144,147	-296	7,564	151,435	5.3%	7.8%



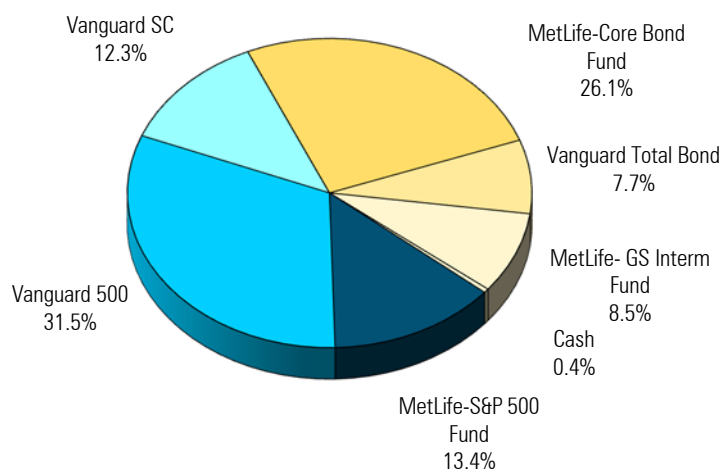
III. Market Values

Manager	Market Values as of 3/31/2021	Market Values as of 6/30/2021
MetLife Equity Index	\$19,381,320	\$20,906,196
Vanguard Inst 500 Index	\$45,393,125	\$49,268,717
Vanguard Small-Cap Index	\$17,771,302	\$18,765,149
MetLife Core Bond Index Fund	\$37,597,490	\$38,178,466
Vanguard Total Bond Index	\$11,120,473	\$11,343,104
Goldman Sachs Fund	\$12,295,274	\$12,364,329
Cash	\$608,135	\$609,489
Total Fund	\$144,167,119	\$151,435,450

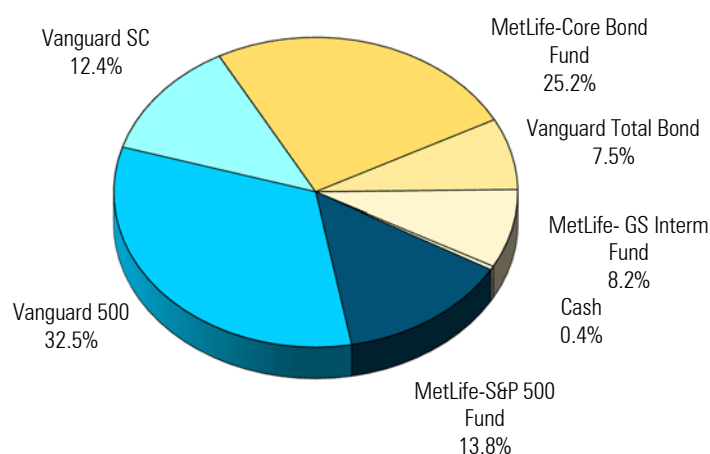
Asset Mix Policy – at market value

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

As of March 31, 2021



As of June 30, 2021



IV. PERFORMANCE COMPARISONS (Gross of Fees)

A. Total Fund Analysis

Total Fund vs. Total Fund Universe	2nd Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Fund	5.3%/40 th	21.7%/73 rd	12.0%/33 rd	10.7%/46 th
Policy Index*	4.6%/61 st	20.7%/75 th	11.9%/37 th	10.4%/49 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	2nd Quarter Return	1 Year Return	3 Year Return	5 Year Return
Total Large Cap Equity	8.6%/21 st	40.8%/50 th	18.7%/25 th	17.6%/25 th
MetLife Equity Index	8.6%/19 th	40.9%/50 th	18.7%/25 th	17.8%/21 st
Vanguard Inst 500 Index (Incept 8/19/2016)	8.5%/25 th	40.8%/50 th	18.7%/27 th	N/A
S&P 500	8.6%/21 st	40.8%/50 th	18.7%/25 th	17.7%/25 th

Manager	2nd Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Small Cap Equity	5.6%/19 th	56.5%/61 st	14.8%/27 th	16.4%/22 nd
Vanguard Small-Cap Index (Incept 8/19/2016)	5.6%/19 th	56.5%/61 st	14.8%/27 th	N/A
CRSP Small Cap Index	5.6%/19 th	56.5%/61 st	14.7%/27 th	15.9%/28 th

C. Fixed Income Fund Analysis

Manager	2nd Quarter Return	1 Year Return	3 Years Return	5 Years Return
Total Fixed Income	1.7%/78 th	-0.1%/84 th	5.3%/85 th	3.0%/88 th
MetLife Core Bond Index Fund*	1.8%/73 rd	-0.5%/91 st	5.3%/85 th	3.0%/90 th
Vanguard Total Bond Index	2.0%/54 th	-0.4%/90 th	5.4%/85 th	N/A
BBG Barc US Aggregate	1.8%/73 rd	-0.3%/85 th	5.3%/85 th	3.0%/88 th

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

Manager	2nd Quarter Return	1 Year Return	3 Years Return	5 Years Return
Goldman Sachs Interm Bond Fund*	1.0%/63 rd	1.3%/39 th	5.2%/20 th	3.1%/17 th
BBG Barc Intermediate Govt/Credit	1.0%/57 th	0.2%/75 th	4.7%/57 th	2.6%/68 th

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



D. Cash Analysis

Manager	2nd Quarter Return	1 Year Return	3 Years Return	5 Years Return
Cash Account	0.0%/100 th	0.0%/100 th	0.2%/99 th	0.3%/99 th
91-Day T-Bills	0.0%/100 ^t	0.1%/64 th	1.3%/62 nd	1.2%/67 th

V. ANNUALIZED RETURN SINCE INCEPTION

Fund	Fund Return	Index Return
MetLife Equity Index (4/1/00)	7.2%	7.1%
Vanguard Inst 500 Index (8/19/16)	17.3%	17.4%
Vanguard Small-Cap Index (8/19/16)	15.3%	15.2%
MetLife Core Bond Index Fund (9/28/15)	3.4%	3.5%
Vanguard Total Bond Index (4/26/18)	5.3%	5.3%
Goldman Sachs Interm Fund (9/28/15)	3.3%	2.9%
Total Fund (1/1/99)	6.4%	6.7%



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%	6.75%
2019	\$122.5	19.9%	19.0%	6.75%
2020	\$140.9	13.2%	13.9%	6.75%
2021 YTD	\$151.4	7.8%	6.9%	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

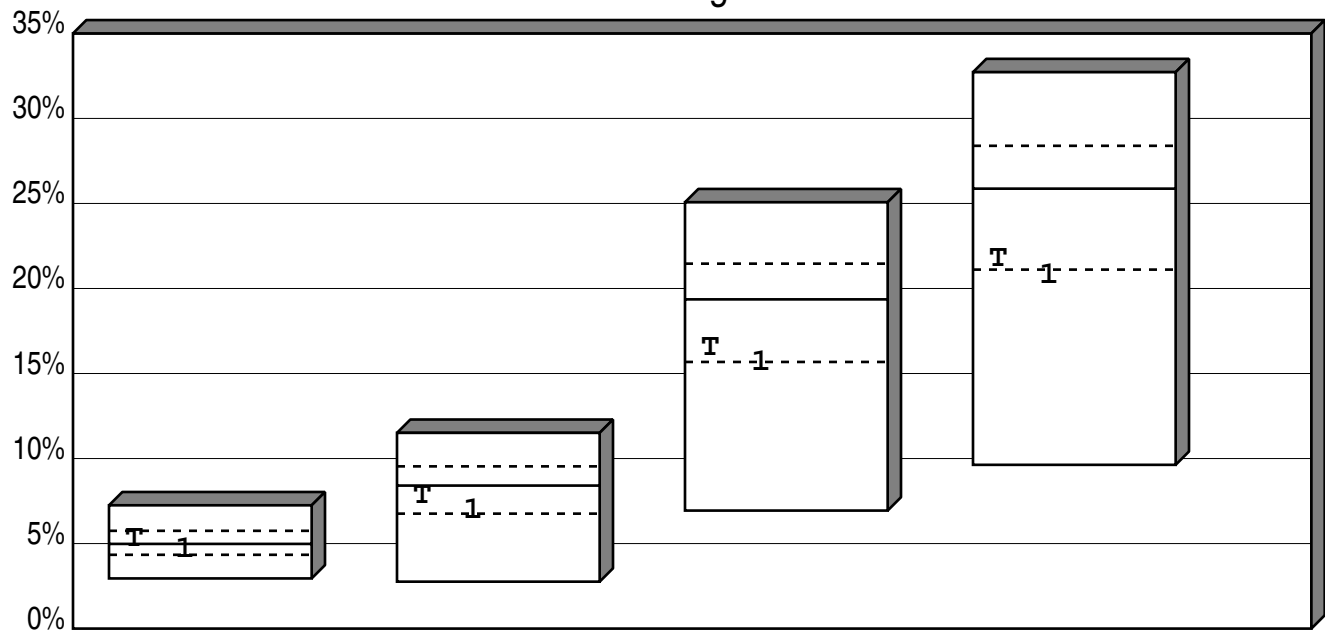


City of Dalton Employee's Pension Plan

Cumulative Performance Comparison

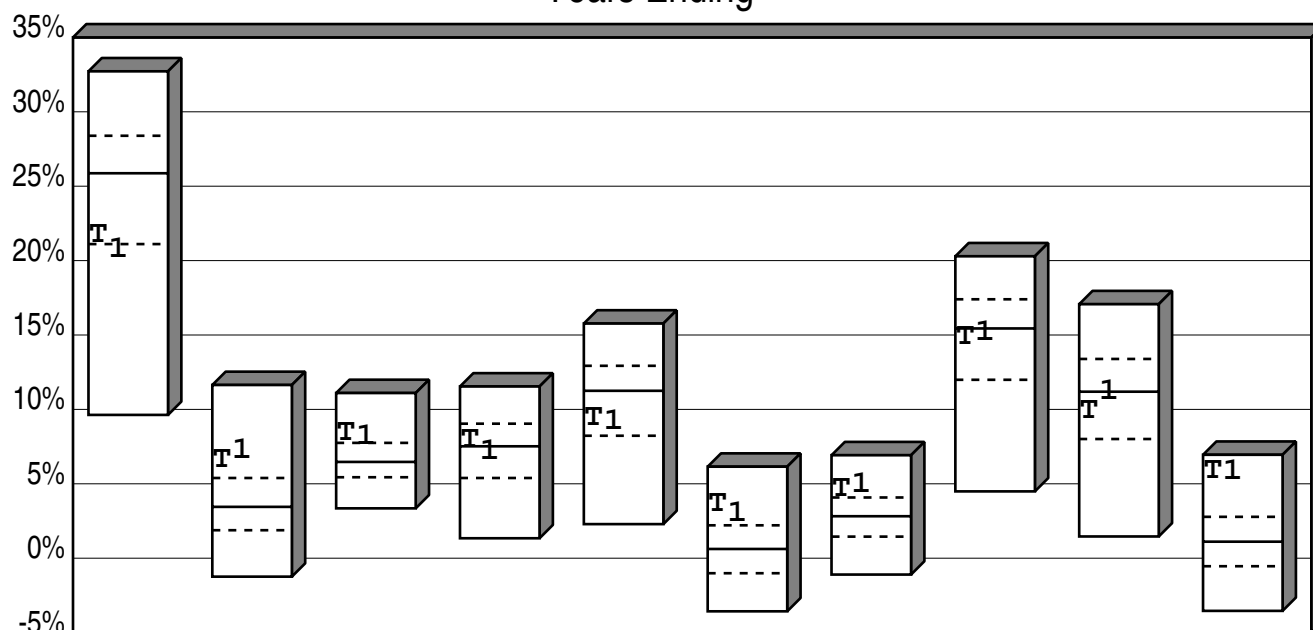
Total Returns of Total Fund Portfolios

Periods Ending 6/21



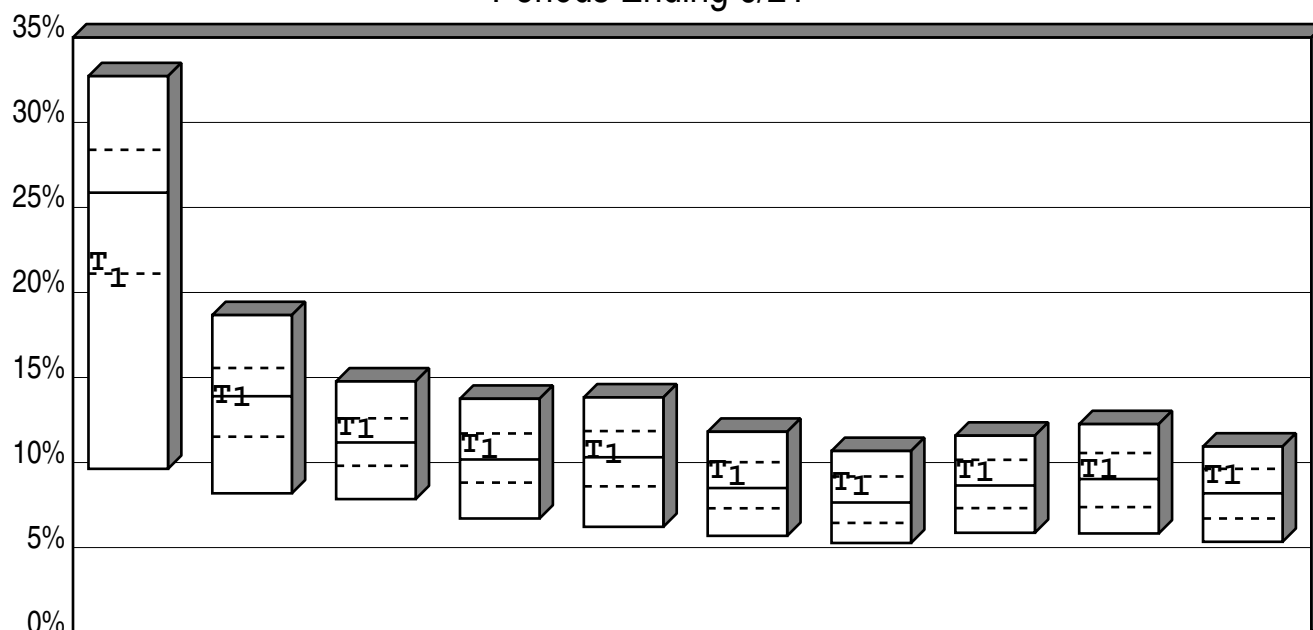
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	7.25	11.51	25.07	32.72
1st Qt	5.75	9.54	21.46	28.39
Median	4.98	8.41	19.36	25.87
3rd Qt	4.34	6.76	15.68	21.11
Low	2.95	2.76	6.94	9.63
T Total Fund				
Return	5.25	7.81	16.51	21.71
Rank	40	61	72	73
1 Policy Index				
Return	4.63	6.91	15.62	20.72
Rank	61	74	75	75

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



	6/21	6/20	6/19	6/18	6/17	6/16	6/15	6/14	6/13	6/12
High	32.72	11.64	11.10	11.54	15.77	6.15	6.92	20.29	17.07	6.95
1st Qt	28.39	5.39	7.75	9.04	12.93	2.21	4.08	17.40	13.39	2.78
Median	25.87	3.45	6.47	7.52	11.25	0.62	2.82	15.44	11.19	1.11
3rd Qt	21.11	1.88	5.44	5.39	8.23	-1.01	1.45	11.99	8.01	-0.54
Low	9.63	-1.24	3.35	1.34	2.29	-3.57	-1.10	4.49	1.46	-3.54
T Total Fund										
Return	21.71	6.60	8.41	7.97	9.42	3.63	4.64	14.84	9.92	5.87
Rank	73	16	15	42	66	13	17	57	61	7
1 Policy Index										
Return	20.72	7.17	8.15	7.15	9.18	2.97	4.94	15.14	11.14	5.76
Rank	75	14	19	55	69	17	14	54	50	7

City of Dalton Employee's Pension Plan Cumulative Performance Comparison Total Returns of Total Fund Portfolios Periods Ending 6/21



	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	32.72	18.67	14.77	13.75	13.83	11.81	10.68	11.58	12.26	10.94
1st Qt	28.39	15.56	12.60	11.71	11.85	10.02	9.18	10.16	10.56	9.63
Median	25.87	13.90	11.18	10.18	10.31	8.50	7.65	8.65	9.03	8.19
3rd Qt	21.11	11.52	9.81	8.82	8.60	7.31	6.45	7.32	7.38	6.71
Low	9.63	8.19	7.85	6.71	6.22	5.69	5.27	5.87	5.83	5.34

T Total Fund

Return	21.71	13.90	12.04	11.01	10.69	9.48	8.78	9.52	9.56	9.19
Rank	73	50	33	36	46	34	32	36	41	36

1 Policy Index

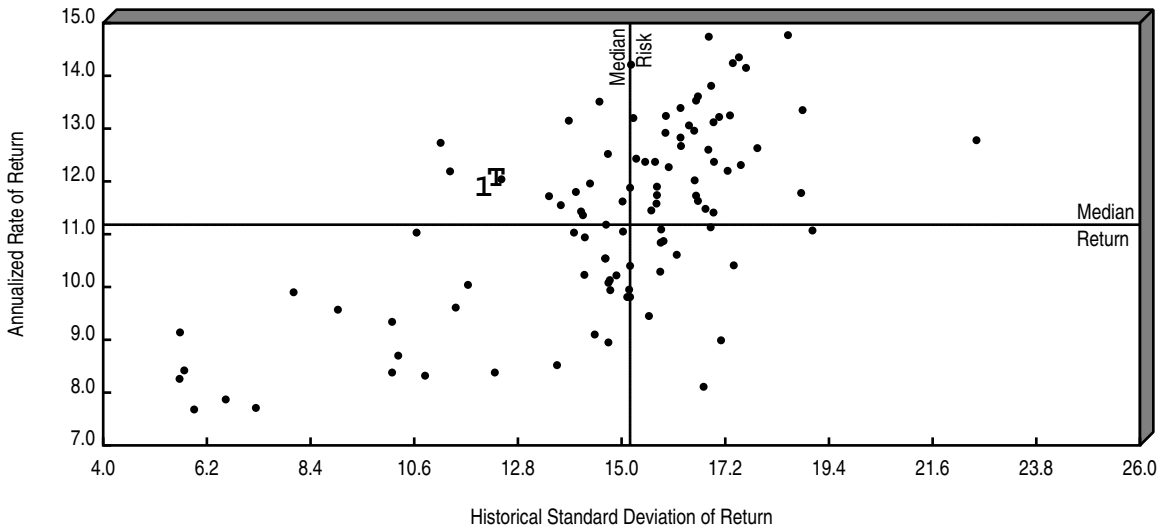
Return	20.72	13.74	11.85	10.65	10.36	9.09	8.49	9.30	9.50	9.12
Rank	75	51	37	45	49	39	37	40	41	36

City of Dalton Employee's Pension Plan

Return vs Risk

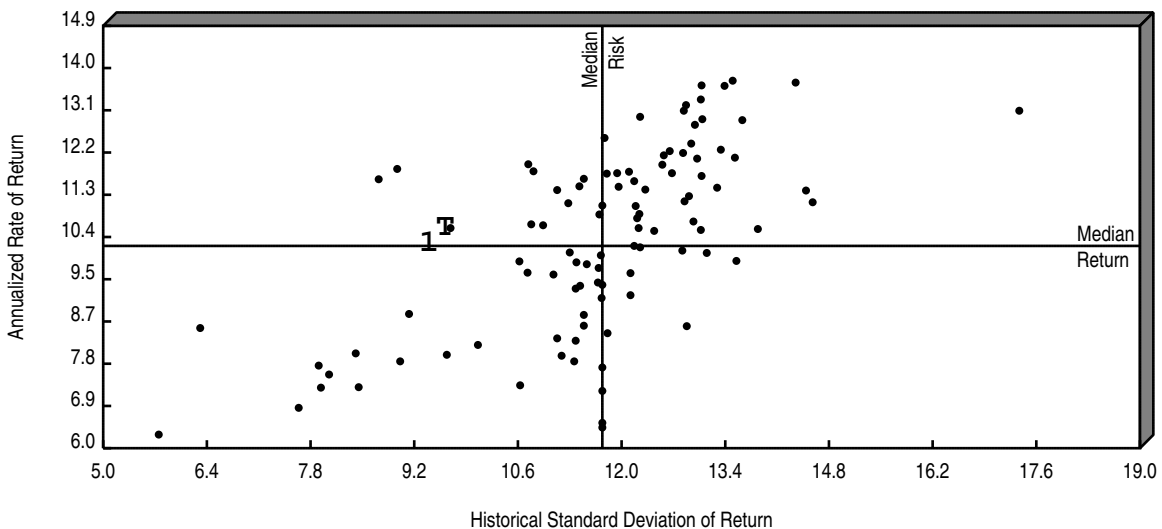
Total Returns of Total Fund Portfolios

3 Years Ending 6/30/21



		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	12.04	33	12.45	23
1	Policy Index	11.85	37	12.19	21
	Median	11.18		15.18	

5 Years Ending 6/30/21



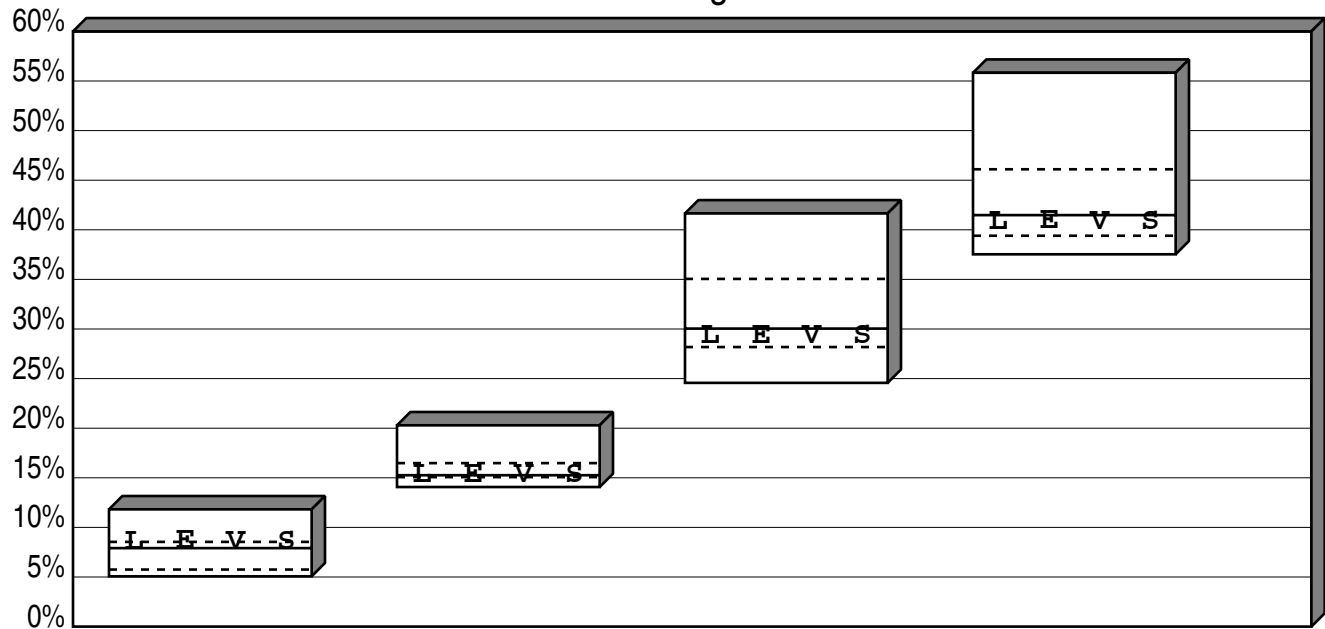
		Annualized Return		Standard Deviation	
		Value	Rank	Value	Rank
T	Total Fund	10.69	46	9.69	22
1	Policy Index	10.36	49	9.47	21
	Median	10.31		11.74	

City of Dalton Employee's Pension Plan

Large Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 6/21



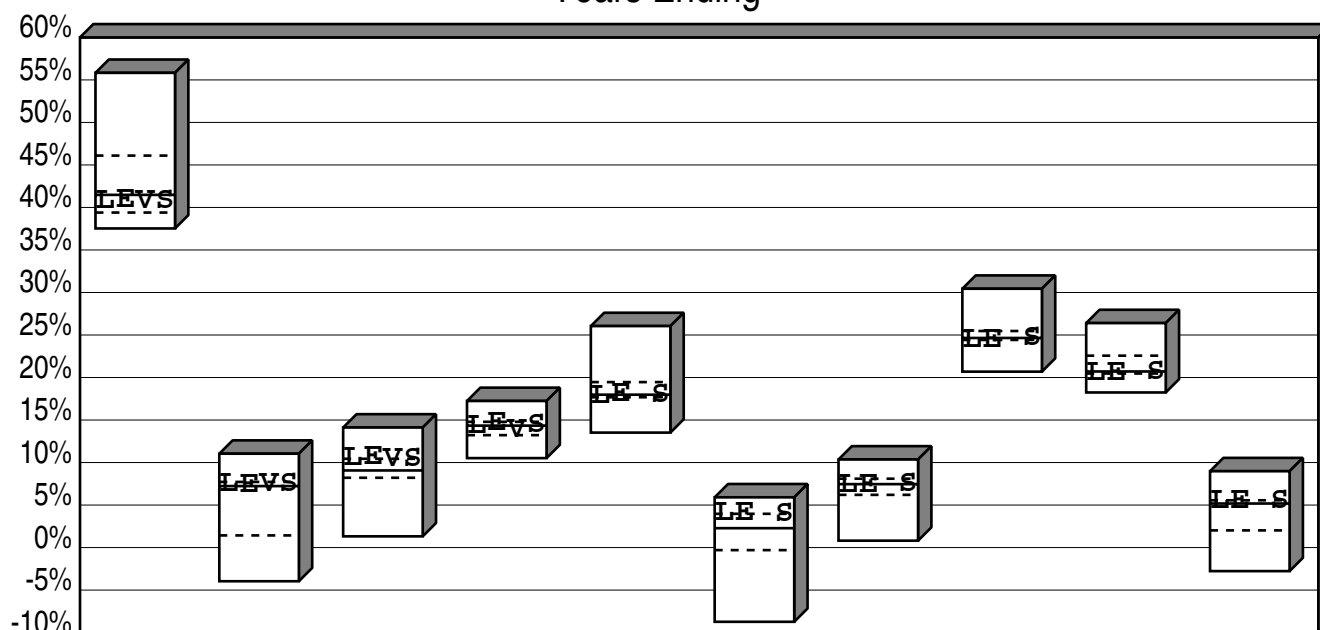
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	11.82	20.29	41.65	55.83
1st Qt	8.54	16.48	35.05	46.10
Median	7.91	15.26	30.04	41.48
3rd Qt	5.75	15.07	28.18	39.40
Low	5.07	14.07	24.57	37.53
L Total Large Cap Equity				
Return	8.56	15.25	29.24	40.80
Rank	21	54	52	50
E MetLife Equity Index				
Return	8.61	15.28	29.25	40.86
Rank	19	47	52	50
V Vanguard Inst 500 Index				
Return	8.54	15.24	29.24	40.77
Rank	25	54	52	50
S Standard & Poors 500				
Return	8.55	15.25	29.25	40.79
Rank	21	54	52	50

City of Dalton Employee's Pension Plan

Large Neutral Consecutive Performance Comparisons

Total Returns of Equity Portfolios

Years Ending



	6/21	6/20	6/19	6/18	6/17	6/16	6/15	6/14	6/13	6/12
High	55.83	11.04	14.12	17.24	26.05	5.91	10.36	30.44	26.40	8.98
1st Qt	46.10	7.72	10.44	14.79	19.46	3.97	8.10	25.47	22.57	5.56
Median	41.48	7.23	9.07	14.34	17.98	2.28	7.46	24.65	20.71	5.18
3rd Qt	39.40	1.43	8.21	13.22	17.68	-0.30	6.20	24.42	20.47	2.02
Low	37.53	-3.96	1.32	10.52	13.52	-8.73	0.81	20.69	18.24	-2.77

LE Total Large Cap Equity

Return	40.80	7.45	10.48	14.24	17.85	4.03	7.35	24.45	20.57	5.47
Rank	50	42	21	59	61	13	63	71	62	44

EL MetLife Equity Index

Return	40.86	7.34	10.65	14.70	18.08	4.03	7.35	24.45	20.57	5.47
Rank	50	46	14	30	44	13	63	71	62	44

V Vanguard Inst 500 Index

Return	40.77	7.49	10.39	13.83
Rank	50	41	31	66

S Standard & Poors 500

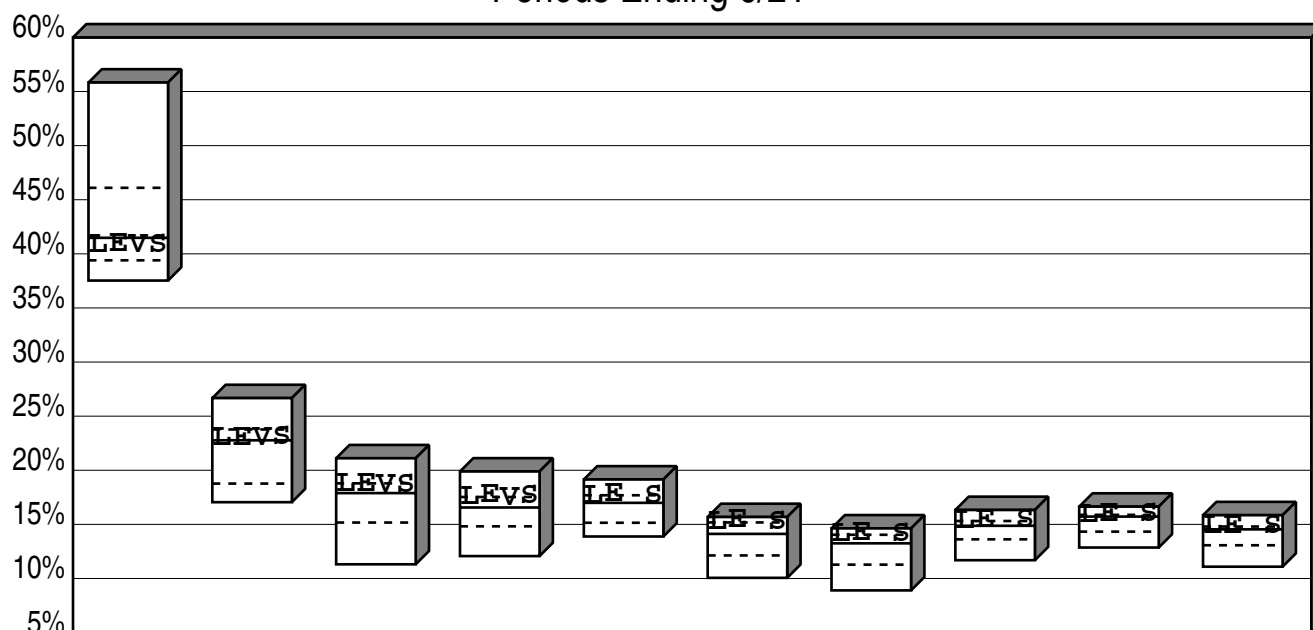
Return	40.79	7.50	10.42	14.38	17.90	3.99	7.42	24.62	20.60	5.44
Rank	50	41	28	46	58	22	54	53	60	46

City of Dalton Employee's Pension Plan

Large Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 6/21



	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	55.83	26.67	21.11	19.89	19.15	15.68	14.63	16.33	16.64	15.85
1st Qt	46.10	23.77	18.79	17.53	17.69	15.18	14.04	15.31	15.88	14.80
Median	41.48	22.77	17.89	16.56	16.99	14.12	13.25	14.87	15.72	14.54
3rd Qt	39.40	18.77	15.17	14.82	15.15	12.13	11.28	13.62	14.33	13.07
Low	37.53	17.05	11.31	12.07	13.88	10.06	8.90	11.69	12.86	11.09

LEVS Total Large Cap Equity

Return	40.80	23.00	18.68	17.55	17.61	15.23	14.07	15.32	15.89	14.80
Rank	50	36	25	23	25	16	16	19	19	25

LEVS MetLife Equity Index

Return	40.86	22.97	18.72	17.70	17.78	15.37	14.18	15.42	15.98	14.89
Rank	50	38	25	17	21	14	14	16	19	18

LEVS Vanguard Inst 500 Index

Return	40.77	23.01	18.65	17.43
Rank	50	34	27	34

LEVS Standard & Poors 500

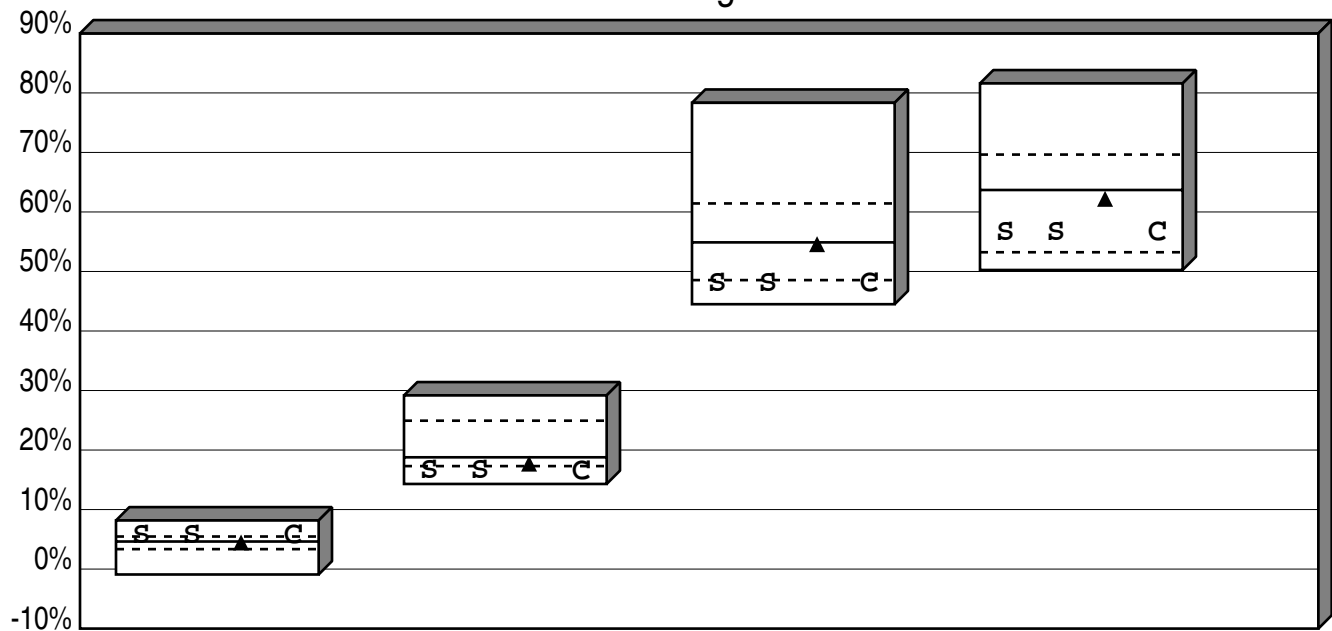
Return	40.79	23.03	18.67	17.58	17.65	15.25	14.10	15.36	15.93	14.84
Rank	50	31	25	23	25	14	14	19	19	18

City of Dalton Employee's Pension Plan

Small Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 6/21



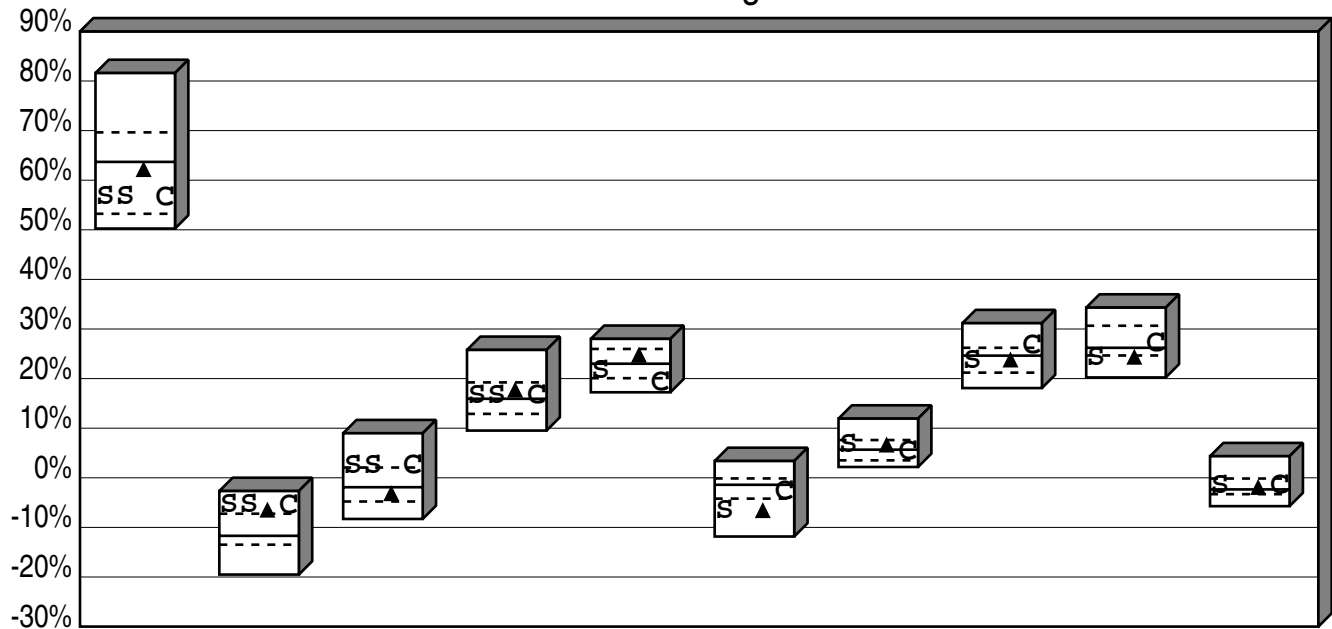
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	8.17	29.18	78.34	81.60
1st Qt	5.47	24.93	61.43	69.64
Median	4.63	18.78	54.89	63.69
3rd Qt	3.35	17.30	48.55	53.23
Low	-0.91	14.30	44.50	50.25
s Total Small Cap Equity				
Return	5.59	16.39	47.93	56.51
Rank	19	90	75	61
S Vanguard Small-Cap Index				
Return	5.59	16.39	47.93	56.51
Rank	19	90	75	61
▲ Russell 2000				
Return	4.29	17.54	54.41	62.03
Rank	52	63	50	55
C CRSP Small Cap Index				
Return	5.59	16.38	47.92	56.47
Rank	19	90	75	61

City of Dalton Employee's Pension Plan

Small Neutral Consecutive Performance Comparisons

Total Returns of Equity Portfolios

Years Ending



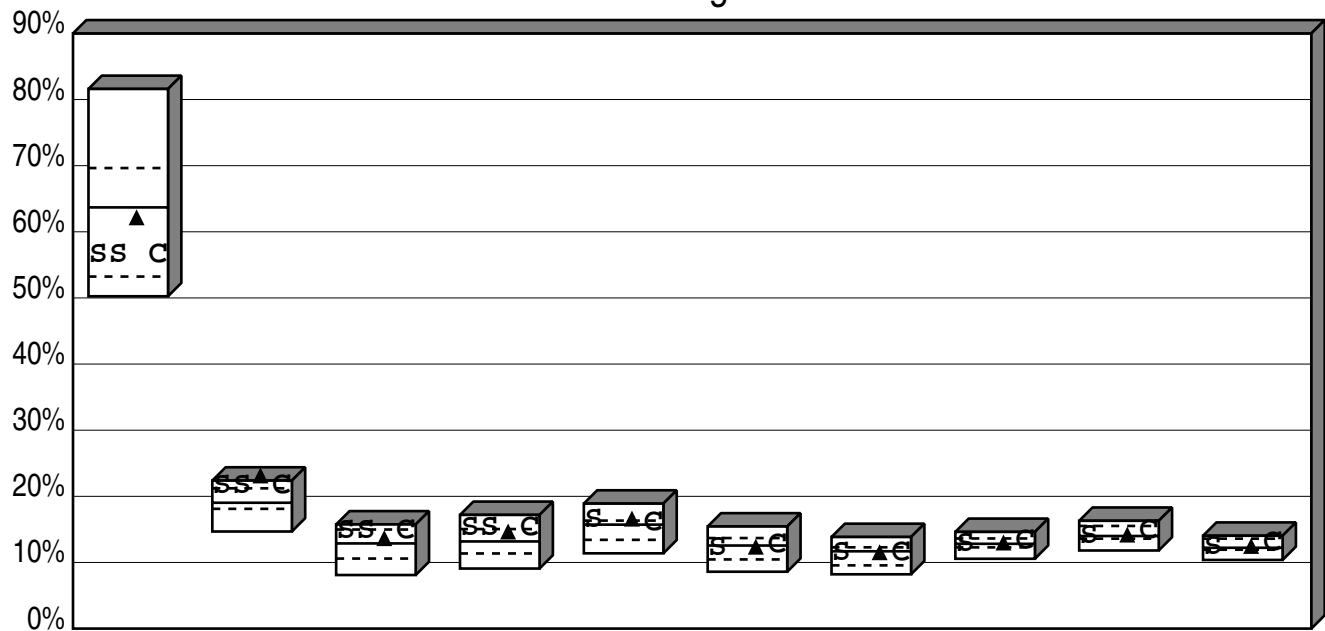
	6/21	6/20	6/19	6/18	6/17	6/16	6/15	6/14	6/13	6/12
High	81.60	-2.67	8.98	25.78	28.01	3.38	11.93	31.17	34.31	4.35
1st Qt	69.64	-7.24	2.07	19.23	25.98	-0.13	7.61	26.21	30.66	-0.15
Median	63.69	-11.70	-1.90	15.93	23.00	-1.41	5.67	24.63	26.21	-2.34
3rd Qt	53.23	-13.49	-4.78	12.89	20.08	-4.20	3.52	21.20	24.66	-3.30
Low	50.25	-19.51	-8.30	9.52	17.24	-11.84	2.18	18.09	20.23	-5.72
s Total Small Cap Equity										
Return	56.51	-5.59	2.27	16.51	21.47	-6.62	6.67	23.44	24.15	-1.76
Rank	61	11	21	44	65	91	35	65	75	37
S Vanguard Small-Cap Index										
Return	56.51	-5.59	2.27	16.51						
Rank	61	11	21	44						
▲ Russell 2000										
Return	62.03	-6.63	-3.31	17.57	24.60	-6.73	6.49	23.64	24.20	-2.06
Rank	55	16	66	34	42	91	37	65	75	45
C CRSP Small Cap Index										
Return	56.47	-5.65	2.29	16.47	19.08	-2.91	5.21	26.54	26.93	-1.68
Rank	61	11	21	44	87	60	59	22	45	37

City of Dalton Employee's Pension Plan

Small Neutral Cumulative Performance Comparisons

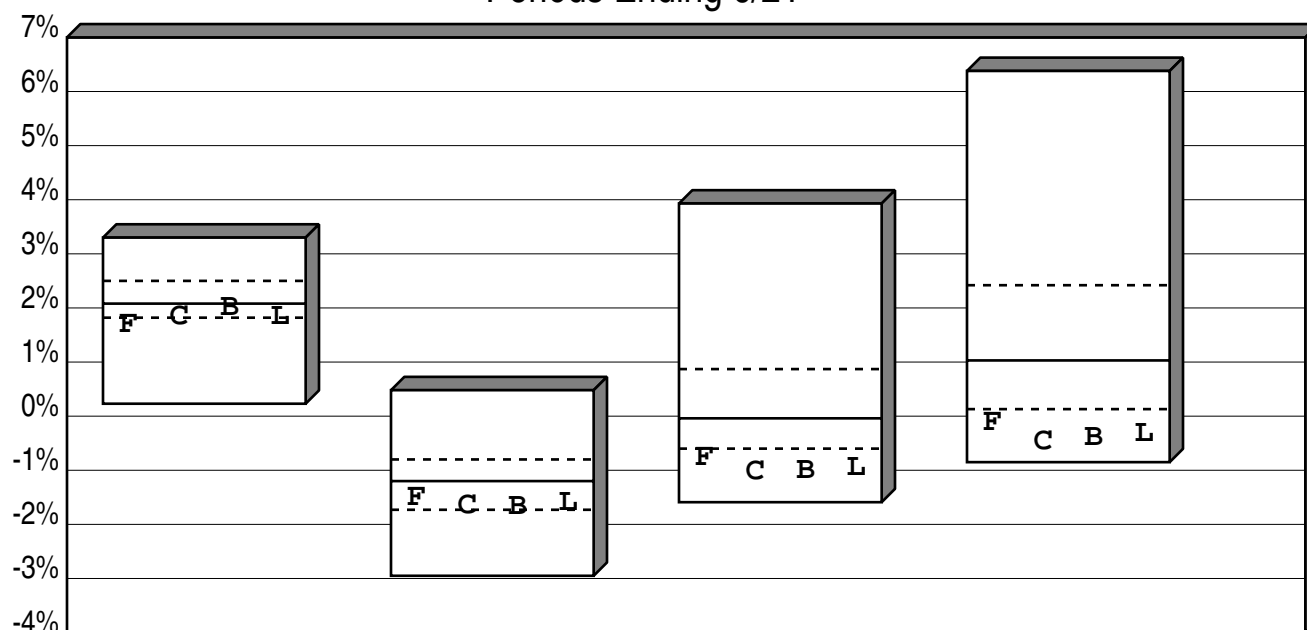
Total Returns of Equity Portfolios

Periods Ending 6/21



	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	81.60	22.38	15.75	17.19	18.90	15.44	13.85	14.62	16.30	14.04
1st Qt	69.64	21.21	14.98	15.05	16.33	13.69	12.29	13.63	15.52	13.60
Median	63.69	19.03	12.88	13.18	15.72	12.56	11.69	12.82	14.00	12.22
3rd Qt	53.23	18.11	10.59	11.36	13.42	10.46	9.56	12.28	13.60	11.93
Low	50.25	14.68	8.10	9.08	11.38	8.60	8.21	10.56	11.81	10.38
s Total Small Cap Equity										
Return	56.51	21.56	14.76	15.19	16.42	12.22	11.41	12.85	14.05	12.36
Rank	61	11	27	19	22	53	50	41	41	48
s Vanguard Small-Cap Index										
Return	56.51	21.56	14.76	15.19						
Rank	61	11	27	19						
▲ Russell 2000										
Return	62.03	23.00	13.52	14.52	16.47	12.23	11.39	12.86	14.06	12.34
Rank	55	1	36	37	22	53	50	41	41	48
C CRSP Small Cap Index										
Return	56.47	21.50	14.73	15.16	15.93	12.56	11.48	13.26	14.70	12.95
Rank	61	11	27	19	28	50	50	29	33	31

City of Dalton Employee's Pension Plan
Fixed Income Core Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 6/21



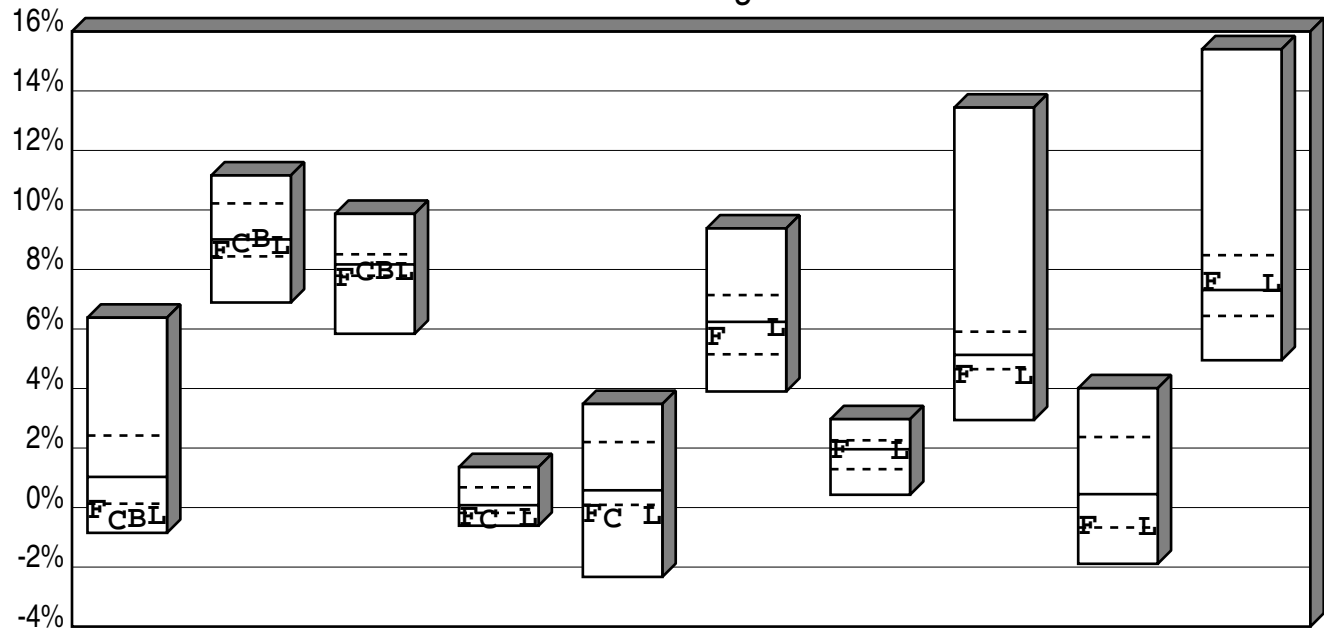
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	3.30	0.48	3.93	6.38
1st Qt	2.50	-0.80	0.87	2.42
Median	2.08	-1.20	-0.04	1.03
3rd Qt	1.82	-1.73	-0.60	0.13
Low	0.23	-2.95	-1.59	-0.85
F Total Fixed Income				
Return	1.69	-1.52	-0.77	-0.12
Rank	78	66	81	84
C MetLife Core Bond Index Fund				
Return	1.84	-1.66	-1.03	-0.48
Rank	73	69	84	91
B Vanguard Total Bond Mkt Index				
Return	2.00	-1.68	-1.02	-0.41
Rank	54	69	84	90
L BBG Barc U.S. Aggregate				
Return	1.83	-1.60	-0.95	-0.33
Rank	73	69	82	85

City of Dalton Employee's Pension Plan

Fixed Income Core Consecutive Performance Comparisons

Total Returns of Fixed Income Portfolios

Years Ending



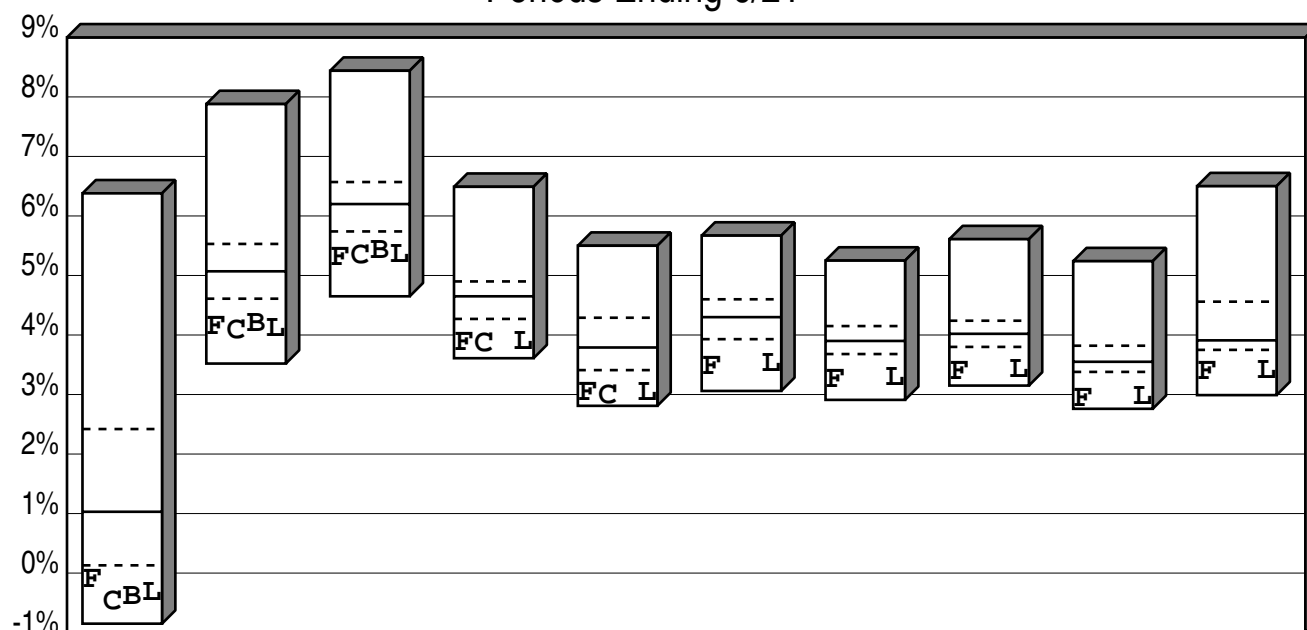
	6/21	6/20	6/19	6/18	6/17	6/16	6/15	6/14	6/13	6/12
High	6.38	11.16	9.87	1.36	3.48	9.38	2.97	13.44	4.01	15.40
1st Qt	2.42	10.22	8.51	0.68	2.20	7.14	2.26	5.91	2.37	8.48
Median	1.03	9.01	8.17	0.08	0.58	6.24	1.96	5.13	0.45	7.31
3rd Qt	0.13	8.44	7.79	-0.18	0.09	5.15	1.29	4.65	-0.67	6.44
Low	-0.85	6.89	5.84	-0.61	-2.33	3.90	0.43	2.94	-1.89	4.95
F Total Fixed Income										
Return	-0.12	8.57	7.68	-0.35	-0.26	5.69	1.89	4.42	-0.64	7.56
Rank	84	71	77	88	91	61	52	81	72	45
C MetLife Core Bond Index Fund										
Return	-0.48	8.81	7.89	-0.44	-0.42					
Rank	91	60	69	92	93					
B Vanguard Total Bond Mkt Index										
Return	-0.41	8.98	7.92							
Rank	90	51	68							
L BBG Barc U.S. Aggregate										
Return	-0.33	8.74	7.87	-0.40	-0.31	6.00	1.86	4.37	-0.69	7.48
Rank	85	68	71	92	93	54	53	81	75	47

City of Dalton Employee's Pension Plan

Fixed Income Core Cumulative Performance Comparisons

Total Returns of Fixed Income Portfolios

Periods Ending 6/21



	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	6.38	7.88	8.44	6.49	5.50	5.67	5.25	5.61	5.24	6.50
1st Qt	2.42	5.53	6.57	4.90	4.29	4.60	4.15	4.24	3.82	4.56
Median	1.03	5.07	6.20	4.65	3.79	4.30	3.90	4.02	3.55	3.91
3rd Qt	0.13	4.61	5.74	4.27	3.41	3.93	3.68	3.80	3.38	3.75
Low	-0.85	3.52	4.65	3.61	2.81	3.06	2.91	3.15	2.76	2.99

F Total Fixed Income

Return	-0.12	4.13	5.30	3.86	3.02	3.46	3.24	3.38	2.93	3.38
Rank	84	90	85	88	88	88	88	86	87	85

C MetLife Core Bond Index Fund

Return	-0.48	4.06	5.32	3.85	2.98					
Rank	91	93	85	88	90					

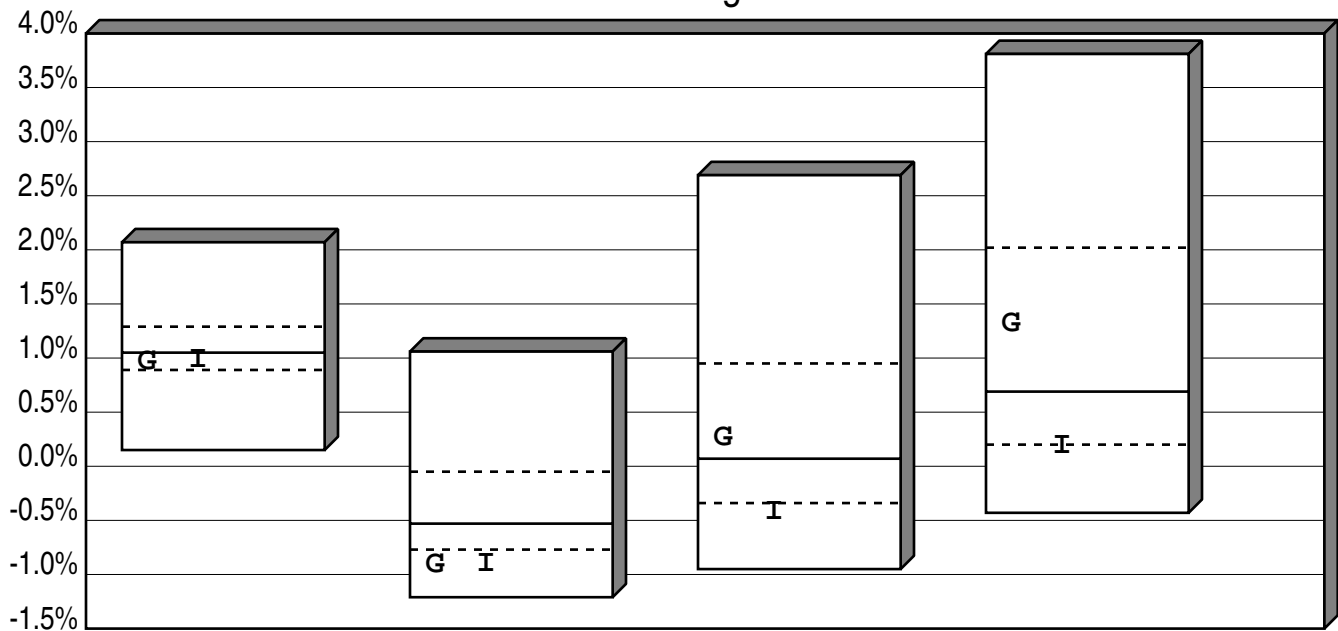
B Vanguard Total Bond Mkt Index

Return	-0.41	4.18	5.41							
Rank	90	85	85							

L BBG Barc U.S. Aggregate

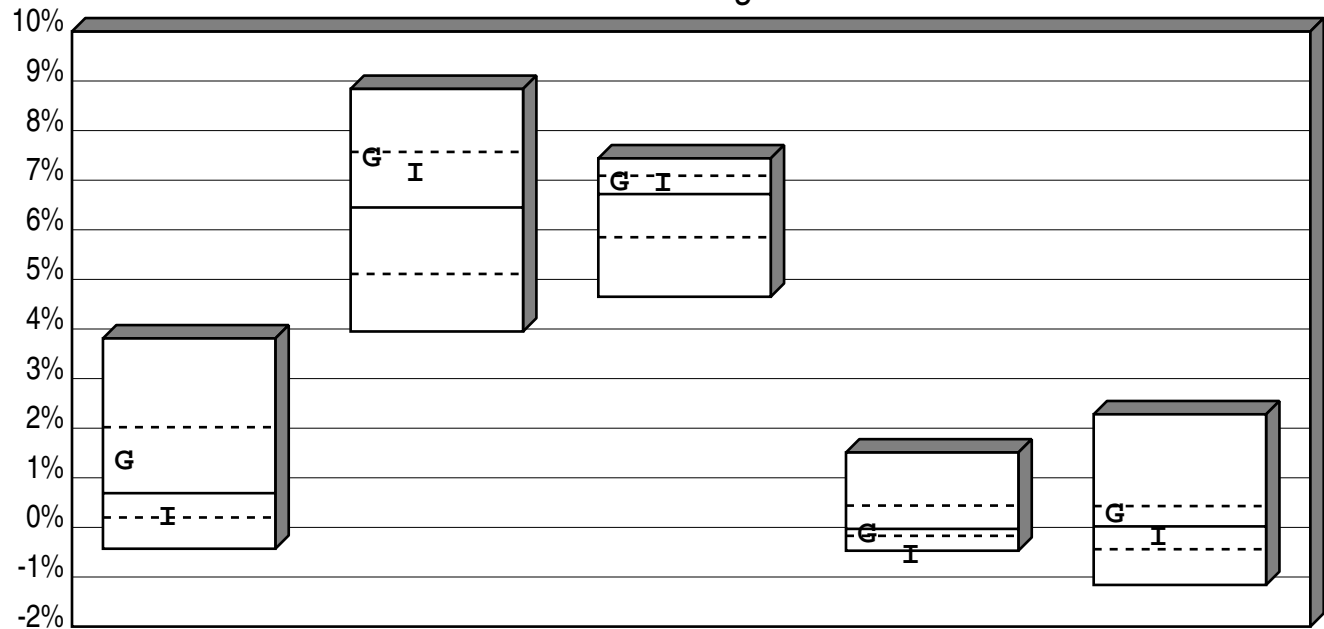
Return	-0.33	4.10	5.34	3.88	3.03	3.52	3.28	3.41	2.95	3.39
Rank	85	91	85	87	88	88	88	86	87	85

City of Dalton Employee's Pension Plan
Intermediate Term Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 6/21



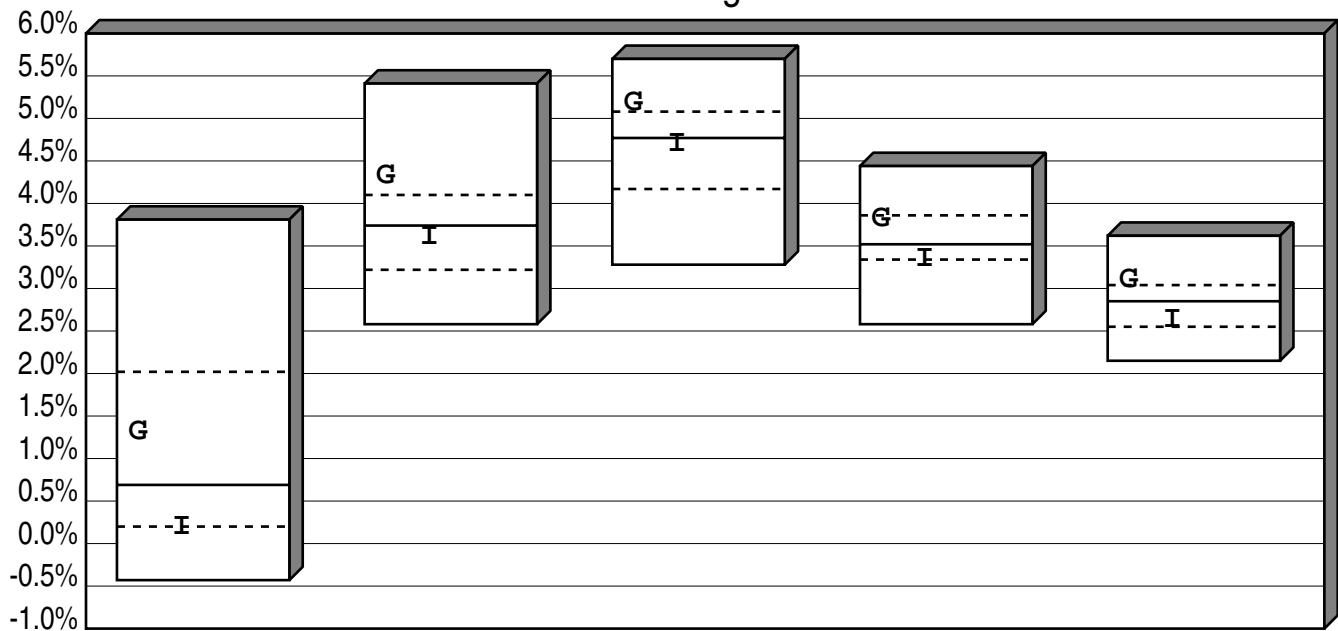
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	2.07	1.06	2.69	3.81
1st Qt	1.29	-0.05	0.95	2.02
Median	1.05	-0.53	0.07	0.69
3rd Qt	0.89	-0.77	-0.34	0.20
Low	0.15	-1.21	-0.95	-0.43
G Goldman Sachs Fund				
Return	0.96	-0.91	0.26	1.31
Rank	63	79	44	39
I BBG Barc Int Govt/Credit				
Return	0.98	-0.90	-0.42	0.19
Rank	57	79	79	75

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



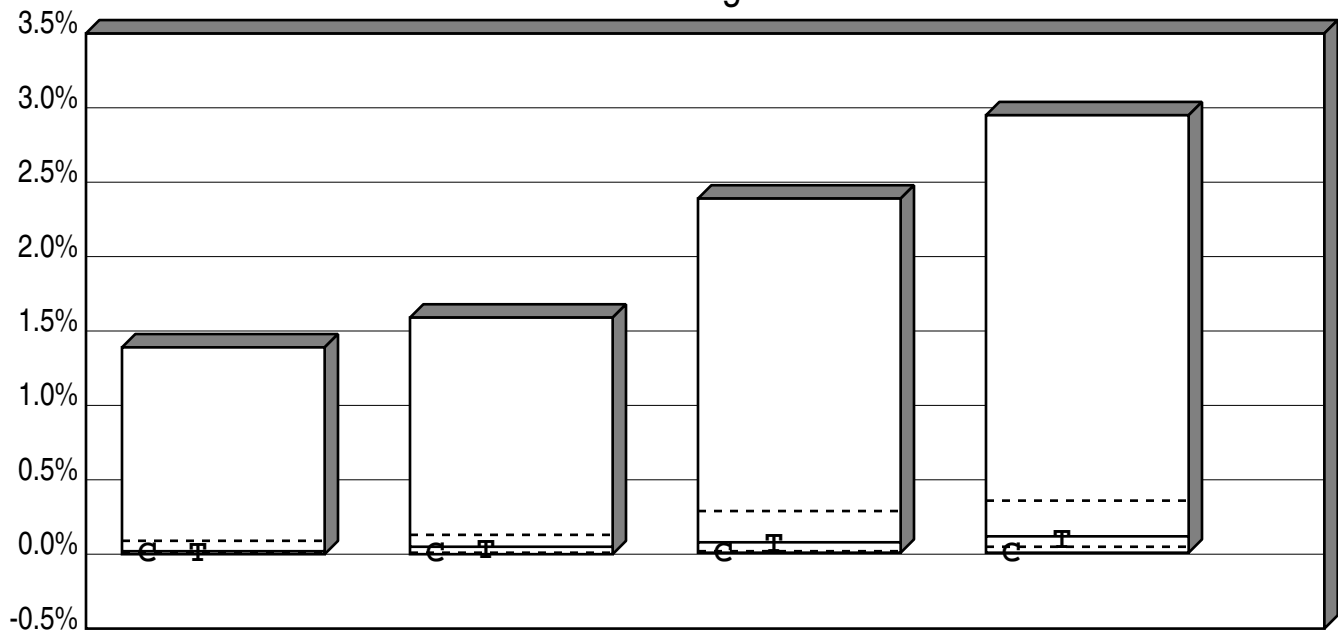
	6/21	6/20	6/19	6/18	6/17
High	3.81	8.84	7.44	1.51	2.28
1st Qt	2.02	7.57	7.09	0.44	0.43
Median	0.69	6.45	6.72	-0.03	0.02
3rd Qt	0.20	5.11	5.85	-0.17	-0.44
Low	-0.43	3.95	4.65	-0.47	-1.16
G Goldman Sachs Fund					
Return	1.31	7.42	6.94	-0.15	0.24
Rank	39	30	40	71	35
I BBG Barc Int Govt/Credit					
Return	0.19	7.12	6.93	-0.58	-0.21
Rank	75	36	40	96	59

City of Dalton Employee's Pension Plan
Intermediate Term Cumulative Performance Comparisons
Total Returns of Fixed Income Portfolios
Periods Ending 6/21



	Last Year	Last 2 Years	Last 3 Years	Last 4 Years	Last 5 Years
High	3.81	5.41	5.70	4.44	3.62
1st Qt	2.02	4.10	5.08	3.86	3.04
Median	0.69	3.74	4.77	3.52	2.85
3rd Qt	0.20	3.22	4.17	3.34	2.55
Low	-0.43	2.58	3.28	2.58	2.15
G Goldman Sachs Fund					
Return	1.31	4.32	5.18	3.82	3.10
Rank	39	15	20	29	17
I BBG Barc Int Govt/Credit					
Return	0.19	3.60	4.70	3.35	2.63
Rank	75	66	57	73	68

City of Dalton Employee's Pension Plan Cumulative Performance Comparison Total Returns of Short Term Portfolios Periods Ending 6/21



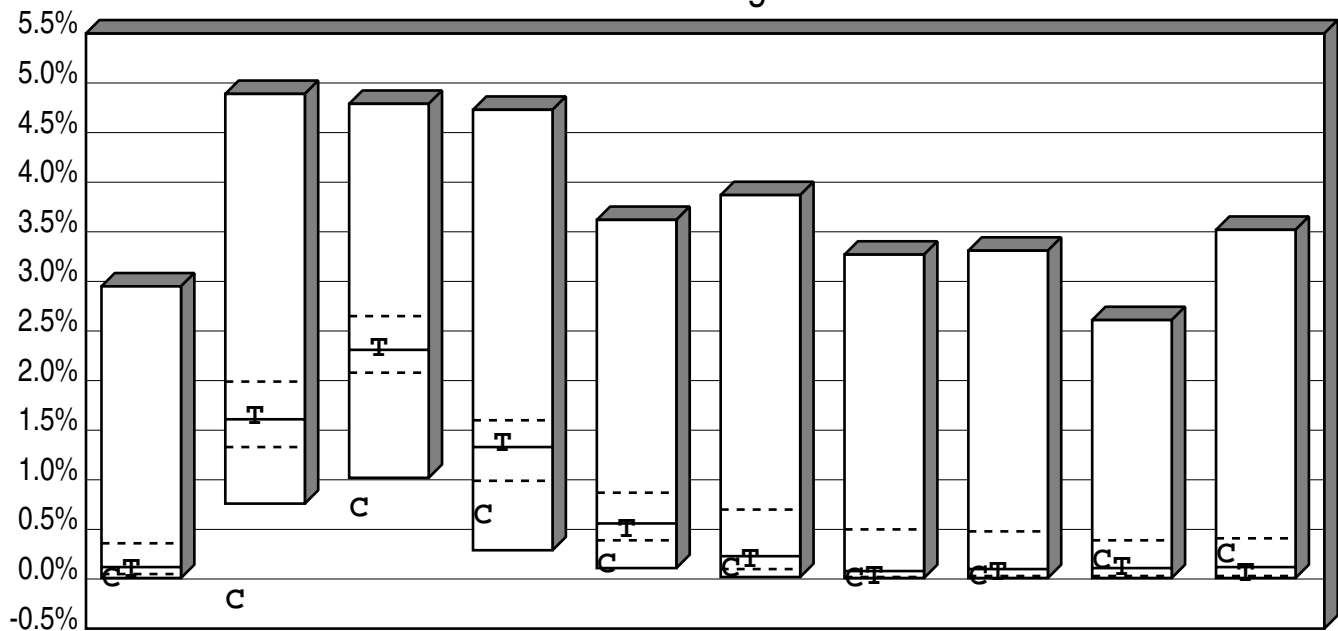
	Last Qtr	Last 2 Qtrs	Last 3 Qtrs	Last 4 Qtrs
High	1.39	1.59	2.39	2.95
1st Qt	0.09	0.13	0.29	0.36
Median	0.02	0.05	0.08	0.12
3rd Qt	0.01	0.01	0.02	0.05
Low	0.00	0.00	0.01	0.01
C Cash Account				
Return	-0.00	0.00	-0.00	-0.00
Rank	100	100	100	100
T 91-Day Treasury Bill				
Return	-0.00	0.03	0.06	0.09
Rank	100	65	63	64

City of Dalton Employee's Pension Plan

Consecutive Performance Comparison

Total Returns of Short Term Portfolios

Years Ending



	6/21	6/20	6/19	6/18	6/17	6/16	6/15	6/14	6/13	6/12
High	2.95	4.89	4.79	4.73	3.62	3.87	3.27	3.31	2.61	3.52
1st Qt	0.36	1.99	2.65	1.60	0.87	0.70	0.50	0.48	0.39	0.41
Median	0.12	1.61	2.31	1.33	0.56	0.23	0.08	0.10	0.11	0.12
3rd Qt	0.05	1.33	2.08	0.99	0.39	0.10	0.02	0.03	0.03	0.03
Low	0.01	0.76	1.02	0.29	0.11	0.02	0.01	0.01	0.01	0.01

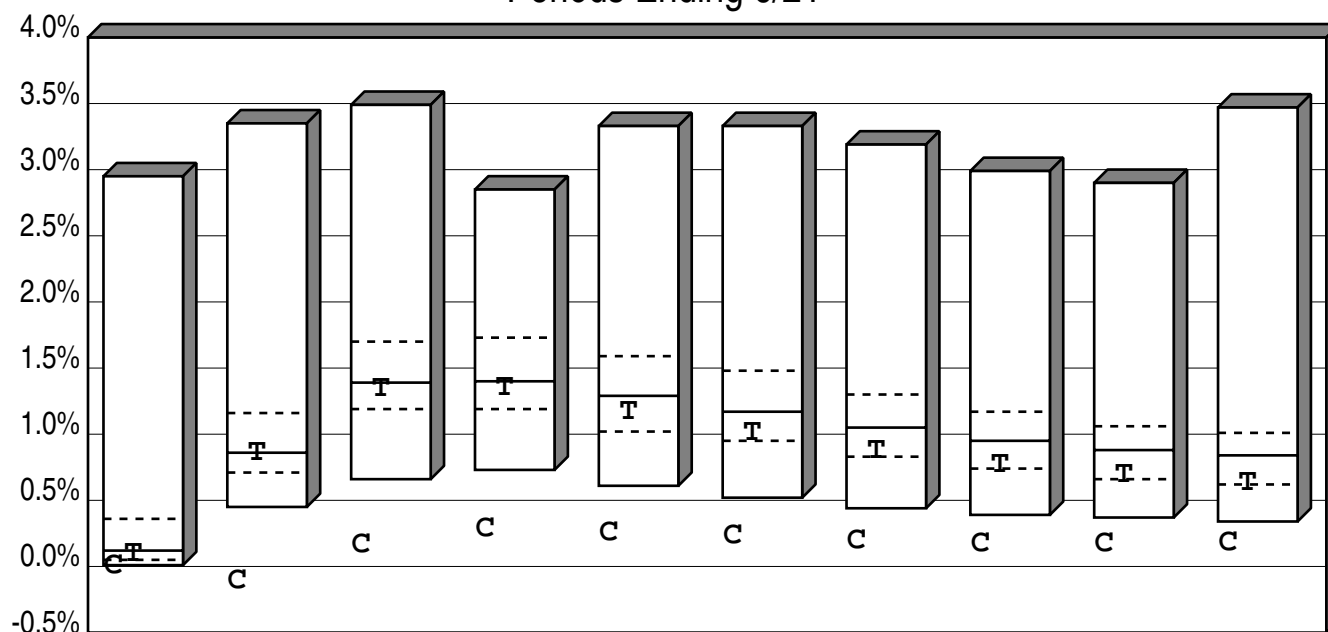
C Cash Account

Return	-0.00	-0.22	0.71	0.63	0.14	0.10	0.00	0.02	0.18	0.24
Rank	100	100	96	89	93	75	100	82	37	35

T 91-Day Treasury Bill

Return	0.09	1.63	2.32	1.36	0.49	0.19	0.02	0.06	0.11	0.05
Rank	64	46	49	48	62	62	81	60	53	69

City of Dalton Employee's Pension Plan
Cumulative Performance Comparison
Total Returns of Short Term Portfolios
Periods Ending 6/21



	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	2.95	3.35	3.49	2.85	3.33	3.33	3.19	2.99	2.90	3.47
1st Qt	0.36	1.16	1.70	1.73	1.59	1.48	1.30	1.17	1.06	1.01
Median	0.12	0.86	1.39	1.40	1.29	1.17	1.05	0.95	0.88	0.84
3rd Qt	0.05	0.71	1.19	1.19	1.02	0.95	0.83	0.74	0.66	0.62
Low	0.01	0.45	0.66	0.73	0.61	0.52	0.44	0.39	0.37	0.34

C Cash Account

Return	-0.00	-0.11	0.16	0.28	0.25	0.23	0.19	0.17	0.17	0.18
Rank	100	100	99	99	99	99	99	99	99	98

T 91-Day Treasury Bill

Return	0.09	0.86	1.34	1.35	1.17	1.01	0.87	0.77	0.69	0.63
Rank	64	54	59	62	67	72	71	70	72	74



Post Office Box 888343
Atlanta, Georgia 30356-0343
Telephone 770.392.0980
Facsimile 770.392.2193

September 1, 2021

Trustees of the Mayor and Council of the City of Dalton Employees' Pension Plan
c/o Mr. Wallace W. Wilson, F.S.A.
Senior Consultant
Southeastern Advisory Services, Inc.
Building 12, Suite 202
3495 Piedmont Road, N.E.
Atlanta, GA 30305

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

Ladies and Gentlemen:

In response to your request, I have estimated the impact to subject plan of providing a one-time 3% cost-of-living adjustment to retirees as of January 1, 2021.

If retirees as of January 1, 2021 are provided with a one-time 3% cost-of-living adjustment (including beneficiaries as of that date), the plan is estimated to incur \$2,570,863 of additional projected liability. Assuming that the additional liability is funded over a 19-year period, the additional liability will result in an increase in the required contribution from the City equal to \$228,660 per year. If the additional liability is funded over a 10-year period, the City's contribution is estimated to increase by \$338,936 per year.

If the 3% cost-of-living adjustment described above is limited to no more than \$120.00 per month, the plan is estimated to incur \$2,493,543 of additional projected liability. Assuming that the additional liability is funded over a 19-year period, the additional liability will result in an increase in the required contribution from the City equal to \$221,783 per year. If the additional liability is funded over a 10-year period, the City's contribution is estimated to increase by \$328,743 per year.

Please note that my review is based on the participant data, actuarial assumptions, and methods used to complete the January 1, 2021 actuarial valuation of the plan. You should reference that report for a detailed outline of those assumptions and methods and for important disclosures concerning the risk that the actual cost of the proposed plan changes will be more or less than the amounts shown in this letter.

If you have any questions, please do not hesitate to call.

Sincerely,

Charles T. Carr

Charles T. Carr
Consulting Actuary

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.



Post Office Box 888343
Atlanta, Georgia 30356-0343
Telephone 770.392.0980
Facsimile 770.392.2193

Mayor and Council of the City of Dalton Employees'
Pension Plan
c/o Ms. Cindy Jackson
Chief Financial Officer
P.O. Box 1205
Dalton, GA 30720

INVOICE

INVOICE NO: 710-0921
DATE: September 17, 2021
PAYMENT DUE BY: October 17, 2021

PROJECT	DESCRIPTION	FEE
710-12	Special cost studies to determine the impact of granting a 3% cost-of-living adjustment to retirees, submitted September 1, 2021	\$475.00
TOTAL DUE		\$475.00

Please remit the total amount shown above on or before the payment due date.
Clients that submit payment in a timely manner will be given priority over clients
who owe past due amounts.

Please make all checks payable to Southern Actuarial Services Company, Inc.
If you have any questions concerning this invoice, please call (770) 392-0980.

WE APPRECIATE YOUR BUSINESS!

Market Indices Performance

As of July 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	2.38	2.38	17.99	36.47	18.15
Russell 1000 Growth	3.30	3.30	16.71	36.71	25.28
Russell 1000 Value	0.80	0.80	17.98	39.36	11.26
Russell 2000	-3.61	-3.61	13.29	52.01	11.49
MSCI EAFE	0.75	0.75	9.65	30.33	7.66
MSCI Emerging Markets	-6.73	-6.73	0.22	20.66	7.93
<u>Fixed Income</u>					
Barclays Aggregate	1.12	1.12	-0.50	-0.70	5.73
Barclays Intermediate G/C	0.77	0.77	-0.14	0.21	4.95
Barclays 1-3 Year G/C	0.17	0.17	0.17	0.43	2.99
Barclays High Yield	0.38	0.38	4.01	10.63	7.19
90 Day T Bills	0.00	0.00	0.03	0.07	1.25

SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor



Market Indices Performance

As of August 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	3.04	5.49	21.58	31.19	18.07
Russell 1000 Growth	3.74	7.16	21.08	28.55	24.59
Russell 1000 Value	1.98	2.80	20.32	36.47	11.45
Russell 2000	2.24	-1.45	15.83	47.12	10.74
MSCI EAFE	1.76	2.53	11.58	26.14	9.00
MSCI Emerging Markets	2.62	-4.29	2.84	21.14	9.86
<u>Fixed Income</u>					
Barclays Aggregate	-0.19	0.93	-0.69	-0.08	5.43
Barclays Intermediate G/C	-0.16	0.60	-0.30	0.17	4.69
Barclays 1-3 Year G/C	0.00	0.17	0.17	0.39	2.87
Barclays High Yield	0.51	0.90	4.55	10.15	7.11
90 Day T Bills	0.00	0.01	0.03	0.06	1.20

SOUTHEASTERN ADVISORY SERVICES, INC.

Registered Investment Advisor

