

Memo

To: Board of Trustees
City of Dalton Employee's Pension Plan

From: Hilda Thompson
Wally Wilson

CC: Cindy Jackson

Date: May 17, 2019

Re: MetLife Investments

SEAS has reviewed the MetLife Minimum Balance Requirement (MBR). As of March 31, 2019, the MBR value was \$28.8 million and the assets at MetLife (valued according to the contract) were \$57.7 million. This leaves an excess over the MBR of \$28.9 million.

Fixed income assets totaled \$50.0 million as of March 31, 2019. This represents 45% of total assets. The investment policy calls for a target allocation of 50%. Therefore, we suggest increasing the fixed income assets.

SEAS recommends a transfer from the MetLife equity investment of \$5 million. This will leave an excess over the MBR of greater than \$20 million. We recommend the \$5.0 million be invested in the Vanguard Total Bond Market Index Fund (VBTIX). We recommend these transactions occur no later than June 30, 2019.

