

**Alabama Trust Fund
Board of Trustees Meeting
February 20, 2025
RSA Union Building, Suite 683**

Pursuant to public notice, a meeting of the Alabama Trust Fund Board of Trustees was held on February 20, 2025 in the RSA Union Conference Room in Montgomery, AL, with participation also allowed by electronic means in accordance with §36-17-21, Code of Alabama, as amended.

The meeting was called to order at 10:00 AM by Mr. Boozer, Secretary. The roll was called by Secretary Boozer and recorded as follows with a quorum present.

Present:

Mr. Bill Poole, Vice Chair
Mr. Young Boozer, Secretary

Virtual:

Ms. Linda Green
Mr. Daniel Hughes, Jr
Mr. Alvin Hope, II
Mr. John Hornsby
Mr. John Norris

Absent:

Mr. Guice Slawson, Jr

1. Vulcan Value Presentation

Mr. C.T. Fitzpatrick and Mr. James Kelly with Vulcan Value Partners presented the Board with an overview of the investment portfolio Vulcan manages for the Alabama Trust Fund.

2. Approval of Minutes

The next item on the agenda was the review and approval of the minutes of November 21, 2024. Upon a motion made by Mr. Poole and second by Mr. Norris, the reading of the minutes was dispensed and were unanimously approved as presented.

3. Quarterly Financial Reports

Mr. Boozer then reviewed the quarterly financial reports. He noted the Balance Sheet as of December 31, 2024, indicates total assets of \$3.5 billion, an increase of \$11 million from the previous quarter end. Total capital is \$3.4 billion. The Statement of Revenues and Expenditures indicates total revenues of \$54 million and total disbursements of \$46 million. Oil and gas receipts for the quarter were \$5.2 million. Mr. Boozer noted the significant decline in gas revenues compared to the previous year resulted from lower gas prices and decline in gas production. The remainder of the financial reports were reviewed and received as information.

4(a). Quarterly Performance – ATF

Ms. West, Callan LLC, presented the quarterly investment performance measurement report and market overview. Asset allocation was within rebalancing ranges. The portfolio had an overweight to large cap equity and an underweight to real estate. The return for the quarter was negative 1.06 percent beating the benchmark by 71 bps. Ms. West noted performance for the quarter was driven by international equity and hedge fund managers. The one-year return was 10.25 percent. Ms. West then reviewed the returns by manager.

5(a). Watch List Review

On the watch list, Ms. West noted Algert and American Century will be terminated as previously voted when the transition to GSAM occurs in 2025. Callan made the recommendation to extend Vulcan Value on the watch list through February 2026 with a deep dive into flows and performance every quarter going forward. Upon a motion made by Mr. Norris, and second by Mr. Poole, the watch list recommendation was approved. Due to personal or personal business relationships with C.T. Fitzpatrick Mr. Hornsby, Mr. Hughes, and Mr. Boozer abstained from the vote.

5(b). ATF Investment Policy Statement Update

Ms. West presented the ATF Investment Policy changes to the Board. Changes were made to reflect the asset allocation decisions made for the international equity portfolio and to remove the previous exceptions from terminated managers. Upon a motion made by Ms. Green and a second by Mr. Poole the recommendation was unanimously approved.

6(a). Quarterly Performance – CMT

Ms. West then reviewed the CMT fund quarterly performance. For the quarter, the fund was negative 1.56 percent beating the benchmark by 19 bps. Ms. West noted the managers did not add value this quarter. The one-year number was positive 9.08 percent trailing the benchmark by 63 bps.

7. Other Business

Ms. West provided the Board with an update on the international equity restructure process.

Approved on _____, 2025.

Bill Poole, Vice Chair

Young Boozer, Secretary