

**Alabama Trust Fund  
Board of Trustees Meeting  
May 22, 2025  
RSA Union Building, Suite 683**

Pursuant to public notice, a meeting of the Alabama Trust Fund Board of Trustees was held on May 22, 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. Taylor Nichols, Vice Chair Designee  
Mr. Young Boozer, Secretary

**Virtual:**

Mr. Guice Slawson, Jr  
Mr. Daniel Hughes, Jr  
Mr. Alvin Hope, II  
Mr. John Hornsby

**Absent:**

Ms. Linda Green  
Mr. Brooks McClendon, Chair Designee

**1. Approval of Minutes**

The first item on the agenda was the review and approval of the minutes of February 20, 2025. Upon a motion made by Mr. Norris and second by Mr. Nichols, the reading of the minutes was dispensed and were unanimously approved as presented.

**2. Quarterly Financial Reports**

Mr. Boozer then reviewed the quarterly financial reports. He noted the Balance Sheet as of March 31, 2025, indicates total assets of \$3.5 billion, an increase of \$25 million from the previous quarter end. Total capital is \$3.4 billion. The Statement of Revenues and Expenditures indicates total revenues of \$60 million and total disbursements of \$36 million. Oil and gas receipts for the quarter were \$5.5 million. The remainder of the financial reports were reviewed and received as information.

**3(a). Quarterly Performance – ATF**

Ms. West, Callan LLC, presented the quarterly executive summary report. Ms. West provided a brief detailed review of Vulcan Value's performance for the quarter. Callan made the recommendation to issue an RFP for a potential domestic small cap equity manager, should a replacement be necessary. After discussion, the Board tabled the recommendation until the next quarterly meeting.

Ms. West then reviewed the portfolio's quarterly performance. Asset allocation was within rebalancing ranges. The portfolio had an overweight to large cap equity and an underweight to fixed income and real estate. The return for the quarter was negative 52 bps and was in line with the benchmark. Ms. West noted performance for the quarter was driven by international equity. The one-year return was 4.90 percent. Ms. West then reviewed the returns by manager. Ms. West recommended bringing in Invesco for a portfolio review at the next quarterly meeting. Mr. Hughes requested Callan take look at the real estate managers and their exposure.

**4(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. Vulcan Value will remain on the watchlist with a deep dive into flows and performance every quarter. Callan made the recommendation for no changes to be made to the watchlist. Upon a motion made by Mr. Norris, and second by Mr. Hope, 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.

**4(b). ATF Investment Policy Statement Resolution**

Mr. Boozer presented the Board with a resolution to ratify changes made by the Investment Committee to the ATF Investment Policy. Goldman Sach’s guideline exception request was added to the Investment Policy Statement and the international small cap equity benchmark was changed to MSCI EAFE Small Cap Index. Upon a motion made by Mr. Hope and a second by Mr. Hughes the resolution presented was unanimously approved.

**4(c). CMT Investment Policy Statement Update**

Mr. Boozer presented the CMT Investment Policy changes to the Board. Callan made the recommendation to change the international small cap equity benchmark to MSCI EAFE Small Cap Index and to remove the large cap equity benchmarks as there are no current portfolios in those categories. Upon a motion made by Mr. Hughes and a second by Mr. Norris the recommendation was unanimously approved.

**5(a). Quarterly Performance – CMT**

Ms. West then reviewed the CMT fund quarterly performance. For the quarter, the fund was negative 34 bps. Ms. West noted asset allocation was the biggest subtractor, most notably the overweight to large cap equity. The one-year number was positive 4.57 percent trailing the benchmark by 62 bps.

**6. Other Business**

There being no other business, the meeting was adjourned.

Approved on \_\_\_\_\_, 2025.

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Bill Poole, Vice Chair

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Young Boozer, Secretary

**Resolution of the Alabama Trust Fund Board of Trustees  
at its meeting held May 22, 2025**

**Topic: To Ratify ATF Investment Policy Statement Update**

**WHEREAS**, the Board of Trustees (herein the “Board”) are the trustees of the Alabama Trust Fund created in Section 3 of Amendment 450 of the Constitution of Alabama of 1901, as amended (the “Act”); and

**WHEREAS**, the Board has engaged and relies on Callan LLC, Inc. (herein “Callan”) as the investment consultant for the Alabama Trust Fund; and,

**WHEREAS**, the Board has authority, pursuant to the Act, to execute contracts, agreements and other instruments as may be necessary or convenient to accomplish any purpose for which the trust fund was created; and

**WHEREAS**, on Thursday, April 10, 2025, Goldman Sachs Asset Management, L.P. (herein “GSAM”) provided staff with a letter requesting an exemption from the international equity investment guideline stating: “Investments should not be made in equity securities of issuers which do not have an available operating history of at least three years. Five years of operating history is preferred. Operating history may include past performance resulting from mergers, acquisitions, and spin-offs”; and,

**WHEREAS**, Callan recommended allowing the requested investment guideline exemption given the rationale provided by GSAM. The small weight in any one company provides additional reassurance that the relative risk of holding a company with limited operational history is minimal; and,

**WHEREAS**, Callan also recommended changing the asset class benchmark shown in Section IV of the Investment Policy Statement (herein “IPS”) for international small cap to the MSCI EAFE Small Cap Index to reflex the benchmark used by GSAM; and,

**WHEREAS**, The current international small cap managers use different benchmarks and only one index is shown in Section IV of the IPS; and,

**WHEREAS**, on Friday, April 11, 2025, the Investment Committee met and approved Callan’s recommendations to allow GSAM’s requested investment guideline exception and change the international small cap equity benchmark to MSCI EAFE Small cap index; and,

**NOW, THEREFORE, BE IT RESOLVED**, the Board ratifies the approved changes to the Alabama Trust Fund Investment Policy Statement.