

**THE ALABAMA PREPAID AFFORDABLE COLLEGE TUITION PROGRAM
MEETING OF THE BOARD OF DIRECTORS
MINUTES
August 19, 2025**

Present:

Treasurer Young Boozer, Chair - in person
Mr. Lance Lachney for Dr. David Bronner - in person
Mr. Taylor Nichols for Mr. Bill Poole - in person
Mr. Tommy Dismukes - in person
Mr. Will Martin - in person
Ms. Sara Calhoun for Jimmy Baker - virtual
Mr. Jay Hare - virtual
Dr. James Purcell - in person

Absent:

Rep. Danny Garrett
Sen. Donnie Chesteen
Judge JC Love
Gen. Paul Hankins
Ms. Annie Furrer
Dr. Charles Karr
Mr. Wes Lambert

Others present include:

Ms. Anita Kelley, Program Director - in person
Mr. Chad Wright, Assistant Treasurer - in person
Ms. Glenda Allred, Deputy Treasurer - in person
Ms. Kayla Bankston, PACT - in person
Mr. Dan Sherman, Sherman Actuarial Services - virtual
Mr. Willard McCall, Regions Bank - in person
Mr. R.J. Williams, Regions Bank - in person
Mr. Robert Richardson, Regions Bank - in person

Pursuant to written and public notice, the quarterly meeting of the Board of Directors of the PACT Program was held in the RSA Union Conference Room in Montgomery, AL on , 2025, with participation also allowed by electronic means in accordance with §36-25A.5.1, Code of Alabama, as amended.

The meeting was called to order by Chair Boozer at 11:00 a.m.

Roll was taken with a quorum present.

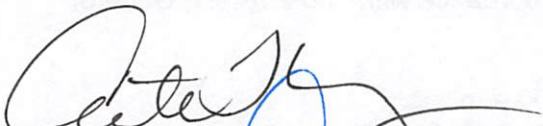
1. Approval of Board Meeting Minutes – Chair Boozer presented the minutes of the May 20, 2025 board meeting. A motion for approval of the minutes as presented was made by Mr. Dismukes, seconded by Dr. Purcell, with unanimous approval.
2. Quarterly Reports

- A. Program Report – Chair Boozer asked Anita Kelley for a program report. Ms. Kelley provided information on program activities, plan assets, revenues and disbursements, and the budget for the current fiscal year. She discussed tuition payments and stated the program paid benefits in the amount of \$1.9 million to 425 students from 03/01/25 through 06/30/25 and noted that the number of active accounts is 4,295. She also stated the dollar amount of cumulative benefits paid since inception is \$1,345,778,086 in tuition and \$41,156,003 in qualified fees. The report was received as informational.
- B. Regions Investment Report – Chair Boozer called on Willard McCall to present the quarterly investment report. Mr. McCall gave a thorough economic and financial market update and discussed an overview and outlook for fixed income and equities. He provided information on the asset value and performance of the portfolio including the money market fund and fixed income. He stated returns for the quarter for the money market fund were 1.05% and 1.10% for the fixed income portfolio with a 1.04% rate of return for the consolidated portfolio. The report was received as informational.
- C. Sherman Actuarial Report – Chair Boozer called on Dan Sherman to present the quarterly actuary report. Mr. Sherman stated the asset value as of 06/30/25 was \$192,103,092. He noted the funded ratio was 447.3% compared to the 09/30/24 funded ratio of 380.6%. He reviewed a spreadsheet of the projected cash flows, assets, and liabilities through year 2032. The report was received as informational.

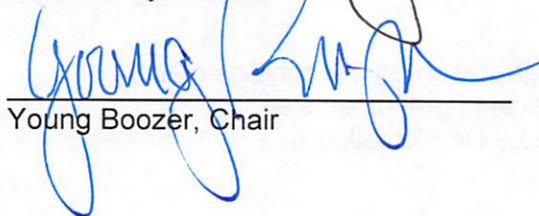
3. Decision Item – 2026 Actuarial Assumptions

- A. Chair Boozer called on Mr. Sherman to present the proposed recommended actuarial assumptions to be utilized in FY 2026. He reviewed the current assumptions and said he recommends updating the investment return rates to 3.50% through 2030.
- B. Consideration of Proposed Resolution – Chair Boozer presented a resolution for consideration to approve the proposed assumptions presented by Mr. Sherman. A motion to approve the resolution was made by Dr. Purcell, seconded by Mr. Dismukes, with unanimous approval.

4. Other Business – There being no further business, a motion to adjourn was made by Dr. Purcell, seconded by Mr. Dismukes, with unanimous approval. The meeting adjourned at 11:23 a.m.



Anita Kelley, Director



Young Boozer, Chair