

Minutes of the Trust Fund Commission meeting of August 12, 2022

Present: Chairman Paul Foley, Commissioner Seth Pitts, Treasurer Deanna Polli Foster, Candee Raphaelson from the City of Worcester, Alex Bartholomew and Brian Jamros from Bartholomew and Company

Chairman Foley called the meeting to order.

The first order of business was to accept the minutes of the Trust Fund meeting of June 17, 2022. After review Chairman Foley made a Motion to Accept and Commissioner Pitts second. All in favor.

Chairman Foley asked Bartholomew and Company for a synopsis of year to date before discussion about the Investment Policy ensued. After a discussion of the portfolio Commissioner Pitts discussed the goals of the Trust funds and risk return. A discussion of concern for value and how best to achieve the Commission's goals and the restructuring of the current policy began. Clarity was what Commissioner Pitts is looking for so that in order for the Commission to do their jobs they needed to understand what funds were at risk and the difference between which funds were in growth mode and which were in earnings mode. He felt going forward in order to better distribute, clarity was needed to instill risk tolerance. He wanted to know if International Funds were an unnecessary risk and he stated he preferred domestic funds and also preferred only investment grade bonds.

Chairman Foley wanted the categories to be separated so that for example the scholarship funds were in a separate account from dormant funds and/or funds rarely used. Commissioner Pitts felt it would be much less complicated to de-risk and add clarity to understand the tactics for moving funds if this were done. Alex Bartholomew said he understood what the Commission was looking for and the analysis would be bifurcated. A lengthy discussion ensued, and a Motion was made by Commissioner Pitts to instruct the Managers to rebalance the portfolio away from International risk and to improve credit quality in line with steps already taken with a focus on dormant account allocation. Chairman Foley second, all in favor. Chairman Foley discussed a to do list for the Commissioners and told Bartholomew that the Commissioners would identify the dormant funds and the Treasurer would check for exceptions and that then they would have a better sense of what to do with the active funds in terms of "rotating crops".

Chairman Foley made a motion to adjourn at 1:10. All in favor