

Alexander Molis College Trust



January 7, 2024

Mr. Christopher Molis
Mr. James Molis
Trustees, Alexander Molis College Trust

Subject: *Alexander Molis College Trust – 2023 Year End Status Report*

Dear Chris and Jim:

As you know, the Trust was funded with \$600,000 on March 13, 2003. Since that time, the Trust has undergone many changes precipitated by changing market conditions. A brief summary of these events is provided at the end of this report. While 2022 was a terrible year for investments and resulted in a substantial loss in Trust value, the markets began to recover in 2023. At year end, the account was valued at about \$765,000, up about \$77,000 for the year.

Through the end of 2023 we awarded about \$38,500 to students, slightly above the \$35,000 target that we set for the year. I've received one final request for the fall semester for about \$1,600, so the final award total for the year will be about \$40,000. This included \$7,000 in special awards which will be discussed later in this report.

We have awarded a total of about \$874,000 for college costs since 2003. The table at the end of this report shows the amounts awarded to each family member. Table 1 below shows actual performance since 2003, along with an estimate of future performance for the next 2 years (based on long term projected gains). Note that awards are estimated at about \$61,000 per year over the next two years. This is significantly more than what we awarded last year. Note that the fund would still be predicted to increase in value under these assumptions.

Year	Principal	Gross Gain	Awards	15% Taxes	0.28% Vanguard	Total Awards	Total Awards + Taxes + fees
	\$600,000						
2003 to 2014	\$814,820	\$648,179	\$408,232	\$10,489	\$14,638	\$408,232	\$433,359
2015	\$776,266	-\$1,095	\$17,920	\$13,098	\$6,441	\$426,152	\$470,818
2016	\$802,928	\$79,732	\$39,853	\$6,543	\$6,674	\$466,005	\$523,888
2017	\$864,173	\$153,569	\$71,004	\$17,484	\$3,836	\$537,009	\$616,212
2018	\$696,537	-\$68,912	\$78,962	\$17,000	\$2,762	\$615,971	\$714,936
2019	\$782,237	\$151,446	\$49,946	\$13,000	\$2,800	\$665,917	\$780,682
2020	\$845,405	\$120,841	\$45,715	\$8,767	\$3,191	\$711,632	\$838,355
2021	\$916,107	\$144,020	\$62,623	\$6,840	\$3,855	\$774,255	\$911,673
2022	\$688,820	-\$145,862	\$55,746	\$22,379	\$3,300	\$830,001	\$993,098
2023	\$765,000	\$130,732	\$40,147	\$11,200	\$3,205	\$874,000	\$1,047,650
2024	\$760,594	\$65,790	\$59,211	\$8,882	\$2,104	\$933,211	\$1,117,846
2025	\$756,213	\$65,411	\$58,870	\$8,830	\$2,092	\$992,081	\$1,187,638

Table 1 – Actual & Projected Performance

2024 Award Limits

While we cannot predict what 2024 will bring, early indications suggest the markets will increase moderately as interest rates are projected to be cut. Given this, I suggest that we increase our target awards to \$55,000 for 2024 (~7.0 % of trust value).

6 Shearwater Drive
PO 669
Cataumet, MA 02534

stephen.molis@gmail.com
Telephone: 508-563-5343
Cell: 508-241-0171

Based on the planning analysis that Chris completed several ago, we anticipate one new family members entering college in the fall of 2024, so we would have 7 students in college in 2024. Of these 7, six students will be attending major colleges, while the other one is attending junior college.

Given this, and in the interest of preserving trust assets during these very difficult economic times, I suggest that we increase the yearly award limit per individual to \$9,000. This is a substantial increase in awards from last year (\$6,000), although still substantially below levels in 2021 and 2022. We can reassess these limits as the year unfolds. If you do not agree with these suggestions, then please let me know and we'll discuss it further.

As such, for 2024, the following policies are recommended.

- 1. For requests below \$9,000 for the year, award the full amount. Of course, if there are many students in this category, we would have to reduce the amount to stay within our yearly limit.*
- 2. For requests above \$9,000 for the year, we will only be able award a maximum of \$9,000 per student per year. Of course, if there are many students in this category, we would have to reduce the amount to stay within our yearly limit.*
- 3. Exceed the \$9,000 limit on an as-case basis, considering both the trust assets and yearly limit. The Trustees will review and vote on requests individually.*
- 4. For students who choose to commute to college rather than stay on campus, we will reimburse for mileage to and from college. We will use the 2024 IRS mileage reimbursement rate, which is 67 cents per mile.*
- 5. Letters to individuals requesting funds before any semester should stress that the awards are given with the expectation that the student will get passing grades (at least a 2.0). Should the student not achieve passing grades, then future awards for that student will not be made before the semester, but rather will be made only after receiving notice that the student passed. If passing grades are not achieved, the Trust will make no award for that semester.*
- 6. For any student who requests funds for a non-college degree program, the Trustees shall decide on what amount to award, based on the current Trust financial condition, and the total number and amount of other funds being requested. However, because the original intent of the Trust was for college degree programs, the Trustees reserve the right to award less than the amounts listed above for any non-college degree program, or perhaps, make no award at all.*
- 7. Letters to applicants should note that the Trust may not be able to cover an applicant's costs, and that the Trustees will consider past awards made when deciding on whether to make future awards. This will cover situations where a student decides to change programs midstream and cannot transfer credits to the new program.*

Age and Other Award Limits

Over the years, we have had several unusual requests that have caused the Trustees to review our procedures. One is requests by older individuals, and the other is when individuals who have already received awards for a degree, decide to seek a degree in different field.

As the family expands, more and more students are expected to share the assets of the Trust. We believe Uncle Al's intention was to assist young family members in pursuing a college degree to get them on a career path that they might not be able to otherwise afford. Although initially designed for college education, we think he would be happy with us that we now allow individuals to pursue education in non-degreed fields, rather than just college degrees. We do not think, however, that his intention was to assist individuals for multiple degrees in different fields, nor to do we think he would approve of funding degrees later in life.

We think the Trust should provide a means for young people to better themselves and initially kick start their life. If, after obtaining a degree and selecting a career, they are not happy, they might want to pursue a degree in a different field. If so, we believe that it is up to them to pay those costs themselves. We, as trustees, must look across the broad spectrum of a growing family, and set appropriate guidelines to share the funds to meet the goals set. As such, we will stay with the award rules that we adopted in 2020:

1. Limit assistance to those individuals pursuing degrees up to the age of 35.
2. No assistance will be provided for an additional degree in an unrelated field.
3. Provide assistance for advanced degrees so long as the degree is in their undergraduate field of study or is relevant to their undergraduate field. One example of this would be obtaining an MBA degree.
4. Below the age of 35, limit assistance to a maximum of \$500 per year for those individuals who chose to pursue Continuing Education Credits (CEU) to supplement their education in their present field.

Fairness of Awards to Individuals - Consideration of Special Awards

Prior to 2008, there was no limit on the amount that we reimbursed students. Of course, in those days the fund assets were growing at a substantial rate, and we had fewer individuals requesting funds. As a result, we reimbursed all individuals fully from 2003 to 2007. In subsequent years, market conditions and increased student requests, resulted in us having to impose yearly individual award limits. These limits have continued since that time, thus some students who have attended college after 2008 have incurred significant out-of-pocket costs. The events and history are provided at the end of this report.

At that time, we recognized that there was a level of unfairness to some students. If you happened to be in college during periods where Trust value was growing, the awards would be higher than if a student was in college during periods where the Trust value was decreasing.

As a result, in 2010 we initiated a policy to provide special awards to those individuals who may have received less assistance. To do this, we track the total out-of-pocket costs (Total costs minus awards) for each student. At the end of each year, we evaluate whether we have sufficient assets to grant additional awards.

Currently, we have nine students whose total costs have exceeded what we were able to pay, some of which have paid substantially more than what we have awarded. Most of these individuals attended expensive schools, with tuitions far exceeding what the Trust can provide.

Unfortunately, while the Trust performance was improved in 2023, it did not improve enough to be able to provide special awards. However, as we have done in the past, we will continue to track total out of pocket costs for all students.

Please note, however, that we did make \$7,000 in special awards earlier in 2023; \$6,000 to one person and \$1,000 to the other. Each was a special circumstance that was fully discussed by the Trustees. It was agreed that these awards will be treated as special awards in this category and will be viewed as a prepayment for special awards that we expect to make in future years.

As Trustees, we have no specific obligation to pay everyone's costs fully. We discussed this early on knowing that someday we would have a student enrolled in an expensive private college, law school or medical school, and that the Trust could not pay these fees fully. Nevertheless, we do not want to discourage students from attending expensive colleges and should try to contribute a reasonable amount so long as the fund has the resources, and we keep in mind the long-term health of the Trust.

In closing, if the markets continue to recover during the course of 2024, we can consider making additional end of year awards. Thanks for your help throughout the year.

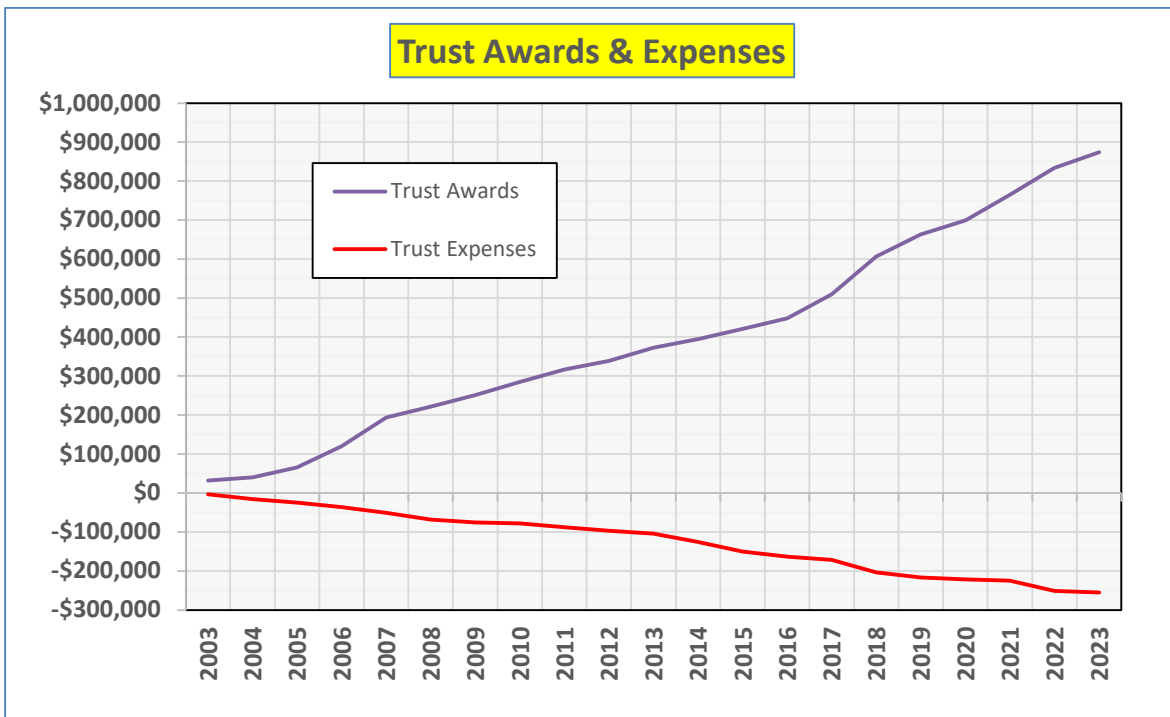
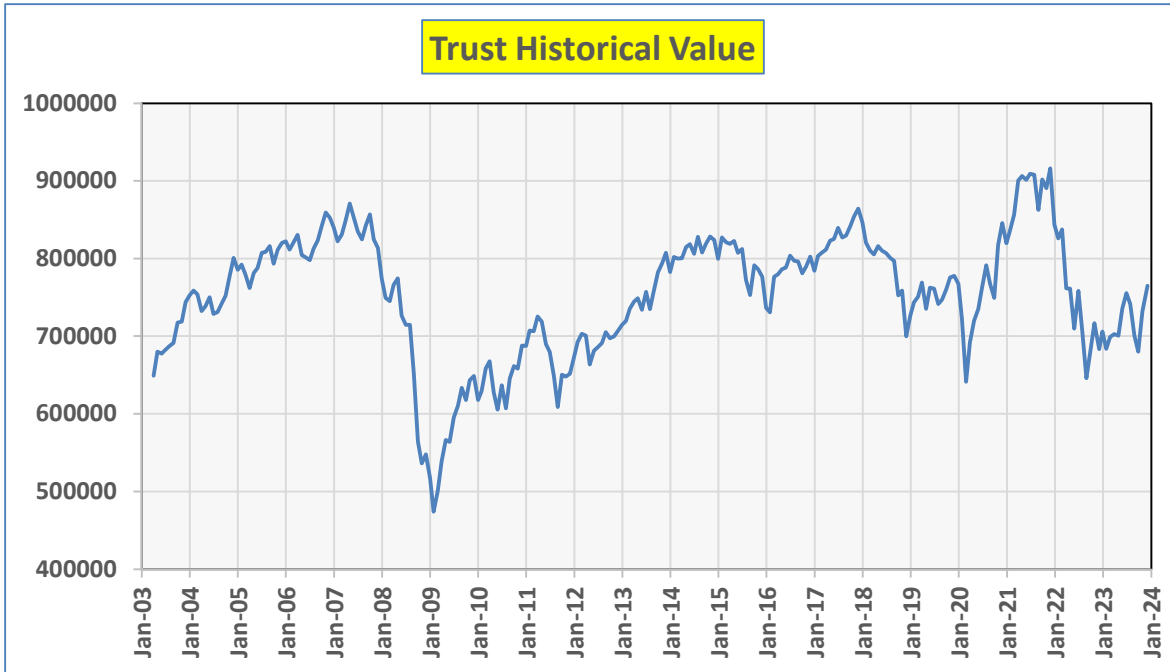
Sincerely,



Stephen. J. Molis, Trustee, Alexander Molis College Trust

Trust Historical Performance

The Trust was funded with \$600,000 on March 13, 2003. Over the years, the Trust has achieved remarkable gains while making significant awards to family members as they pursue their educations. At the end of 2023, the Trust was valued at \$765,000, had distributed about \$874,000 in awards, and had paid about \$255,000 in taxes and management fees. The chart below shows the historical trust value, while the 2nd chart shows the total trust awards and trust expenses. As you can see, the Trust is still valued at \$765,000, \$165,000 above where we started 20 years ago, despite distributing about \$1.129 million in awards, taxes and fees.



The Trustee's oversee the Trust fund and make decisions on awards. Obviously, we are pleased with the overall results and the current financial condition of the Trust. Nevertheless, we have had to make some difficult decisions over the years based on the ups and downs of the financial markets to ensure that the Trust assets are there for future generations, as this type of Trust will exist for about 100 years! Some of the key events and decisions are discussed below.

From 2003 to 2008, the trust achieved remarkable performance as the stock market motored ahead. This performance allowed us to make significant awards to those family members in college at the time, covering virtually all their costs.

However, the banking crisis in 2008 caused the stock market to suffer steep losses, taking a significant toll on the value of the Trust. Early in 2009, Trust assets had dipped to about \$542,000, down from a high of \$813,000! In reaction to this, the Trustees met and decided to limit awards to students to \$7,500 per year. Time has proven that our strategy allowed us to weather the market storm during those years.

Trust value dipped to a low of \$474,000 in early 2009 before beginning to recover. The markets turned around, and the Trust made solid gains in 2010 through 2017. Each year we set an overall award limit and did our best to adhere to that limit, while still making reasonable awards to family members. During this period, more family members were attending college. As such, in order to keep overall awards to a reasonable level, we had to limit individual awards. These limits started at \$9,000 per year in 2010 and gradually increased to \$14,000 per year in 2018.

Imposing these individual limits, of course, meant that those students who attended more expensive colleges during those years had significant out-of-pocket costs. This did not occur during the early years of the Trust, when students were fully reimbursed for their costs. Recognizing this inequity, the Trustees implemented a plan to make special awards to those individuals with substantial out-of-pocket costs. After evaluating year end performance, the Trustees decide whether to make some additional awards to those individuals. We were able to do this consistently between 2010 and 2017, providing additional awards between \$1,000 and \$4,000 to those individuals each year.

After the market peaked in early 2018, the Trust's value had increased to about \$850,000. However, the markets suffered significant losses for the remainder of 2018, and the Trust ended the year with a significant loss, dropping in value to about \$700,000. As a result, we reduced the maximum award limit from \$14,000 to \$5,000 and made no special awards at year end.

2019 was a much better year for the market and by year end the Trust's assets had grown to \$782,000. This allowed the Trustees to increase individual award limits back to \$9,000 and provide year end special awards again.

The Covid 19 epidemic started in early 2020, making for an interesting year for investing. The pandemic resulted in a precipitous drop in the Trust's assets to \$641,000 at the end of March 2020! However, the market recovered nicely, so by the end of 2020, the account was valued at about \$845,000, up about \$63,000 for the year. As such, we were able to increase individual awards to \$12,000 per year and make additional special awards at year end. The market continued to increase in 2021, ending the year at \$916,000, and allowing us to increase individual awards to \$14,000 per year and make additional special awards at year end.

However, in late 2021, the market began to show signs of trouble, as inflation began to take hold. This accelerated throughout 2022 and caused the stock market to suffer steep losses, taking a significant toll on the value of the Trust. By the end of 2022, Trust assets had dipped to about \$688,000, down from a high of \$916,000 at the beginning of 2022!

Fortunately, the markets began to recover in 2023, ending the year at \$765,00, and most financial analysts predict continued improvement in 2024. While we are not out of the woods as yet, we are able to increase award levels in 2024.

Alexander Molis College Trust



Jared Molis	2008 to 2013	2014 to 2016	2017	2018	2019	2020	2021	Totals		
Total Bills	\$47,000	\$0	\$0	\$0	\$0	\$0	\$0	\$47,000		
Amount Awarded	\$14,440	\$0	\$0	\$0	\$0	\$0	\$0	\$14,440		
Extra Award	\$13,000	\$10,000	\$2,000	\$0	\$2,000	\$2,500	\$2,000	\$31,500		
Out of Pocket Cost	\$19,560	\$9,560	\$7,560	\$7,560	\$5,560	\$3,060	\$1,060	\$7,560		
Jared Molis	Jared Molis									
Total Out of Pocket Cost	Total Awards									
\$1,060	\$45,940									
Daniel Molis	2016	2017	2018	2019	2020	2021	2022	Totals		
Total Bills	\$21,536	\$26,893	\$24,896	\$28,748	\$13,938	\$0	\$0	\$116,011		
Amount Awarded	\$6,500	\$14,000	\$14,000	\$5,000	\$4,000	\$0	\$2,000	\$45,500		
Extra Award	\$4,000	\$2,000	\$0	\$2,000	\$2,500	\$2,000	\$0	\$12,500		
Out of Pocket Cost	\$11,036	\$21,929	\$32,825	\$54,573	\$62,011	\$60,011	\$58,011	\$54,573		
Daniel Molis	Daniel Molis									
Total Out of Pocket Cost	Total Awards									
\$58,011	\$58,000									
Ryan Streeter	2016	2017	2018	2019	2020	2021	2022	Totals		
Total Bills	\$6,765	\$32,330	\$40,452	\$7,835	\$41,951	\$22,413	\$0	\$151,746		
Amount Awarded	\$6,500	\$14,000	\$14,000	\$2,500	\$8,000	\$12,000	\$2,000	\$59,000		
Extra Award	\$265	\$2,000	\$0	\$2,000	\$2,500	\$2,000	\$0	\$8,765		
Out of Pocket Cost	\$0	\$16,330	\$42,782	\$46,117	\$77,568	\$109,019	\$17,432	\$46,117		
Ryan Streeter	Ryan Streeter									
Total Out of Pocket Cost	Total Awards									
\$83,981	\$67,765									
Shane Fargo	2015-2016	2017	2018	2019	2020	2021	2021	Totals		
Total Bills	\$20,008	\$12,268	\$11,337	\$15,112	\$7,776	\$0	\$0	\$66,501		
Amount Awarded	\$14,722	\$11,201	\$11,201	\$5,000	\$4,000	\$0	\$0	\$46,124		
Extra Award	\$0	\$2,000	\$0	\$2,000	\$2,500	\$2,000	\$2,000	\$10,500		
Out of Pocket Cost	\$5,286	\$4,353	\$4,489	\$12,601	\$13,877	\$11,877	\$9,877	\$12,601		
Shane Fargo	Shane Fargo									
Total Out of Pocket Cost	Total Awards									
\$9,877	\$56,624									
Joey Molis	2019	2020	2021	2022	2023	2024	2024	Totals		
Total Bills	\$13,034	\$34,634	\$16,736	\$19,744	\$10,630	\$0	\$0	\$94,778		
Amount Awarded	\$5,000	\$8,000	\$12,000	\$13,500	\$3,000	\$0	\$0	\$41,500		
Extra Award	\$2,000	\$2,500	\$2,000	\$0	\$0	\$0	\$0	\$6,500		
Out of Pocket Cost	\$6,034	\$24,134	\$2,736	\$6,244	\$7,630	\$0	\$0	\$6,244		
Joey Molis	Joey Molis									
Total Out of Pocket Cost	Total Awards									
\$46,778	\$48,000									
Owen Molis	2021	2022	2023	2024	2025	2026	2026	Totals		
Total Bills	\$22,247	\$43,447	\$45,264	\$0	\$0	\$0	\$0	\$110,958		
Amount Awarded	\$6,000	\$13,500	\$6,000	\$0	\$0	\$0	\$0	\$25,500		
Extra Award	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000		
Out of Pocket Cost	\$14,247	\$29,947	\$39,264	\$0	\$0	\$0	\$0	\$0		
Owen Molis	Owen Molis									
Total Out of Pocket Cost	Total Awards									
\$83,458	\$27,500									
Cecilia Molis	2020	2021	2022	2023	2024	2025	2026	Totals		
Total Bills	\$5,677	\$10,457	\$15,875	\$11,210	\$0	\$0	\$0	\$43,219		
Amount Awarded	\$5,677	\$10,461	\$14,000	\$6,000	\$0	\$0	\$0	\$36,138		
Extra Award	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Out of Pocket Cost	\$0	(\$4)	\$1,875	\$5,210	\$0	\$0	\$0	\$5,210		
Cecilia Molis	Cecilia Molis									
Total Out of Pocket Cost	Total Awards									
\$7,081	\$36,138									
Bradev Farrell	2022	2023	2024	2025	2026	2027	2028	Totals		
Total Bills	\$9,340	\$19,768	\$0	\$0	\$0	\$0	\$0	\$29,108		
Amount Awarded	\$7,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$13,000		
Extra Award	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$1,000		
Out of Pocket Cost	\$2,340	\$12,768	\$0	\$0	\$0	\$0	\$0	\$0		
Bradev Farrell	Bradev Farrell									
Total Out of Pocket Cost	Total Awards									
\$15,108	\$14,000									
Mitchell Farrell	2022	2023	2024	2025	2026	2027	2028	Totals		
Total Bills	\$13,137	\$22,856	\$0	\$0	\$0	\$0	\$0	\$35,993		
Amount Awarded	\$7,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$13,000		
Extra Award	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$5,000		
Out of Pocket Cost	\$6,137	\$11,856	\$0	\$0	\$0	\$0	\$0	\$0		
Mitchell Farrell	Mitchell Farrell									
Total Out of Pocket Cost	Total Awards									
\$17,993	\$18,000									

Students with Expenses that Exceed Awards Granted

6 Shearwater Drive
PO 669
Cataumet, MA 02534

stephen.molis@gmail.com
Telephone: 508-563-5343
Cell: 508-241-0171

Name	Total Awards 2003-2014	Total Awards 2015	Total Awards 2016	Total Awards 2017	Total Awards 2018	Total Awards 2019	Total Awards 2020	Total Awards 2021	Total Awards 2022	Total Awards 2023	Inactive
Sean Jackson	39,147										\$39,147
Jodi Jackson	15,896										\$15,896
Michael Bilodeau	25,899	\$1,097.00	\$1,395.00	\$1,731.00	\$1,745.00						\$31,867
Michael Bilodeau Jr.	9,300	\$2,486.00	\$1,717.00	\$1,226.00	\$1,415.00	\$1,554.00					\$17,698
Stephen A. Molis	20,905										\$20,905
Gina Griffin	2,990										\$2,990
Audrey Fargo	4,193		\$2,430.00								\$6,623
Amy B. Molis	11,950										\$11,950
Joseph Fillion	5,317										\$5,317
Kayla Ramos	16,982										\$16,982
Bandon Savickas	24,671										\$24,671
Mark Bilodeau	9,411		\$308	\$3,500	\$14,000	\$5,000					\$32,219
Christopher Molis	47,484										\$47,484
Nicole Bilodeau	6,874										\$6,874
Aubrie Savickas	70,249	\$2,000	\$2,000	\$2,000							\$76,249
David Hird	24,862				\$757						\$25,619
Jennifer Molis	9,700										\$9,700
Jared Molis	42,440	\$2,000	\$2,000	\$2,000		\$2,000	\$2,500	\$2,000			\$54,940
Kiara Fillion	7,651										\$7,651
Michelle Streeter	280					\$1,590					\$1,870
Ryan Streeter			\$6,765	\$16,000	\$14,000	\$7,000	\$8,000	\$14,000			\$65,765
Thomas Streeter	2,736	\$1,628	\$1,073	\$2,357	\$5,444	\$0					\$13,238
Brett Fargo	2,757										\$2,757
Tyler Woodcock											\$0
Brenna Bilodeau	6,539			\$1,732	\$0	\$0					\$8,271
Zenobia Griffin		\$2,209	\$3,443	\$3,900	\$993	\$714	\$2,576	\$1,745	\$2,013		\$17,593
Daniel Molis			\$10,500	\$16,700	\$14,000	\$7,000	\$4,500	\$2,000			\$54,700
Robert Molis					\$5,571						\$5,571
Shane Fargo		\$6,500	\$8,222	\$13,201	\$11,201	\$7,000	\$6,500	\$2,000			\$54,624
Austin Yetz				\$4,702	\$4,625						\$9,327
Morgan Bilodeau				\$1,955	\$2,193	\$2,998	\$769	\$1,800	\$2,525	\$3,147	\$15,387
April Streeter					\$3,018	\$5,000	\$4,693				\$12,711
Joey Molis						\$7,590	\$10,500	\$14,000	\$13,500	\$6,000	\$51,590
Cameron Yetz						\$1,250					\$1,250
Cecilia Molis							\$5,677	\$10,461	\$14,000	\$6,000	\$36,138
Owen Molis						\$1,250		\$8,000	\$13,500	\$6,000	\$28,750
Mercedes Creighton								\$6,617	\$0		\$6,617
Bradey Farrell									\$7,000	\$7,000	\$14,000
Mitchell Farrell									\$7,000	\$12,000	\$19,000
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Totals	\$408,232	\$17,920	\$39,853	\$71,004	\$78,962	\$49,946	\$45,715	\$62,623	\$59,538	\$40,147	\$873,940

Award History