

**MINUTES OF THE ARCHIVES PARTNERSHIP TRUST BOARD
INVESTMENT COMMITTEE MEETING CONFERENCE CALL
10:00 am, April 29, 2020
Cultural Education Center, Room 9C49, 222 Madison Avenue, Albany, NY**

Investment Committee Members Present

By Telephone: Harold Iselin, Stephen Pagano, and Joyce Shenker

Staff Present

Janet Braga, Director

Others Present

Paul Murray, First Vice President, Investments, Janney Montgomery Scott LLC

Excused

Barbara A. Brinkley, Board Treasurer and Committee Chair and Rosemary Vietor

Call to Order

Mr. Pagano and Mr. Iselin called the meeting of the Investment Committee to order at 10:05 am, and Mr. Murray begin with his report.

Review of Portfolio Performance for the Last Quarter and Investment Distribution as a Result of Market Performance

After starting off the New Year strong, markets sold off at the quickest pace in history in March. The Dow Jones Industrial average peaked at record high close of 29,551 on 2/12/20 and then fell to 18,591 by 3/23/20. The account value fell from **\$4,959,985** on 12/13/19 and between the Trust's annual drawdown and market decline the value ended at **\$4,136,178** on 3/31/2020. As of this meeting, the value was hovering just under \$4.4 million.

Asset allocation:

3.2%	cash and equivalents (cash/fixed income or securities to mature in six months)
54.4%	in equities (41.5% U.S. and 12.9% international)
42.3%	fixed income (CDs and the bond mutual funds)
0.0%	other (a blended fund composed of both stocks and bonds)

- Broad asset allocation ratio:

54.4%	equities
45.6%	fixed income

- Performance:

Trust Portfolio vs Benchmarks	1st Qtr	YTD	Since 12/31/2006*
• Trust's portfolio	-12.39%	-12.39%	5.19%
• S&P 500 Composite Index	-20%	-20%	4.63%
• Blended Benchmark Portfolio (55% S&P 500 Total Return, 15% MSCI EAFE GTR, and 30% Merrill Lynch 3-month Treasury)	-13.74%	-13.74%	4.93%

* the date Janney began using its current tracking database

Portfolio Changes:

	1st Qtr	YTD
Net deposits/withdrawals:	-\$240,000	-\$240,000
Total Earnings:	-\$583,807	-\$583,807

Mr. Murray noted:

- There was one \$240,000 withdrawal from the Trust's endowment account in the first quarter.
- Investment earnings were negative (-\$583,807) as indicated above or (-12.39%) for the quarter. The benchmark S&P 500 Index for stocks was up (-20.00%) for the quarter and our blended benchmark was up (-13.74%). Mr. Murray noted that the portfolio is still performing well given our risk parameters and in line with market benchmarks. The portfolio continues to meet our goals – provide sufficient earnings to meet annual cash withdrawal needs and opportunity for growth.
- Allocation per “Quick View” report is approximately 41.5% cash/bond funds/CDs and 58.5% stock mutual funds/ETFs. At the end of December we were around 70% equity exposure – the market selloff certainly adjusted our allocation numbers but so did the rebalancing of \$250,000 from equities to fixed income that we made on January 23, 2020. Current allocation seems appropriate for current conditions and we continue over allocated to domestic, large company stock funds

Mutual Funds

- Mutual funds continue to be well rated and posting good relative results. Mr. Murray noted long term results and ratings on our funds are still acceptable and advised to hold. He noted American Funds is a seasoned fund manager with decades of experience in volatile markets.

Interest Rates

- Interest rates have plummeted to historic levels – the yield on 10 year Treasury is trading today at 0.62%, down from 1.91% in December up from 1.67%. “Flight to quality” and government stimulus created a surge in demand for the safety of US Treasury bonds.

Review of Bond Performance

- **Bonds/CDs Called:** A \$55,000 Goldman Sachs Bank CD came due 2/3/2020 and a \$70,000 CD on 4/27/2020.
- **Bonds/CDs Matured/Maturing:** A CD in October 2020 and November 2020 are next to mature.

Cash (Available, Needs, Projections)

Ms. Braga reported that the Trust had a very good 10/20 fiscal year. The Trust's *Consider the Source* project and the *Saving America's Treasures* grant are progressing and still on schedule to conclude this year. Ms. Braga recommended a balance of \$50,000 stay in the endowment cash account given the uncertainty of how Covid-19 will impact fund raising efforts. The committee will re-evaluate the balance at the committee's July meeting.

Action Items

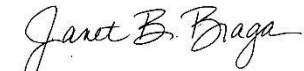
Mr. Iselin made a motion to have Mr. Murray retain \$50,000 in the Trust's money market account and reinvested the remaining balance (approximately \$34,000) into the Trust's ladder of CDs in the three and four-year range. Ms. Shenker seconded the motion and the motion passed unanimously.

Conclusion

Mr. Iselin made a motion to adjourn the meeting and Stephen Pagano seconded the motion at 10:35 am.

The next Investment Committee meeting is next scheduled for July 29, 2020.

Respectfully submitted,



Janet B. Braga

Director