

**MINUTES OF THE ARCHIVES PARTNERSHIP TRUST BOARD
INVESTMENT COMMITTEE MEETING CONFERENCE CALL**

10:00 am, January 27, 2021

Cultural Education Center, Room 9C49, 222 Madison Avenue, Albany, NY

Investment Committee Members Present

By Telephone: Barbara A. Brinkley, Stephen Pagano, Harold Iselin, and Joyce Shenker

Staff Present

Janet Braga, Director and Tom Ruller, New York State Archivist

Others Present

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

Excused

Rosemary Vietor

Call to Order

Ms. Brinkley called the meeting of the Investment Committee to order at 10:04 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

- Mr. Murray reported Markets posted a strong 4th quarter in 2020. The account closed the year 12/31/2020 at **\$5,414,309** up from the end of September was **\$4,908,678** - a gain of **\$505,629** for the quarter.

Asset allocation:

9.1%	cash and equivalents (cash/fixed income or securities to mature in six months)
63%	in equities (46.1% U.S. and 13.4% international)
27.8%	fixed income (CDs and the bond mutual funds)
0.0%	other (a blended fund composed of both stocks and bonds)

- Broad asset allocation ratio:

63%	equities
27%	fixed income

- Performance:

Trust Portfolio vs Benchmarks	4th Qtr	YTD	Since 12/31/2006*
• Trust's portfolio	10.25%	14.59%	6.94%
• S&P 500 Composite Index	11.69%	16.26%	7.20%
• Blended Benchmark Portfolio (55% S&P 500 Total Return, 15% MSCI EAFE GTR, and 30% Merrill Lynch 3-month Treasury)	9.03%	12.85%	6.69%

* the date Janney began using its current tracking database

Portfolio Changes:

	4th Qtr	YTD
Net deposits/withdrawals:	-\$0	-\$240,000
Total Earnings:	\$505,629	\$694,322

Mr. Murray noted:

- There were no withdrawals from the Trust's endowment account in the fourth quarter.

Investments

- Investment earnings were positive +505,629 as indicated above or +10.25% for the quarter. The benchmark S&P 500 Index for stocks was up +11.69% for the quarter and the blended benchmark was up +9.03%. For the year, the account finished with a net positive +14.59% YTD return, vs benchmarks of +16.26 and +12.85%.
- Allocation per “Quick View” report is approximately 33% cash/bond funds/CDs and 67% stock mutual funds/ETFs. Equity allocation rose slightly because of market gains. Current allocation seems appropriate for current conditions and we continue to be over allocated to domestic, large company stock funds.

Mutual Funds

- Mutual funds continue to be well rated and posting good relative results. Long term results and ratings on our funds are still acceptable and Mr. Murray advised to hold.

Interest Rates

- Interest rates continue to move up slowly – the yield on 10-year Treasury closed the year at 0.917%, up from October’s meeting of 0.84% (and trading today 1/20/2021 around 1.10%). Short term rates have not seen much upward movement – the benchmark 5-year Treasury rate is around 0.45%.

Mr. Murray recommended committee members review Janney’s *Weekly Bulletin* with the company’s assessment of the market conditions and outlook for 2021, which is positive.

Review of Bond Performance

- **Bonds/CDs Called:** No bonds or CDs were called since the last meeting in October 2020.
- **Bonds/CDs Matured/Maturing:** One CD in October and November matured since the last meeting in October 2020.
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Cash (Available, Needs, Projections)

Ms. Braga reported that the Trust is holding steady and does not anticipate needing funds from the endowment beyond the drawdown specified in the FY20/21 approved operational budget.

Action Items

Mr. Murray reported the Trust had \$210,000 in CDs mature in the 4th quarter. The account’s cash position stands at roughly \$350,000, well above what we typically hold/need. Current money market rate is 0.01%. CD rates offer some improvement but still well off “normal” levels. Mr. Murray reported current rates: 2 Year Due 2023 0.15%, 3 Year 2024 0.20% , 4 Year Due 2025 0.30%. He recommended the committee maintain the 2-3 years out timeframe suggesting CDs still offer safety, liquidity and predictability. He called attention to some of Janney’s conservative mutual funds for consideration, specifically Capital Income Builder – a fund designed for income by investing globally in high quality dividend paying companies and bonds. Current dividend rate on the fund is over 3.3%. The fund has served well over the years and is worthy of becoming a bigger piece of the portfolio. **Mr. Murray formally suggested a 50/50 split of investable funds between 3-year CD due 2024 and Capital Income Builder.**

A motion was made by Mr. Iselin to roll \$75,000 from the Trust’s money market account into a 3-year CD and another \$75,000 invested into American Funds Capital Income Builder. Mr. Pagano seconded the motion, and the motion was approved unanimously.

Conclusion

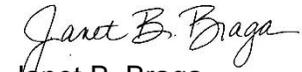
Chairperson, Ms. Brinkley thanked Mr. Murray and Ms. Braga and suggested future Investment Committee meetings be 30 minutes in length vs one hour. She stated the informative materials sent prior to the meeting allow for an efficient meeting. Mr. Pagano made a motion to schedule

future Investment Committee meetings to thirty minutes and Mr. Iselin seconded. The motion was approved unanimously.

Meeting adjourned at 10:26 am.

The next Investment Committee meeting is next scheduled for April 28, 2021.

Respectfully submitted,



Janet B. Braga
Director