

**MINUTES OF THE ARCHIVES PARTNERSHIP TRUST BOARD  
INVESTMENT COMMITTEE MEETING CONFERENCE CALL  
10:00 am, October 27, 2021  
Cultural Education Center, Room 9C49, 222 Madison Avenue, Albany, NY**

**Investment Committee Members Present**

By Telephone: Barbara A. Brinkley, Rosemary Vietor, Harold Iselin, Stephen Pagano, 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

**Call to Order**

Ms. Brinkley called the meeting of the Investment Committee to order at 10:00 am, and Mr. Murray began with his report.

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

- Mr. Murray reported markets peaked in early September and drifted lower the rest of the month – the result was our first negative quarter in quite some time. The account ended September 2021 at \$5,651,568 versus June 2021 at \$5,685,569, a drop of approximately -\$34,000. As of close of business on 10/26/2021 the account was \$5,879,145.

Asset allocation:

3.4%	cash and equivalents (cash/fixed income or securities to mature in six months)
69.0%	in equities (46.1% U.S. and 13.4% international)
27.4%	fixed income (CDs and the bond mutual funds)
0.1%	other (a blended fund composed of both stocks and bonds)

- Broad asset allocation ratio:

72.6%	equities
27.4%	fixed income

- Performance:

<b>Trust Portfolio vs Benchmarks</b>	<b>3rd Qtr</b>	<b>YTD</b>	<b>Since 12/31/2006*</b>
• Trust's portfolio	-.63%	8.11%	7.14%
• S&P 500 Composite Index	.23%	14.68%	7.82%
• Blended Benchmark Portfolio (55% S&P 500 Total Return, 15% MSCI EAFE GTR, and 30% Merrill Lynch 3-month Treasury)	.32%	10.06%	7.04%

\* the date Janney began using its current tracking database

Portfolio Changes:

	<b>3rd Qtr</b>	<b>YTD</b>
Net deposits/withdrawals:	\$108	-\$189,892
Total Earnings:	-\$34,110	\$427,152

**Investments**

- Investment return was -0.63% for the quarter, bringing the YTD return down to +8.11% since January 1. The benchmark S&P 500 Index for stocks was up +0.23% for the quarter and our blended benchmark of stocks and short-term bonds was up +0.32%, with YTD numbers being +14.68% and 10.06% respectively.
- Allocation per "Quick View" report remains approximately 27% cash/bond funds/CDs (fixed) and 73% stock mutual funds/ETFs equities. As previously discussed, current allocation is at the high end of the equity range but interest rates on short-term bonds and CDs continue to

be well below 1% (i.e. 0.25%-.75%). Mr. Murray noted he does not recommend repositioning at this time. He will monitor this allocation closely for a possible reallocation later in the year should interest rates become more attractive.

### **Mutual Funds**

- Mutual funds continue to be well rated and posting good results. Mr. Murray stated there are no concerns with any to the funds we own. Long term results and ratings on our funds are still acceptable and he advised to hold noting he has a lot of confidence in the lead manager at American Funds/Capital Group. One fund remains slightly negative – the Vanguard Short Term Bond Index – as a result of rising interest rates since the beginning of the year. However, all bases are covered with exposure to different areas of the market both with active management (American Funds) and passive indexing (iShares, SPDR). Mr. Murray did not have any changes to suggest at this time.

### **Interest Rates**

- Interest rates moved UP this quarter – the yield on benchmark 10-year Treasury rose 1.44% in June to 1.53% at end of September. Short term rates (5 year) also rose about 0.10% to 0.997% during the quarter.

Mr. Murray recommended committee members review Janney's *Weekly Bulletin* with the company's assessment of the market conditions and their continued positive outlook for 2021.

### **Review of Bond Performance**

- **Bonds/CDs Called:** One \$60,000 bond was called on 10/25/21.
- **Bonds/CDs Matured/Maturing:** One CD matures in November and one in December.

### **Cash (Available, Needs, Projections)**

Ms. Braga reported that the Trust is holding steady and does not anticipate needing funds before the annual withdrawal in January.

### **Action Items**

Mr. Murray reported two CDs will mature by the end of the year and recommended keeping the proceeds on hand for the annual withdrawal in early 2022. For the CD that was called on 10/25/21 he recommended the committee reinvest the funds into a four-year CD bringing the Trust's CD ladder into 2025 noting this will continue to keep the "non-stock market" side of the portfolio as safe as possible. At the next committee meeting members can discuss options for remaining funds in the money market account after the annual withdrawal.

Ms. Shenker asked Mr. Murray about a two-year CD option vs a four year one. Mr. Murray responded the strategy of laddering is so we do not have an excessive amount of money coming due all at once. Longer term CD's also offer a higher interest rate. The strategy has been to try and have an equal amount of funds come due each year.

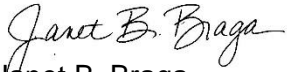
Stephen Pagano made a motion for Mr. Murray to invest \$60,000 in a 4-year CD at the highest rate possible to remain consistent with our laddered discipline. Joyce Shenker seconded the motion. The motion was unanimously approved.

Ms. Brinkley thanked Mr. Murray and noted Mr. Murray's presentation omitted mention of "inflation," and requested his views on this. Ms. Brinkley then made the committee aware of a question by APT Board Member, Peter Millock at the October Board Meeting regarding guidelines the committee follows specific to maturity of investments. Ms. Braga was asked to send Mr. Millock items 8 and 9 from the Trust's investment policy to see if the information answers his questions. The committee discussed the process of how the committee follows the guidelines and all were comfortable with the process and pleased with the guidance received by Janney.

**Conclusion**

Chairperson, Ms. Brinkley thanked Mr. Murray for his report. The meeting adjourned at 10:35 am. The next Investment Committee meeting is next scheduled for **January 26, 2022**.

Respectfully submitted,



Janet B. Braga  
Director