

**MINUTES OF THE ARCHIVES PARTNERSHIP TRUST BOARD
INVESTMENT COMMITTEE MEETING CONFERENCE CALL
10:00 am, July 26, 2023
Cultural Education Center, Room 9C49, 222 Madison Avenue, Albany, NY**

Investment Committee Members Present

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

Staff Present

Janet Braga, Director

Excused

Stephen Pagano and Joyce Shenker

Others Present

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

Call to Order

Ms. Brinkley called the meeting to order at 10:05 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 continued the rally through the second quarter of 2023. The account ended Q2 6/30/2023 at \$5,039,079 vs. 3/31/2023 value of \$4,828,264. There were no withdrawals in Q2, so the net gain for the quarter was +\$210,815 bringing year-to-date gains to a total of \$420,298. As of this meeting date the account balance was \$5,143,203.

Asset allocation:

4.2%	cash and equivalents (cash/fixed income or securities to mature in six months)
64.8%	in equities (49.2% U.S. and 15.6% international)
30.8%	fixed income (CDs and the bond mutual funds)
0.1%	other (a blended fund composed of both stocks and bonds)

Broad asset allocation ratio:

70%	equities
30%	fixed income

Performance:

Trust Portfolio vs Benchmarks	2nd Qtr	YTD	Since 12/31/2006*
• Trust's portfolio	4.34%	8.84%	6.13%
• S&P 500 Composite Index	8.30%	15.91%	7.18%
• Blended Benchmark Portfolio (55% S&P 500 Total Return, 15% MSCI EAFE GTR, and 30% Merrill Lynch 3-month Treasury)	5.23%	11.75%	7.04%

* the date Janney began using its current tracking database

Portfolio Changes:

	2nd Qtr	YTD
Net deposits/withdrawals:	\$0	\$228,000
Total Earnings:	\$210,815	\$420,298

Investments

- Investment return for the quarter was **+4.34%** vs **+8.30%** for the S&P Index and **+5.23%** for our blended benchmark of stocks and short-term bonds. For the year, the portfolio is **+8.84%** vs the S&P **+15.91%** YTD. Mr. Murray noted the S&P 500 Index has become very concentrated because of the dominance in large technology companies performance. The “magnificent seven” Apple, Microsoft, Alphabet (Google), Amazon, Nvidia, Tesla and Meta (Facebook) accounted for 73% of the S&P gains in the first half of the year.
- Allocation on 6/30/2023 is roughly 30% cash/bond funds/CDs (fixed) and 70% stock mutual funds/equity ETFs. Mr. Murray stated the committee approved a reallocation in late May and \$365,000 was moved from equities to CDs, bringing down the stock market (equity) exposure from 76% to 70%. Mr. Murray did not recommend making any additional changes at this point to our holdings. He will continue to be mindful of market conditions and our exposure.

Interest Rates

- The bond market dropped as longer-term interest rates rose slightly during the quarter after a big drop in March/April. The 5-Year Treasury yields rose from 3.61% in March to 4.10% at the end of June. The 10-year yields moved from 3.49% to 3.81% in June. The benchmark Bloomberg Aggregate Bond Index declined -0.84% for the quarter (as interest rates rise, bond prices/values decline). The yield curve continues to be inverted, meaning short term rates are higher than long term rates, although not nearly as much as earlier in the year. Mr. Murray reported there was no rate hike in June, but it is expected that the Fed will raise rates 1-2 more times again this year. To date there have been 3 rate hikes in 2023 at 0.25% each Feb-March-May. Inflation numbers are cooling but still above their target levels.

Review of Bond Performance

- **Bonds/CDs:** CDs will mature later in October 2023 - \$70,000 and November 2023 -\$100,000.

Cash (Available, Needs, Projections)

- Ms. Braga reported that the Trust is on track and gearing up for the Fall appeal and closing out the ConsidertheSourceNY.org grant from IMLS.

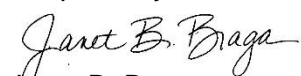
Action Items

- Mr. Murray recommended no changes to our mutual fund holdings – noting the account is very diversified and all funds continue to show acceptable ratings and returns (Archives Morningstar). All of our fund holdings are very representative of the general market – those that fell the most last year, have bounce the most this year (i.e. Growth Fund of America +26.85% YTD, whereas the more conservative areas (Capital Income Builder, American Mutual) held their own relatively well last year but lagging to the upside this year.

Chairperson, Ms. Brinkley thanked Mr. Murray. The meeting was adjourned at 10:35 am.

The next Investment Committee meeting is next scheduled for October 25, 2023.

Respectfully submitted,



Janet B. Braga
Director