MINUTES OF THE ARCHIVES PARTNERSHIP TRUST BOARD
INVESTMENT COMMITTEE MEETING CONFERENCE CALL
10:00 am, January 22, 2025
Cultural Education Center, Room 9C49, 222 Madison Avenue, Albany, NY

Investment Committee Members Present
By Telephone: Peter Millock, Harold Iselin, Tom Ruller, and Rosemary Vietor

Staff Present
Janet Braga, Director

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

Excused
Stephen Pagano

Call to Order
Mr. Millock called the meeting to order at 10:03 am, and Mr. Murray began with his report.

Review of Portfolio Performance for the 4th Quarter and Investment Distribution as a Result of Market Performance

- Mr. Murray stated the APT endowment account closed calendar 2024 at $5,875,190, up slightly in the 4th quarter from $5,867,680 on 9/30/24. That is an investment gain of +$7,511 for the quarter and brings the year-to-date earnings up to +$718,929 net of cash withdrawals. As of today's meeting, the portfolio surpassed $6 million. Volatility has crept back into the market during the last few weeks – not surprising to see the bull market take a pause after back-to-back years of +20% returns for the S&P 500.

Asset allocation:

4.0%	cash and equivalents (cash/fixed income or securities to mature in six months)
62.1%	in equities (48.9% U.S. and 13.2% international)
33.7%	fixed income (CDs and the bond mutual funds)
0.1%	other (a blended fund composed of both stocks and bonds)

Broad asset allocation ratio:

62.1%	equities
37.7%	fixed income

Performance:

Trust Portfolio vs Benchmarks	4th Qtr	YTD	Since 12/31/2006*
• Trust's portfolio	.09%	14.03%	6.77%
• S&P 500 Composite Index	2.07%	23.31%	8.22%
• Blended Benchmark Portfolio	-0.39%	14.95%	7.63%

* the date Janney began using its current tracking database

Portfolio Changes:

	4th Qtr	YTD
Net deposits/withdrawals:	$0	-$228,000
Total Earnings:	$7,511	$718,929

Investments

- Investment return for the quarter was +0.09% vs +2.07% for the S&P 500 Composite Index and -0.39% for our blended benchmark of stocks and short-term bonds. The "Equal Weighted" S&P 500, perhaps a more accurate measure of a market without concentration in the technology group, posted a -2.32% decline for the quarter. For the full year 2024, the portfolio has posted +14.03% return and right on track with the blended benchmark.

- Allocation on 12/31/24 per "Quick View" report remains roughly 34% cash/bond funds/CDs (fixed) and 66% stock mutual funds/equity ETFs. At the end of January, the annual withdrawal will be removed from cash ($228,000). This will increase equites back up to 68-69% so we will continue to monitor for rebalancing opportunities. Mr. Murray did not recommend any changes at this time.

- Mutual funds were strong across the board in 2024. Large cap domestic funds continue to lead the way – Growth Fund of America, American Mutual and Fundamental Investors are our largest, core holdings in this space (about 40% of the portfolio and nearly 65% of our equity portfolio). We are very pleased with their results for the year. Small-cap and international funds lagged, especially in 4th quarter. We have far less exposure to these funds but maintain positions to stay completely diversified. Mr. Murray stated Janney maintains full confidence in their primary manager American Funds/Capital Group and our fully diversified mix of funds.

Interest Rates

- Interest rates moved UP in the 4th quarter fueled by speculation of a resurgence in inflation in 2025. Economic data remained strong in the 4th quarter and investors reset their expectations for fewer Fed rates cuts in 2025. Benchmark 10-year Treasury yields moved up from 3.80% at end of September to 4.57% on 12/31/2024. The 10-year rates stand around 4.80% - back to a 52-week high in terms of yield. This rise in rates has pressured stock prices.

Review of Bond Performance

- **Bonds/CDs:** Mr. Murray reported the next CD to mature will be in May 2025.

Cash (Available, Needs, Projections)

- Ms. Braga reported that the Trust is holding steady and does not anticipate additional needs. However, while unlikely, Ms. Braga noted the Trust may run into a short-term cash flow issue depending on the timing of receiving funds for a grant project currently underway.

Action Items

- The January withdrawal is set aside in cash and available when needed. Total cash on hand right now is $335,000 – using $228,000 of that for the withdrawal will still leave over $100,000 liquid. If there are no foreseeable needs, Mr. Murray recommended reinvesting $100,000 and start a new rung on the ladder for 2030 in our fixed income portfolio. CD and Treasury rates are currently in excess of 4.50% vs 1.55% in our Sweep account. Our next maturity will be for $80,000 in May with more coming in August and November, so we are never far away from cash in needed. This seems to be a good time to buy bonds and take advantage of the interest rate spike. Janney will continue to monitor the equity markets and global events – if changes are warranted, we will advise. Mr. Ruller, Mr. Millock, Mr. Iselin, and Ms. Vietor agreed reinvesting is a good idea.

  Motion: Mr. Ruller made a motion for Paul Murray to place $100,000 in a 5-year CD – maturity date 2030. Mr. Iselin seconded the motion and the committee unanimously approved.

- Ms. Braga will generate a memo to Mr. Murray asking him to transfer the approved FY24/25 drawdown to KeyBank.

Discussion

- Mr. Millock asked if the economy took a significant downtown, would the Trust have less money to access easily for projects or other needs. Mr. Murray stated that if fund are needed quickly, the portfolio is poised to meet that need with minimal impact – up to 10-15% of the portfolio.

Chairperson, Mr. Millock thanked Mr. Murray for his continued expertise. The meeting was adjourned at 10:29 am.

The next Investment Committee meeting is next scheduled for **April 22, 2025**.

Respectfully submitted,

Janet B. Braga

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Director