

## Investment Committee Report

To state that responsibility for the Museum's investments has been a challenge is a major understatement. Having reached record highs, the equity markets experienced a material loss after the coronavirus hit the country. They have since recovered most of that loss. Our investments followed this path. Having reached an all-time high of slightly over \$20,000,000, our investments retreated significantly, but then recovered to \$17,975,142 as of April 30. To put this in context, at the beginning of 2017 this total was \$16,584,000.

The most important lesson we learned was to re-enforce the importance of the endowment for the continuing operations of the Museum. It was a significant reason that we survived in good shape after the post-2008 recession and will be an important element in our success going forward.

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We have throughout this period of market turbulence maintained a consistent and unchanged asset allocation policy which calls for the portfolio to maintain approximately 70% of assets in equities and 30% in bonds. As a result, we have been able to participate fully in the recovery of the stock market since its low on March 23. To a lesser extent, the portfolio has benefited from the normalization of the fixed income market as a result of substantial Federal Reserve Board intervention.

In terms of liquidity, all of our investments are in publicly-traded securities, with a significant portion being available on one day's notice should the need arise.

We may, at least in the short term, need to place increasing reliance on the endowment, which could involve withdrawing more from our investments than our current draw policy would normally provide. But maintaining the level of the endowment in light of present economic conditions should be a major objective for us.

Respectively submitted,  
Bob Webster  
Paul Holt  
Co-chairmen  
Investment Committee