

Activities to Date

Updated May 17, 2023

The Committee uses three investment advisors, Manning & Napier, Alesco, and Canandaigua National Bank. It receives investment reports from the advisors at each quarterly meeting and each advisor meets in person with the Committee at least twice per year. The Committee monitors advisor performance against benchmarks, and performance is near benchmark targets, varying quarter by quarter among the advisors.

While painful, losses are realized from time to time with market swings. Although not yet to levels prior to the earlier 2022 decline, the endowment and restricted funds continued to regain some of the lost ground in the first quarter of 2023. The general endowment increased by \$216,180 in the first quarter and additional \$72,725 of distributions were made. The general endowment currently holds \$6,170,479 and an additional \$2,894,028 is held in thirteen Restricted Funds.

The Committee continues a long-term investment strategy that has returned in excess of the Committee's strategic goal of a minimum 6% return over time. Studies of market swings over numerous cycles show that long-term market returns are dramatically better when investors ride out downturns rather than trying to time the market.

The Committee distributes 4.5% of the 20-quarter average balance of each fund (or the rough equivalent for newer funds) for the Annual Operating Plan, capital funds and restricted fund-designated purposes. This is a strategy generally accepted by endowments as a way to smooth distributions through market swings but also provide for long term principal growth. Thus, when the market spikes distributions do not correspondingly increase, and when the market turns down, distributions are not decreased as much. The 4.5% rate used is more conservative than the 5% distribution rate most commonly used by endowments.

Several years ago, the Committee established a Dreamscape Goal of an aggregate of \$10,000,000 for endowment and restricted funds. That goal was achieved 18 months before plan and despite adverse market conditions remains within \$1,000 of the Goal.

The Committee continues to monitor general trends in the portfolio related to ESG (Environmental, Social and Governance) investments.