

GRAND CHAPTER, ROYAL ARCH MASONS OF FLORIDA

INVESTMENT COMMITTEE REPORT

2020-2021

The investments under the oversight of the Investment Committee are maintained by our investment advisers at Edward Jones & Co., and presently total \$1,012,187 as of 31 March 2021, up from \$743,506 a year ago. This represents a (36.14%) NET increase in Grand Chapter invested assets, - after the required 5.00% payout on Perpetual membership funds, and after the losses suffered in February and March of 2020 from the China virus. These dollars are broken up into two major portfolios:

Administrative Account - The first portfolio is the Administrative Account, also sometimes referred to as the General Fund. As of 31 March 2021, the total value was \$555,541 – vs. \$393,765 a year ago, for an increase of \$161,776, after the decline in values experienced during the months of February and March of last year. This account has a target investment mix of 60% equities, and 40% bonds and other fixed instruments.

At 31 December 2020, the total value of this account was \$533,257, vs. \$478,557 at 31 December 2019, for an increase of \$54,700, or an 11.43% investment return. It is significant to note that our governing documents allow 75% of this annual increase to be included in the Budget for the following year, which could currently increase our available funds for charitable and necessary operating expenditures by \$41,025.

The original primary goal of the Administrative Account was to put the Grand Chapter in a position to be able to place less reliance upon Per Capita increases in the future, as this Fund grew. Instead of using these funds as originally intended, the funds have been allowed to accumulate, while significant Per Capita increases have been recommended and approved in recent years. During this past year, a total of \$Zero was paid out of this Fund account.

Life and Perpetual Account – The second portfolio is the Life and Perpetual Account, often referred to as the Sacred Fund. As of 31 March 2021, the total value was \$456,646 – vs. \$349,741 a year ago, for an increase of \$106,905, even after the decline in values experienced during the months of February and March of last year, and even after the payout of the 5.0% annual perpetual payments to constituent Chapters. This account has a target investment mix of 50% equities, and 50% bonds and other fixed instruments.

At 31 December 2020, the total value of this account was \$448,051, vs. \$420,333 at 31 December 2019, for an increase of \$27,718, or a 6.59% NET investment return, after the required 5% perpetual fund payout.

I would like to take this opportunity on behalf of myself and the other members of the Investment Committee to thank the Most Excellent A.J. Ahrens, MEGHP, for allowing us to serve the Grand Chapter this past year.

Courteously and Fraternaly,

David Rosenthal, Chairman
Wm. Lee Popham Sr., PHP
John D. Powell