

Dear Fellow Parishioners:

2013 was a volatile year for the capital markets. The U.S. equity markets soared 29%, while the bond markets languished. The Federal Reserve Bankers continued to pump money into the markets financial assets. Talk of “tapering”, or trimming purchases in the near future caused volatility and pressure on bond prices as the yield on the 10-year treasury bumped 3%. Foreign equity and particularly Emerging market areas continued to struggle.

While our portfolio is focused on income production, we did manage to gain a total return (income & appreciation) of 12.2%. As of December 31, 2013 our account is allocated: 60% Equity, 38% fixed income and 2% cash. The investment account earned \$19,860.00 in dividends for 2013.

We did redeem \$23,150 in cash & equities, early in the year, as markets moved up. These monies were used for planned/ budgeted parish operating expense support, and Rectory expenses.

As we move into 2014, we continue to look for more income generating opportunities in a balanced growth fashion.

Respectfully,

John Flinton, DVM
Will Tuttle

INVESTMENT ACCOUNT RECAP

Total Investment Balance 12/31/12	\$605,931
Change in market value (total return)	\$73,645
Earnings used for Rectory & Operating Budget	(\$23,165)
Note Receivable (Capital Campaign)	\$65,000
Total Investment Account Balance	\$721,411

CASH ACCOUNTS

	Beginning Balance 12/31/12	Ending Balance 12/31/13
General Checking	\$1,849	\$1,668
Capital Campaign	<u>\$3,364</u>	<u>\$12,266</u>
Totals:	\$5,213	\$13,934

INVESTMENT ACCOUNTS

	Beginning Balance 12/31/12	Ending Balance 12/31/13
C.H. Wright Altar Guild	\$18,095	\$17,624
Merrill Lynch	\$605,931	\$656,411
Note Receivable	\$65,000	\$65,000
Total Investments	\$689,026	\$739,035

Total Cash & Investments:	\$694,239	\$752,969
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**Funds invested with Merrill Lynch include the Carillon Fund and the Memorial Trust Fund*