

Report of the Board of Directors – 2018

The Board of Directors of the Diocese of Olympia, Inc. (the “Diocese”) has legal and fiduciary responsibility for the assets of the diocese, including land, buildings, endowments and other funds. It is the mission of the Board to manage these assets to further God’s work in this diocese, both now and in the future. The Board is comprised of members noted below and convenes monthly as needed.

Members of the 2017 – 2018 Board of Directors:

The Rt. Rev. Gregory Rickel, president; **Mr. George Robertson**, vice president, St. Barnabas, Bainbridge Island; **Ms. Karen Gusse**, secretary, St. James, Kent; **Ms. Barbara A Fox**, treasurer, St. John, Kirkland; **Mr. Wadell Brent**, Church of the Good Shepherd, Federal Way; **Mr. George Garcia**, St. Joseph St. John, Lakewood; **the Rev. Christina Jillard**, St. Margaret, Bellevue; **Mr. Collie Liska**, St. Benedict, Lacey; **Mr. Marc Malone**, St. Stephen, Seattle; **Ms. Patricia McGuire**, St. Bede, Port Orchard; **the Rev. Jonathan Weldon**, St. Paul, Bellingham; Ex Officio: **Mrs. Judith Andrews**, chancellor, St. Mark’s Cathedral, Seattle.

Staff members working regularly with the Board of Directors:

The Rev Canon Dr. Marda Steedman Sanborn, canon to the ordinary; **Canon Dede Moore**, canon for governance & human resources; **Mr. Harold Hall**, consulting canon for finance; **the Rev. Dennis Tierney**, diocesan property manager.

Over the past year the Board has again been assisted by a steering committee working between meetings to maximize the Board’s effectiveness through advance planning and preparation of agenda items. Two of the largest funds managed by the Board are the Mission Development Fund (MDF), for purchasing land, and the Building Loan Fund (BLF), for construction. The current status is:

Mission Development Fund (MDF)

As of Sept. 30, 2018

	2018	2017
Available Funds	\$ 810,082	\$ 720,451
Notes Receivable	\$ <u>0</u>	\$ <u>29,456</u>
Net Assets	\$ 810,082	\$ 749,907

Building Loan Fund (BLF)

As of Sept. 30, 2018

	2018	2017
Available Funds	\$ 989,298	\$ 1,859,542
Notes Receivable	\$ 4,203,732	\$ 3,209,181
Interest Receivable	\$ 85,406	\$ 82,622
Sedro Woolley Rec.	\$ <u>166,786</u>	\$ <u>160,326</u>
Net Assets	\$ 5,445,222	\$ 5,311,671

Specific Board actions on behalf of congregations (and former congregation properties) Nov. 2017–Oct. 2018:

- *Battle Ground, Holy Spirit:* Under resolution of diocesan convention, relieved balance of an old Capital Campaign loan.
- *Blaine property (not in use by congregation):* Approved a purchase and sale agreement, as well as a back-up offer. Sale did not go through due to zoning issues.
- *Issaquah, St. Michael & All Angels:* Approved request to increase bridge loan amount and extend the term from 3 years to 5 years.
- *Mill Creek property:* Approved a purchase and sale agreement; did not go through. Authorized funds for a wetlands study. Accepted an offer for the property in September 2018.
- *Poulsbo, Faith Church:* Authorized funds to upgrade the fire alarm system.
- *Poulsbo property (not in use by congregation):* Extended a purchase and sale agreement several times; later withdrawn. Authorized funding with new potential buyer to determine if wetlands obstacles can be overcome.

- *Seattle, St. John the Baptist*: Transferred a charitable trust to the Diocesan Investment Fund.
- *Seattle, Lake City property*: Approved the Thornton Creek Community LLC for development of the property. Approved use of the property by Camp United We Stand, May-November 2018.
- *Seattle, St. Luke*: Authorized 50% of funds needed for painting Bennett Hall and the original church.
- *Silverdale, St. Antony*: Ratified a resolution to borrow/grant collateral for construction project.
- *Tacoma, All Saints*: Authorized execution of documents necessary for the rezone of the property.
- *Tacoma, Holy Family of Jesus*: Approved a purchase and sale agreement for a parcel of property located adjacent to the congregation.
- *Vancouver, Good Shepherd*: Under resolution of diocesan convention, relieved balance of an old Capital Campaign loan.
- *Westport, Chaplains on the Harbor*: Authorized funds for repairs to the building.
- *Approved DIF withdrawals for*: Bellevue, All Saints (2 requests); Camano Island, St. Aidan; Poulsbo, Faith; Seaview, St. Peter; Washougal, St. Anne.

Additional actions November 2017 – October 2018:

- *Financial*: Cashed out an equity with Cigna Corp; proceeds applied to Thanksgiving Fund. Corrected EIN numbers with US Bank. Updated bank signature cards as required throughout the year. Informed the Budget & Finance Committee of capital gains available as needed for use in the 2019 diocesan operating budget. Approved 2017 audits for the Building Loan Fund, Mission Development Fund and Real Estate Fund, Operating Fund, Trust Accounts, Diocese of Olympia, Inc (consolidated), and James F. Hodges Diocesan Investment Fund.
- *Building Loan Fund (BLF) & Mission Development Fund (MDF)*: Set the 2018 rates for both parishes and missions at 3.5%.
- *Bishop portrait*: Authorized the archivist to work with Yearwood Studio to produce, matte and frame a portrait of Bishop Greg Rickel.
- *Church Insurance*: Accepted premium increases and modified coverage from Church Insurance.
- *Diocesan House*: Authorized additional funds from the Diocese of Olympia Hodges Fund designated for Diocesan House for continued repair and restoration to the Diocesan House.
- *Refugee Resettlement Office*: Approved procurement and reporting policies
- *Mission property inspections*: Set aside \$20,000 to provide partial funding to missions for building inspections.
- *Diocesan Investment Fund (DIF)*: Approved an amended Investment Policy Statement.
- *Van*: Approved the gift of the van used for Jubilee Ministries to Dianne Aid, in gratitude for her hours of dedication and commitment to developing and growing this important ministry.
- *Huston Center*: Authorized the Huston Center Operations Committee to use funds from its 2017 credit balance to provide bonuses to year around staff. Authorized use of funds from the Horn Endowment to hire an architect/contractor for design and budget development to replace the Cascade cabins and a shop/storage building.
- *Church Investment Group*: Forgave a loan, plus any accrued interest, that was provided in May 2011 for organization and initial development of the entity.
- *Policies amended*: Congregation Authority to Act. Distribution of Unrestricted Gifts & Bequests.

Submitted on behalf of the Board of Directors by Dede Moore, Canon for Governance & Human Resources. Additional information provided by Barbara Fox, Diocesan Treasurer, and Harold Hall, Consulting Canon for Finance.