

### Report of the Board of Directors – 2019

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 2018–2019 Board of Directors: **The Rt. Rev. Gregory Rickel**, president; **the Rev. Christina Jillard**, vice president and chair; **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. Collie Liska**, St. Benedict, Lacey; **Mr. Marc Malone**, St. Stephen, Seattle; **Mr. Jeff Maxwell**, St. Aidan, Camano Island; **Mr. George Robertson**, St. Barnabas, Bainbridge Island; **Ms. Vicki Setzer**, All Saints, Vancouver; **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. The Board established four task groups this year to work on the following: Communications, Fossil Fuel Divestment, DIF Video, and Wardens/Treasurer’s Workshop. 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, 2019

	2019	2018
Available Funds	\$ 846,483	\$ 810,082
Notes Receivable	\$ 0	\$ 0
Net Assets	\$ 846,483	\$ 810,082

#### Building Loan Fund (BLF)

As of Sept. 30, 2019

	2019	2018
Available Funds	\$ 1,255,840	\$ 989,298
Notes Receivable	\$ 4,016,818	\$ 4,203,732
Interest Receivable	\$ 85,038	\$ 85,406
Sedro Woolley Rec.	\$ 168,374	166,786
Net Assets	\$ 5,526,070	\$ 5,445,222

#### Specific Board actions on behalf of congregations (and former congregation properties) Nov. 2018–Oct. 2019:

- *Approved DIF withdrawals for:* Bellevue, All Saints; Seaview, St. Peter.
- *Camano Island, St. Aidan:* Authorized use of bequest funds to build a columbarium on its property. Authorized use of DIF funds to purchase a new digital organ, sound system and worship environment enhancement.
- *Lakewood, St. Joseph-St. John:* Provided assistance with back taxes owed.
- *Maple Valley, St. George:* Approved DIF funds withdrawal to cover architectural fees and pre-construction permits.
- *Mill Creek property:* Authorized a new listing for the sale of this property. Approved sale of the property to the City of Mill Creek.
- *Seattle, Lake City property:* Approved use of the former building as a fire training site by the City of Seattle fire Department. Declined a request from Tent City 3 to locate on the property due to insurance and timing issues. Approved contract for asbestos removal from the building. Approved use agreement for parking equipment on the property.

- *Sedro Woolley, St. James*: Renewed the use agreement for a community garden for five years.
- *Shoreline, St. Dunstan*: Approved a five-year line of credit from the BLF to be repaid from capital campaign pledges; funds to be used for a new organ and additional work on the church building.
- *Silverdale, St. Antony*: Approved line of credit with Kitsap Bank. Authorized an emergency bridge loan to pay the contractor to enable occupancy permit; loan to be converted to a construction loan with Kitsap Bank. Approved loan application and refinancing.
- *Snoqualmie, St. Clare*: Authorized a grant for urgent repairs identified in the diocesan-required maintenance inspection.
- *Tacoma, All Saints*: Approved funding to engage a land-use attorney for the retirement housing project. Approved withdrawal of DIF funds to complete renovation work identified in its property inspection.
- *Westport, Chaplains on the Harbor*: Authorized funds for new gutters.

**Additional actions November 2018 – October 2019:**

- *Diocesan House*: Approved funds for cleaning the retaining wall on the west side. Approve a contract with The Johnson Partnership for repair and restoration of exterior features consistent with the preservation stewardship of a National Register Property. Funded a Cybersecurity Assessment, as well as purchase and installation of a new video surveillance security system.
- *Refugee Resettlement Office*: Approved authorization requests from the director. Authorized conversation with Habitat for Humanity regarding lease agreements related to two houses in White Center. Released one house back to Habitat for Humanity; retained one house for use by the Refugee Resettlement program. Authorized this program to pursue relocation to the South King County or North Pierce County area where the large majority of its clients live.
- *Financial*: Updated bank signature cards as required throughout the year. Approved 2018 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.
- *DIF*: Approved divestment of direct holdings in companies on the Episcopal Church Executive Council's no-buy list with instructions to purchase no future holdings in companies on the same list.
- *Building Loan Fund (BLF)*: Set the 2019 rates for parishes at 5.75% and missions at 4.25%.
- *Mission Development Fund (MDF)*: Set the 2019 rates for both parishes and missions at 4.25%.
- *Policies amended*: Board Delegation of Administrative Actions; Mission Bank Accounts, Legal Agreements, and Securities Transactions; Credit Card Policies and Procedures; Review Procedures for Under-performing Loans.
- *Church Insurance*: Accepted 2019 premiums as offered with a deductible increase to \$5,000.
- *Annual Reports*: Heard annual reports from the St. Andrew's House Advisory Board and Huston Camp and Conference Center.
- *Huston Center*: Approved a policy for small water systems. Approved bonuses for year-round staff. Authorized expenditure of funds from the Horn Endowment to replace Cascade Cabins, replace a shop/storage building; and regrade and repair the entrance road.
- *St. Andrew's House*: To assist with future planning, authorized funds to be used for a geotechnical assessment of the steep hillside north of the facility. Authorized funding for a wetland study in fulfillment of environment documentation required by Mason County.

*Submitted on behalf of the Board of Directors by Dede Moore, Canon for Governance & Human Resources.*

*Additional information provided by Christina Jillard, Vice President; Barbara Fox, Diocesan Treasurer; and Harold Hall, Consulting Canon for Finance.*