

## Report of the St. Alban's Endowment Fund Board 2011 St. Alban's Annual Meeting

The Enabling Resolutions for the Endowment Fund designate that the Fund shall be managed as a true endowment employing the restriction that the principal shall not be invaded. Each year the trustees of the Endowment Fund make a recommendation of the amount of money available for distribution based the value of the fund as of June 30<sup>th</sup> using a 3-year rolling average. In addition to earnings, inflation is taken into consideration in order to preserve the purchasing power of the fund as defined by the Spending Rules for the Endowment Fund. The Endowment Fund monies are invested with the Diocesan Investment Fund.

The August 10, 2011 minutes of the Endowment Fund Board reported the following results:

1. Year ending 6/30/11: Board Treasurer Daisy Beach Daisy reported on the status of the endowment fund from June 30, 2010 to June 30, 2011. The fund has increased 20.8% during this period, and was at \$142,000 as of June 30, 2011. Since we use a rolling average of the last three years, that average is 7.07% for the distribution calculation. Applying that percentage to the market value of the fund at June 30 2011, this would mean that we would have about \$10,000 to distribute.

Based on the 3-year rolling average and including 2011 earnings, the Endowment Fund board recommended a \$4,000 distribution from the fund, which the Vestry approved on 9-13-11. In addition, the Board requested a distribution of \$1,000 for fund expenses in the coming years, which was also approved at the 10/11/11 Vestry meeting. It should be noted that these recommended distributions were lower than the estimated \$10,000 which could have been distributed under the rolling average calculation because the Board recommended lower amounts due to the volatile climate of the current economy and market.

When funds are available for distribution, as in this year's case, the Enabling Resolution of the Endowment Fund defines how the funds can be used:

BE IT FURTHER RESOLVED, that the purpose of this Fund is to enable the Parish to more completely fulfill its mission by developing its ministries beyond what is possible through its annual operating funds, and therefore that distributions from the fund shall be limited to

1. **Capital needs** of the Parish
2. **Outreach** ministries and grants
3. **Seed money** for new ministries and special one-time projects
4. Such other purposes or programs as are **specifically restricted by donors** to the Parish whose gifts are included in the Fund (the Vestry will concur prior to acceptance of the gift to ensure that the Parish can faithfully honor the donor's restricted purpose);

BE IT FURTHER RESOLVED, that distributions from the Fund shall not be made to the operating budget of the Parish;

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The St. Alban's Legacy Society was inaugurated on June 6, 2010 with 12 founding members and 2 founding bequests. In 2011 we added two additional members to the Legacy Society.

A perpetual plaque has been created that will be updated each year on Legacy Sunday to be held near St. Alban's Day. If you have remembered St. Alban's in your estate plans, please notify a member of the Endowment Board.

In closing the report, the Board would like to remember late parishioner Clare Fisher with gratitude, as it is because of her gifts to St. Alban's that we were able to establish the endowment fund which makes the funds and resultant distributions possible.

Trustees:

Dan Mullene—Chair, 9/2013

Barbara Lagozzino—9/2012

Reilly Mannery—9/2012

Daisy Beach—Treasurer, 9/2013

Mary Fowler—Secretary, 9/2013