

**RESOLUTION 2022-01**

**A RESOLUTION OF THE VESTRY OF ST BARNABAS EPISCOPAL CHURCH OF BAINBRIDGE ISLAND, WASHINGTON ESTABLISHING DISTRIBUTIONS FROM THE HODGES ENDOWMENT EFFECTIVE IMMEDIATELY**

WHEREAS, St Barnabas Episcopal Church of Bainbridge Island, Washington, a Washington nonprofit corporation ("St Barnabas"), is periodically the recipient of conditional gifts; and

WHEREAS, in 1995 it was the recipient of such a testamentary gift from Dr James Hodges who donated \$150,000 to St Barnabas contingent upon the other parishioners raising matching funds in the amount of \$150,000 which they exceeded by \$12,000 thereby making the original corpus of the endowment \$312,000; and

WHEREAS, the Hodges Endowment is currently invested with the Diocese of Olympia and has grown to a current balance of approximately \$1.4 million (the "Hodges Endowment"); and

WHEREAS, it is important to preserve the Hodges Endowment so that it provides an ongoing stream of revenue for St Barnabas's use in perpetuity or for future capital funding, if needed; and

WHEREAS, it is not uncommon among nonprofit corporations with endowments to make regular, periodic distributions from them so long as those distributions do not invade or diminish the original corpus of the endowment;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Vestry of St Barnabas Episcopal Church of Bainbridge Island, Washington that:

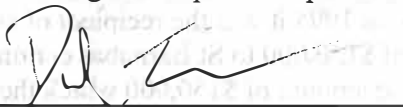
1. This resolution shall be effective immediately and supersede any prior policy or guidelines, in whatever form, pertaining to the terms, conditions or use of the Hodges Endowment;
2. The current distribution of income to St Barnabas each month from the Hodges Endowment used for operating expenses shall cease immediately;
3. Each year an amount equal to four percent of the average fair market value of the endowment over the previous 12 quarters shall be distributed to St Barnabas from the Hodges Endowment so long as such distribution does not invade or diminish its original corpus;
4. The distributed funds shall be budgeted and used as determined each year by the Vestry without restriction;

5. In any given year, the Vestry may have less than the calculated four percent distributed or may decide, by resolution, to withdraw additional funds in excess of the four percent for one or more specific purposes; and

6. The first of the four-percent distributions shall occur in the year 2022.

ADOPTED, PASSED AND APPROVED by the Vestry of St Barnabas Episcopal Church of Bainbridge Island, Washington on the 23<sup>rd</sup> day of January, 2022.

**ST BARNABAS EPISCOPAL CHURCH OF  
BAINBRIDGE ISLAND, WASHINGTON, a  
Washington nonprofit corporation**

  
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DAVID TEVES, Senior Warden

ATTEST:  
  
  
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REBECCA DITMORE, Vestry Clerk