

## **OICF Funds for Board Distribution**

May 2021

OICF holds funds that produce annual distributions that are made at the direction of the OICF Board. For endowed funds, the distribution amount is calculated using OICF spending rate, which is currently 4% of the average quarterly balance for the past 12 rolling quarters. For the funds that are not endowed, the OICF Board has the opportunity to set the amount and destination of those distributions each year. The decision on which funds are endowed and which are not is made by the donors, not the Board. The Board cannot add or change restrictions. Following are descriptions of these funds:

### **The Community Endowment (Principal Balance:\$1,275,573)**

Started in 1995, the Community Endowment was intended to support the work of OICF and the annual Grants program. Gifts of \$10-\$100,000 have been donated over the years from many community members. The endowment has a current balance of \$1,417,858 with an annual distribution of \$50,947 in 2021. For many years, the board split the distribution equally to support OICF's operations and our Annual Grants program. As our Cornerstone program has grown, the board has dedicated \$30,000 to the grants program and the remainder to OICF operations.

### **The OICF Grants Endowment (Principal Balance:\$78,363)**

Started in 2013 by a donor who wanted to only support grant making. The endowment has a balance of \$79,959 and made a distribution of \$2958 in 2021, which was added to the Partners In Philanthropy bucket to support the Spring Give Orcas campaign.

### **The Robert and Betty Lundeen Endowment (Principal Balance:\$1,260,000)**

Fully funded in 2020, this has a current balance of \$1,480,504. Bob Lundeen left instructions to give half of the annual distribution to OICF and half to the Orcas Medical Foundation unless a health care taxing district was voted in (which it was). His alternative instructions given that situation, the other half of the distribution was to be distributed to support healthcare, education, the public library, and/or senior citizens. In 2020, a \$30,000 distribution was made to the OI Health Care District to fund repairs on the clinic building. This year, the School District has requested the distribution (\$35,000) to support additional mental health services at the school. The OICF 2021 budget has assigned \$25,000 in revenue from this fund.

### **The Blue Marble Fund**

Funded with a legacy gift of \$126,598 from Ginny Lu Wood, the Blue Marble fund has a balance of \$158,814. It is not truly endowed, as the donor did not place any restrictions on the gift. So far, the Board has opted to make annual distributions at the spending rate and it generated \$5400 in 2020, with \$3000 going to fund a memorial bench at the Library and the remainder to the Cornerstone Fund. The 2019 distribution was made to purchase a water bottle refilling station in the Village Green, which will have a plaque honoring Ginny Lu. The 2021 distribution is \$5600. The Blue Marble Fund is invested in our Blue Marble sleeve, which is a

pool selected of companies with good environmental, social, and governance practices.

### **The Henigson Legacy Fund**

OICF received \$1,250,000 in 2015 from Robert Henigsons' estate. This was an unrestricted gift. OICF has invested the funds in the long-term investment pool. The Board has used distributions from this fund to support OICF operations in 2017-2020 (\$20K in 2017, \$46K in 2018 and 2019 and have budgeted \$10K for 2020), \$300,000 for Urner St renovations, \$250,000 for April's Grove, \$150,000 for the Community Loan Fund, and \$10,000 to seed the Community Emergency Response Fund. The current balance is \$657,169.

### **Board Discretionary Fund**

This fund was established in 2007 with a gift of \$250,000 from a former trustee. Unfortunately, after the crash of 2008, the Board voted to move the funds into a savings account at WAFed, which basically secured the loss of about 50% of the balance as it had no opportunity to recover when the market bounced back. The current balance is \$81,626 and it is invested in the new passive investment sleeve. Distributions from this fund have been used for off cycle grant making, like the grant to Children's House in 2019 and those to OMF and Orcas Family Medical Center the year before. It has also been the source for Staff bonuses, Give Orcas game awards, and grants to honor retiring trustees.

### **OICF Operations Reserve**

This fund was carved out of the Board Discretionary Fund in 2015 and dedicated as an operational reserve. It is invested in the short-term fund to protect it from the risk of the market. It has a current balance of \$82,900. The working theory is that it would provide approximately 6 months of operating expenses (with the understanding that OICF would likely pare down expenses during a crisis).

### **OICF Marilyn Anderson Excellence Fund**

Opened in 2020 with a legacy gift of \$28,000 from the estate of Marilyn Anderson, the current balance is \$33,922. The Board has voted to use the fund to promote nonprofit excellence, recognizing that one of Marilyn's guiding mantras was that *Prior Planning Prevented Poor Performance*. The current plan is to make an annual \$1000 award at our Report to Community.

| Fund | Current Balance | 2021 Distribution | Designation |
|------|-----------------|-------------------|-------------|
|------|-----------------|-------------------|-------------|

|                                  |             |  |   |
|----------------------------------|-------------|--|---|
| Community Endowment              | \$1,417,858 | \$50,947                                 | \$30K for Give Orcas, \$20K for OICF operations   |
| Grants Endowment                 | \$79,959    | \$2958                                   | Give Orcas  |
| Lundeen Endowment                | \$1,248,504 | \$60,000                                 | \$25K for OICF operations and \$35K TBD to support healthcare, education, library or seniors. |
| Blue Marble                      | \$158,814   | \$5600                                   | TBD   |
| Henigson Legacy                  | \$657,169   | Board Discretion                         |   |
| Board Discretionary              | \$81,626    | Board Discretion                         |   |
| Operations Reserve               | \$82,900    | Only in an emergency at Board Discretion |   |
| Marilyn Anderson Excellence Fund | \$33,922    | \$1000                                   | Intended to provide an annual award for NPO recognition                                       |

In addition to these funds, OICF holds 142 funds for a wide variety of nonprofits and individuals of which 52 are donor advised funds. Currently, OICF has \$18,382,000 under management.

In 2020, OICF received \$6,465,714 in donations and distributed \$5,079,620 in grants.

So far in 2021, we have received \$2,750,724 in donations and distributed \$2,289,120 in grants.