

Unitarian Society of New Haven
Minutes of the Special Meeting of the Society
January 26, 2014

Approved June 1, 2014

Attendance: 68 Members

Vice-President Mary Donohue called the meeting to order at 1:00 p.m. and Peggy Rae recorded the minutes. A quorum of Members was present, and the meeting proceeded with M. Donohue presiding.

Values, Mission, and Ends Draft Statements

Members of the Board of Trustees presented draft Values, Mission, and Ends statements and gave background as to why and how they were created. The statements are meant to describe the qualities we value as a congregation, what these values call us to do (Mission), and the specific measurable differences we wish to make and for whom (Ends). They lay the foundation for good governance, and their articulation is an important first step in the Board's work on governance reform.

Board members explained why the Board decided to undertake governance reform and why it has chosen the particular governance model known as Policy Governance. The absence of clarity surrounding roles, responsibilities, authority, and accountability has been a source of frustration for USNH Members and staff for years. A 2004 task force recommended changes in governance that would clarify organization and decision-making, but there was no follow-through. Recognizing that the period of ministerial transition provides an opportune time to redefine governing structures, the Board began studying governance models last year.

From its research, the Board concluded that the policy governance model seems a good fit for USNH. This system is comprehensive, provides the desired clarity in governance structure and decision-making, and ensures continuity of policy. It is keyed to mission and purpose and requires the Board and congregation to engage in regular conversations to set goals and to monitor how well they are met. Under policy governance, the Board's focus shifts from operational leadership to visionary leadership. The Board's role is to articulate the congregation's core values and central purposes, and it has the responsibility to ensure the congregation lives its values, makes progress toward fulfilling its mission, and that the minister and staff do too. To accomplish this, it develops policies that establish the boundaries within which minister, staff, and other operational leaders can do their work, and it maintains close linkage with the congregation.

After presenting the draft Values, Mission, and Ends statements, which were developed from values articulated at last spring's congregational workshops, Board members stressed that input from the congregation is essential before the statements are finalized. Members at today's meeting were invited to write down their questions and comments and hand them in for discussion following the meeting's adjournment. Other ways to give feedback were mentioned and included attendance at one of three cottage meetings to be held the first week of February, sending an email to a special address set up for comments (governance@usnh.org), and placing written comments in the envelope on the Board's bulletin board.

The Board will review comments, modify statements as needed, and present the revised versions at another special congregational meeting in late March or early April.

Endowment Development Campaign

Members of the Endowment & Legacies Committee presented a proposal for a 10-year campaign to increase the USNH endowment from its current \$917,000 to \$2.5 million by 2024. At its November 2013 meeting, the Board of Trustees approved the proposed campaign, and the Committee seeks approval from the congregation before proceeding.

In his introduction to the campaign, committee member Bob Congdon pointed out several factors that led to the proposal. Fiscal guidelines for non-profits recommend having an endowment about three to five times the operating budget, and this was a goal of the USNH 5-year Financial Plan for 2009-2014. At present, the endowment is less than two times the USNH operating budget, although it has grown appreciably in the period from 12/31/2010 to 12/31/2013 due to investment returns and new gifts. Since 2011, when the congregation voted to permit use of endowment returns to support USNH operations, endowment disbursements of up to 2% of the endowment value have been made per year. This percentage distribution preserves the principal and allows the endowment fund to continue to grow, while providing needed funds for the operating budget. Our current year's budget includes \$25,000 from endowment, and the endowment provided an additional \$10,000 special contribution for the roof replacement project. Attainment of the \$2.5 million endowment goal could yield potential disbursements of \$50,000 per year (2% distribution) or up to \$100,000 if the distribution were increased up to 4%.

In the proposed campaign, the Endowment & Legacies Committee will actively encourage gifts to the endowment by regularly publicizing the impact of endowment funding, the many options for making a gift, and the nuts and bolts of how to do so. A key part of the campaign is to stimulate membership in the Legacy Society for USNH, which includes donors who arrange a bequest or other type of legacy to benefit USNH in the future or who make a direct contribution of \$10,000 or more specifically to the endowment. Among other options for giving is a contribution to a restricted purpose endowed fund that supports an essential function, e.g. music, religious education, ministerial staff, or facility maintenance.

A motion to proceed with the campaign was brought to the floor for a vote, and following a brief discussion, was approved.

MOTION by Bob Congdon: To proceed with an Endowment Campaign with the goal to increase the endowment from \$917,000 in 2014 to \$2.5 million by 2024; **SECONDED** by Deb Heinrich; **PASSED** 65 For, 0 Against, 1 Abstention.

Adjournment

M. Donohue invited Members interested in discussing governance and the draft values, mission, and ends statements to remain after the meeting for a question and answer session with the Board, then adjourned the meeting at 2:00 p.m.