

NEW INVESTED FUNDS ARTICLE 11 AND CHANGES REQUIRED TO OTHER ARTICLES

Proposed new Article 11

ARTICLE 11 INVESTED FUNDS MANAGEMENT

11.1 DEFINITION OF INVESTED FUNDS

The invested funds consist of money that has been given to the church or its predecessors, plus accrued interest, dividends, and capital gains. The funds of the Nashua Cemetery Association may also be co-mingled with those of the church, if desired by the Board of Trustees of the Cemetery Association. Future donations of money or personal property given to the church shall be considered part of the invested funds and shall be forwarded to the Invested Funds Management Committee promptly upon receipt for consolidation, management, and investment, consistent with the wishes of the donor.

The invested funds consist of two types: restricted, and unrestricted. Restricted funds were donated with the stipulation that they be used for a specific purpose, or invested in a certain way. The Invested Funds Management Committee may manage these funds only insofar as allowed by the donor's requirements.

11.2 INVESTED FUNDS MANAGEMENT COMMITTEE RESPONSIBILITIES

11.2.1 Fiduciary Responsibility For the Invested Funds

The Invested Funds Management Committee is responsible for receiving gifts to the endowment, insuring donor instructions are respected, and managing the endowment for the preservation of capital and generation of income for the church operating budget. With these goals in mind, the committee shall each year determine the maximum amount that may be taken from the invested funds for inclusion as income to the annual church budget. The distribution of this amount shall be planned by the Treasurer of the church and incorporated into the budget proposed to the congregation at the Annual Meeting. The needs of the church's operating budget shall not be a consideration in the determination of the amount to take each year.

11.2.2 Delegation of investment Authority

The Invested Funds Management Committee shall choose, with the advice and consent of the Board of Trustees, a professional management firm to hold and invest the endowment. The committee shall provide the advisor or advisors with policy directions as to types of investments that are not acceptable, the degree of risk that is acceptable, and the long-term objective for total return (income plus capital gains). The committee shall meet with the advisor or advisors at least four times a year.

11.2.3 Recommendation of Gift Acceptance

The Invested Funds Management Committee shall make recommendations to the Board of Trustees regarding the acceptance or rejection of future gifts to the church. The committee should consider the type of gift and any restrictions in making its recommendation.

11.2.4 Annual Report to the Congregation

The Invested Funds Management Committee shall present a report at the Annual Meeting giving the present value of the invested funds, the policies followed in their management during the year, and any recommendations for future action.

11.3 COMMITTEE MEMBERSHIP

The Invested Funds Management Committee shall consist of the Treasurer of the Church, the Treasurer of

the Nashua Cemetery Association (if the cemetery funds are co-mingled with the church funds), and three members elected at the Annual Meeting of the church. Each of the three elected members shall serve for terms of three years, which may be repeated up to four terms. Terms should be staggered so that a member is being elected or re-elected at each Annual Meeting. All members shall have an equal vote.

11.3.1 Removal from Invested Funds Management Committee

Any of the three elected committee members shall be removed from office by a two-thirds vote by ballot at any Congregational meeting, providing the proposal is on the published agenda of the meeting.

11.3.2 Committee Vacancies

Any vacancy on the committee shall be filled for the unexpired term by the Board of Trustees.

In the event of a vacancy in any elected office or position that cannot be filled by the succession rules in the bylaws, the Board of Trustees may designate a successor to serve until the next Annual Business Meeting following the vacancy. If the term of the person who vacated the office is unexpired at the time of the Annual Business Meeting, the Church Membership shall elect a successor to serve for the remainder of the term.

A majority of the Board of Trustees may declare a vacancy to exist in any elected position if the person holding that position:

- Ceases to be a voting member of the Church, or,
- Resigns, in writing, from the position, or,
- Fails to fulfill the requirements of that position and receives written notice of such failure from the Board of Trustees, or
- Has three consecutive unexcused absences from Invested Funds Management meetings.

Adoption of new Article 11 will require minor changes to other Articles of the Bylaws, as shown below

Suggested Changes to Article 4, Authority

4.1 CONGREGATIONAL AUTHORITY

The ultimate authority for all matters pertaining to the operation of the Church shall rest with the "Congregation," which shall consist of the voting membership of the Church. The Congregation shall function as a legally constituted body at its annual and special meetings. The Congregation shall elect the Board of Trustees and its officers, the Nashua Cemetery Board of Trustees and its Treasurer, the Nominating Committee, the Financial Records Review Committee, the Invested Funds Management Committee, and special committees as needed. The Congregation shall also call its Minister in accordance with Article 9.

New paragraph 4.5 establishing the authority of the Invested Funds Management Committee

4.5 INVESTED FUNDS MANAGEMENT COMMITTEE

The Invested Funds Management Committee is a Committee of the Congregation responsible for oversight of the church's invested funds (the "Endowment") and for determining prudent withdrawals

from them, subject to such restrictions as the donors have imposed. The committee shall have sole responsibility for the distribution of invested funds, except as mandated by donors, and as allowed for in Article 11.

Suggested change to 5.2, Annual Meeting

5.2 ANNUAL MEETING

The Annual Meeting of the Church shall be held in Nashua within four weeks after the close of the fiscal year to elect officers and members-at-large of the Board of Trustees, the Invested Funds Management Committee, and the Nashua Cemetery Association; to adopt an annual budget; to receive reports; and to conduct such other business as may properly be brought before the entire membership.

Suggested name change for paragraph 8.2.1, Nominations

8.2.1 Annual Election Nominations

The Nominating Committee shall present to the Church Membership at the Annual Business Meeting nominations for Officers, At-Large Members of the Board of Trustees, Financial Records Review Committee members, Trustees and Treasurer of the Nashua Cemetery Association, Invested Funds Management Committee, and Nominating Committee members. The committee's report of said nominations shall be submitted to the Clerk for inclusion with the notice of the Annual Business meeting.

Suggested name change for paragraph 10.3

10.3 ASSOCIATION FUNDS MANAGEMENT

The treasurer shall be responsible for receiving, holding, managing, and investing all funds of the Association and for applying those funds to the care and maintenance of the Cemetery. For convenience, the Cemetery Association's funds may be invested with the Church funds and managed by the Invested Funds Management Committee. The treasurer shall also make an annual report at the Annual Meeting of the Church.