

Unitarian-Universalist Church of Nashua, NH

## **President's Annual Report to the Congregation**

*June 12, 2014*

The following is a summary of the Board's activities during the 2013-14 Church Year.

### The Church Size Question

Last year at this time, the Board had recently discovered that we had had a longstanding over-estimation of the number of people who were actively participating in and supporting church programs. This was due to an unintended loophole in our bylaws' definition of voting membership and accumulating inaccuracy in our voting membership lists. To address this, our bylaws were amended at last year's Annual Meeting, and I promised in last year's President's Report that the Board would investigate this and report to the Congregation about what had happened and, as much as we were able to determine, why. This investigation was the Board's first big project this year. My report on the Board's findings is attached as an Appendix to this report. It was initially published in our October 2013 Newsletter. In brackets within the text I have added updates.

### Collaborating with the Search Committee

A considerable amount of the Board's time was spent collaborating with the Search Committee this year. While the roles of the two groups are distinct and separate, both play an active part in the Search Process during the second year of a Transition. The Board provided written material for the Search Committee's packet of information, which is used to introduce the church to prospective ministerial candidates, including, for example, the article in this report's Appendix. The Board also discussed with the Search Committee their listing of our strengths and challenges, based on the Search Committee's analysis of congregational input. The Board was responsible for appointing two of the three members of the Negotiating Team. Finally, using input from the Search Committee, the Board decided on the final draft of the Minister's Agreement to be offered to candidates, including a range of compensation and benefits.

I want to add my voice to the chorus of thanks to our Search Committee. Board members have had a unique view of the incredible amount of time that they have devoted to our Search and the care and precision with which they have done their work. It is impossible to imagine that there could have been a better group to have taken on this task.

### Learning to Do Policy Governance

At the suggestion of Rev. Olivia, beginning in the second half of last year, she and the Board began consulting with Laura Park of Unity Consulting about our implementation of Policy Governance. We soon learned that the Board's understanding, and therefore our implementation of Policy Governance to date, had been faulty and incomplete. So we got to work. Laura is a gentle coach who has led us on a yearlong process to better understand the concrete ways that Policy Governance should work. Rev. Olivia herself had had no specific experience in Policy Governance before becoming our Interim Minister, but she spent many hours courageously immersing herself in it and bringing the Board along

with her increasing insight. In addition, Board members read books, attended district workshops, and participated in teleconference meetings.

Without using this report to give a complete explanation of Policy Governance per se, I will say that the basis of the governing method is a set of Governing Policies that define the mission and purpose of the church as an institution and the specific roles of the Board and the Executive Director (in our case, our minister). Laura Park helped the Board to realize that at the time that Rev. Olivia arrived two years ago, our existing Governing Policies were not what we needed. Consequently, this year the Board has grappled with learning about and then re-drafting our Governing Policies. A complete new set of Governing Policies should be up on our website soon, if it isn't already there. This has been a huge job.

The section of the policies on which the Board spent the most time is the "Ends Policies." We learned that ends policies should be a statement of "why the church is here," or, stated another way, a definition of "the difference the church makes in the world." The Board's new ends policies are a replacement of the first section of our original policies, which was titled, "Church Purpose and Goals." That original policy was well and faithfully created by a previous Executive Committee and the ideas contained within it were studied, respected, and when appropriate, incorporated in the new "Ends Policies." Besides using the original policy's ideas, we also conducted informal interviews with a number of church members and friends centered on the question, "How does being a part of this church change your life?" There was a remarkable consistency in the answers we collected, and those ideas were also incorporated into the new "Ends Policies." A one-sentence summary of all our ends is contained in our new Mission Statement.

The mission of the Unitarian-Universalist Church of Nashua is to engage people in a search for truth and meaning within a supportive liberal religious community that encourages personal/spiritual growth, embraces diversity, and promotes social justice.

Although the Board is proud to have a draft of new governing policies completed, under Policy Governance the Governing Policies are never fully "done." Future Boards will be reviewing, and when necessary, changing them, as well as continuously assessing whether the church is living up to them. We also encourage church members and friends to review them and to provide input to the Board.

### Budgeting Under Policy Governance

One thing the Board did not have to learn, since we have known this in theory for many years, is that our Annual Budget should be an expression of our church mission. I have to credit our Treasurer, Mike Wilt, with reminding us of this for as long as I have been on the Board. Finding a way to make sure that our proposed budgets were an expression of our mission has previously been difficult for the Board, however. As long as I have been President, I admit that I did not know just how to do this.

What we have learned about Policy Governance this year, with the help of Rev. Olivia and our consultant Laura Park, has been a big step forward. The Board has literally been working with Rev. Olivia on the budget you will see tonight for the entire past year. We explored the assumptions contained within past budgets, especially in light of the comments we heard from members of the congregation at last year's Annual Meeting. Rev. Olivia, with the help of the Transition Team, gathered information about budgets in churches similar to ours in order to be able to consider alternatives. We studied and clarified the roles of the Board, the Treasurer, and the Executive Director in creating a budget. After a

year of study and consideration, the Board endorses the budget you will see later in the meeting as a responsible expression of our church's mission over the next year.

In January Bob Keating proposed to the Board that it should make a long term plan for changing the use of the annual prudent withdrawals from our Endowment from support of our operating budget to "meeting unmet needs in the wider community." After discussing this idea, the Board took no action on this proposal since we had no way to know if this aspiration would be possible or responsible at any point in the future. Even so, support of our Outreach Collections remains high among members of the Board, as well as members of the Congregation. We are justifiably proud of the approximately \$30,000 per year that our church is contributing to social justice causes outside our walls.

#### Welcome to Rev. Janet Newman

One last task fell to the Board in May, when it became clear that the search for a new settled minister was going to be incomplete this year. The Board had to find and hire a new Interim Minister. Rev. Olivia's 2-year contract was not renewable (plus, she wants to retire!). With the help of three intrepid church members appointed by the Board to review candidates, conduct interviews, and make a recommendation, this was accomplished in less than 2 weeks. The Board looks forward to meeting and working with Rev. Janet Newman in the coming year and profoundly thanks the Interim Task Force, which included John Sanders, Joan Connacher, and Karen Murray.

#### Thank You to Rev. Olivia Holmes

I have worked closely with Rev. Olivia over the past two years. Simply put, during that time she has given us her all. She has been a cheerleader for our strengths as a Board and for the church as a whole. On the other hand, she has been an unblinking truth-teller. I say with all confidence that without her, we would not have made the progress we have made in understanding, and in rolling up our sleeves to tackle, the challenges we face. She has been tireless in leading from the front and pushing from behind. She has been the catalyst for everything we have accomplished in the past two years. For this I thank her. We will all remember these two years of Interim Ministry as a pivotal part of our church's history.

Respectfully submitted,  
Ellen Fisher

## Appendix

*The following article appeared in the October 2013 newsletter of the Unitarian-Universalist Church of Nashua, New Hampshire, in a column entitled, "On Board," written by Ellen Fisher, Church President. Text in brackets [ ] has been added as an update in June 2014.*

### **Investigation of Church Size**

At the annual meeting in June [2013], the Board of Trustees had only recently discovered that we seemed to be a smaller congregation than we thought we were. It was a distressing surprise, to say the least. We knew that the main reason for the confusion was an inconsistency in the Bylaws' definition of

voting membership. We define the size of our congregation by the number of voting members. As the Bylaws previously were written, people who had contributed to Outreach Collections (the proceeds of which are all rightfully given to the designated organizations), but not to the church's operating budget, were technically eligible to be voting members of the church. This was not the original intent of the Bylaw. At the Board's recommendation, the congregation voted that evening to clarify the Bylaw language. Please see "Membership Clarified" elsewhere in this newsletter for further details. [This article explained the requirements for voting membership per the amended Bylaws.]

At the annual meeting I said that the Board would be investigating the size question so that we could report to the congregation what has happened to our numbers over the past few years. The Board has done that. Here is a summary of what we found.

According to our records, if voting membership were counted the way the Bylaws previously read, over the past 10 years our voting membership has hardly changed. It was 320 in 2004-05 and 317 in 2012-13. Counting by the new Bylaw language, however, we have gradually decreased from 321 in 2004-05 to 251 in 2012-13. This was not a sudden drop in one year, but a steady small loss each year. Tracking the decline in voting members (by the new counting method) is a corresponding decline in our Church School registrations and average Church School attendance. During the same period registrations gradually fell from 116 children to 89, with average weekly attendance going from 75 to 58. Surprisingly, average adult attendance at Sunday morning services, [not including Summer Services], has not changed much in the same period. It averaged 127 in 2004-05 and 124 in 2012-13, with fluctuations both higher and lower in the intervening years. [During 2013-14 average adult Sunday morning attendance, not including Summer Services, has been over 130.]

During the same period the numbers of pledges we received each year also declined, from 190 in 2004-05 to 146 in 2012-13. This is "pledging units," which may represent an individual, a couple, or in a few cases, three actual members. During the current year we have 138 pledges so far, but we expect that more may come in before the year is over so that number is not complete.

There is good news. The stability of our adult Sunday services attendance is good news. More surprising though, alongside the drop in the number of pledges and the number of people who are pledging, we have an amazing increase in the amount of money collected in pledge payments over those years. In 2004-05 we collected \$187,595 while in 2012-13 we collected \$219,102. For three especially good years during that period, we collected \$234,566, \$236,075 and \$246,194. [We already know that our total pledges will be in the range of these "good years" for the coming fiscal year as well.]

So what does all this mean? We know that UU churches throughout the country, along with mainline Protestant churches, have generally had a decline in membership over the past decade. It seems clear that we have not had a decline, but rather a tremendous increase, in the commitment of our remaining members—and that is something to be proud of. Even so, I assume that we still would like to see this congregation grow. It may be that we need to think hard about how to be a more appealing and welcoming place; it may be that we need to polish up some of our programs. We might need to get the word out in new and different ways about who we are and what we have to offer. I know that discussions about these topics are already taking place in committee meetings, workshops, and among members wherever we come together. I invite you to join in.

