

BYLAWS

First Unitarian Church of Rochester, New York

Adopted May 15, 1998

Revised October 6, 2002

Revised October 3, 2004

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ARTICLE ONE

Name

The name of this congregation is the First Unitarian Church of Rochester, New York. The congregation was incorporated in 1841 as the First Unitarian Congregational Society of Rochester, New York, and is a member of the Unitarian Universalist Association.

ARTICLE TWO

(A) Purpose

We unite in this society
to seek truth in love,
to deepen our awareness of religious values
and express them in word and deed,
to strengthen one another in our free search,
to maintain the sanctity of the individual conscience in matters of belief,
bound by no dogma or creed,
to uphold freedom, community, and equal rights for all people.

(B) Inclusiveness and Diversity

We declare and affirm our deep commitment to include all people and our special responsibility to encourage the full participation of all in our activities, honoring diversity of race, national origin, disability, gender, affectional or sexual orientation, age and socioeconomic status.

ARTICLE THREE

Membership

Section 3.1. Becoming a Member. Any person can become a member of the congregation who

(1) is at least fourteen years old,

(2) has in the previous fifteen months made a payment of record to the church, or lives in a household whose occupants have made a payment of record to the church, or has had payment waived by a minister or Executive Committee member, and

(3) signs the membership book before two of the following: a) a member of the Board of Trustees; b) a minister of the congregation; c) a member of the congregation designated for this duty by the Board of Trustees.

Section 3.2. Duration of Membership. The Board may terminate the membership of a person who no longer satisfies Section 3.1(3) thirty days following written notice by first class mail to that member's last known address, unless the member satisfies Section 3.1(3) within the thirty-day period.

Section 3.3. Resignation. A member may resign by written notice to the Board.

Section 3.4. Reinstatement of Membership. A terminated membership is reinstated upon written request if the person affected has complied with Section 3.1(3).

ARTICLE FOUR

Congregational Meetings

Section 4.1. Meeting Place. Each congregational meeting is held at the building where religious services are held, or if impracticable, elsewhere as the Board may designate in Monroe County.

Section 4.2. Annual Meeting. At the annual meeting, which is held between May 1 and June 15, the congregation elects successors for those trustees, elective officers, and Nominating Committee members whose terms expire at the close of the current church year (as defined in Section 8.6), adopts a budget for the following church year, establishes the ministers' salaries, receives annual reports, and transacts such other business as may be necessary. The budget is available to members of the congregation not fewer than fourteen days nor more than forty days prior to the annual meeting.

Section 4.3. Special Meetings. Special congregational meetings may be called at any time by the Board and must be called within thirty days of receipt of a written request of at least ten voting members of the congregation stating the purpose of the proposed meeting.

Section 4.4 Notice of Meetings. Notice of each congregational meeting must be mailed at least fourteen but not more than forty days before the meeting, to each voting member at the address shown on the membership records. The notice must state the time, place, and purpose of the meeting and include the names of all nominees to be placed before the congregation by the Nominating Committee or the Board. It must also include as a candidate the name of any person who has expressed to the Board in writing, at least three but not more than ninety days before the mailing, a willingness to serve in an elective position. No formal nomination is required for these candidates.

Section 4.5. Business. Business at congregational meetings is limited to matters stated in the notice of the meeting. Matters not listed in the notice of meeting may be discussed without being acted upon.

Section 4.6. Quorum. Except as specifically provided elsewhere in the bylaws, a quorum at any congregational meeting consists of fifty voting members or ten percent of the congregation eligible to vote, whichever number is lower. If a quorum is not present, those attending have power to adjourn the meeting from time to time without further notice until a quorum is present. When a quorum is present, any business may be transacted that might have been transacted at the meeting as originally called.

Section 4.7. Qualifications to Vote. Only members at least sixteen years of age may vote at congregational meetings.

Section 4.8. Voting. The following rules govern voting procedures.

(1) Except as specifically provided elsewhere in these bylaws, all decisions at congregational meetings must be made by majority vote of those voting.

(2) When one or more candidates for equivalent positions are to be elected from a field of more than two, a plurality vote may be taken. In this case the ballot must list all the candidates. Each voter may cast one vote for each of as many candidates as the voter desires, but not more than the number to be elected, and all votes carry equal weight. The terms of this paragraph also apply when the choice is among propositions instead of candidates.

(3) Voting for trustees, officers, and members of the Nominating and Search Committees, as well as all plurality votes must be by written ballot, except that, if only one person is validly nominated for a position, that person may be declared at the meeting to be elected, with no ballot required.

(4) All voting must be in person and not by proxy.

Section 4.9. Minutes. Draft minutes of each congregational meeting are to be posted in a prominent place in the church within thirty days of the meeting. Minutes of each congregational meeting are approved by the congregation at the next congregational meeting.

ARTICLE FIVE

Board of Trustees

Section 5.1. Functions of the Board. The business, property, and affairs of the church are governed by the Board of Trustees through policies established, monitored and reviewed by the Board in accordance with applicable laws, the Articles of Incorporation, these bylaws, and decisions of congregational meetings, including the annual budget.

The Board may make unbudgeted expenditures totaling up to five percent of the current year budget, without the consent of the congregation, because of unforeseen circumstances that require immediate action.

At each annual meeting the Board must submit at least one nomination for the office of President.

Section 5.2. Membership. The Board consists of eleven persons, enumerated below, all of whom must be voting members of the congregation and none of whom may be church employees.

(1) The membership includes nine trustees, three elected each church year for a term of three church years. At least one of these three must be a woman and at least one a man. Any of the nine elected trustees is eligible for reelection only after the lapse of ten months from the close of the term of office, except that the waiting period is waived in the case of any trustee who was elected for a term of one church year or less as provided by Section 5.3. Members hold office until their respective successors are elected and have qualified as a voting member of the congregation.

(2) The President and the Clerk are ex officio voting members of the Board, and not elected trustees. If the congregation elects a President or a Clerk who is already an elected trustee, then that person's status as an elected trustee terminates upon assumption of the office of President or Clerk. During the meeting at which the President or Clerk is elected, the congregation must fill any vacancy resulting from that election.

(3) No person except the Clerk may serve on the Board for more than five consecutive church years.

Section 5.3. Vacancies. If a vacancy occurs in the Board, the remaining members of the Board, by majority vote of those voting at a duly called meeting of the Board,

whether or not a quorum is present, may fill the vacancy. The trustee appointed by the Board serves until the next annual meeting, at which time the congregation will elect a trustee to serve the remainder of the term of the departing trustee, provided that if the vacancy occurs during the third church year of the departing trustee's term, the trustee appointed by the Board will serve until the end of that church year. Notice of intent to fill a vacancy must be included in the notice of the Board meeting.

Section 5.4. Removal of Trustees. A trustee may be removed by two-thirds vote of those voting at a special congregational meeting called for that purpose.

Section 5.5. Regular Meetings of the Board. Regular meetings of the Board are held in Monroe County at whatever places and times the Board may designate.

Section 5.6. Special Meetings of the Board. Special meetings of the Board may be called at any time by the President and must be called by the President or Clerk at the request of two or more Board members. Notice must be given to each member of the Board at least two days before the meeting. If all Board members are present and give consent, notice requirements are waived.

Section 5.7. Quorum. A majority of the members of the Board constitutes a quorum at any meeting of the Board. Except as provided in Section 5.3, no question may be decided unless at least six votes are cast. A majority of the members present, even if failing a quorum, may adjourn the meeting from time to time without notice until a quorum is present, at which time any business may be transacted that might have been transacted at the meeting as originally called.

Section 5.8. Voting. Any action of the Board is decided upon by a majority of the votes cast by those present at the meeting unless otherwise stated in these bylaws or specifically increased in Board policies.

Section 5.9. Open Meetings; Executive Session. Regular and special meetings of the Board are held in the open, and members of the congregation may attend. The Board may at any meeting, by majority vote of those trustees voting, declare an executive session for discussion of litigation, personnel matters, or other issues of a confidential nature where public discussions would be potentially embarrassing to the congregation, its members, or its staff. The Board may designate who in addition to the trustees may be present at such executive session. At the conclusion of the executive session, the meeting will be reopened, and any decisions will be restated in open session and recorded in the minutes.

ARTICLE SIX

Committees

Section 6.1. Nominating Committee. The Nominating Committee consists of four members of the congregation, plus the leader of the Nominating Committee of the preceding year. If that leader is not available, then all five committee members are elected at the annual meeting. The term of office is one year, starting at the end of the annual meeting. Except for the leader, no member may serve successive terms. Any vacancy in the committee membership or leadership is filled by vote of a majority of the remaining members of the committee.

The committee convenes after the annual meeting but no later than August 1 to elect a new leader, who may not be the leader of the previous year.

The committee submits to the annual meeting at least one nomination for each elective office to be filled at that meeting (except for the office of President) and at least seven nominations for membership on the Nominating Committee. Additional nominations for any office may be made from the floor with the consent of the persons so nominated.

Section 6.2. Search Committee. Whenever a vacancy exists or is anticipated in the position of a called minister, the congregation elects a Search Committee of nine voting members of the congregation. Notice of intent to elect a Search Committee must be included in the notice of the congregational meeting. The Nominating Committee must present names of at least thirteen members for election to the Search Committee. Additional nominations may be made at the meeting.

The Search Committee elects its own leader and cooperates with and follows recommended procedures of the Unitarian Universalist Association.

It is the responsibility of the committee to recommend to the congregation one and only one candidate for that ministerial vacancy for which it has been elected. The committee continues until a contract is executed with this or a subsequent candidate, or until the committee is dissolved on its own motion or by resolution of the congregation.

Section 6.3. Executive Committee. The Board may select an Executive Committee of the Board consisting of at least the President, the Vice President and two other Board members. The Executive Committee plans the activities of the Board. To the extent permitted by law and these bylaws, the Executive Committee represents the Board and has the power to transact all regular business of the Board during the period between meetings of the Board.

Section 6.4. Other Committees. The Board may establish other committees to advise and assist the Board in performing its duties under Section 5.1. and may terminate any such committee at any time. The Board establishes the powers and responsibilities of any such committees.

Section 6.5. Ex Officio Members. The ministers of the church are nonvoting ex officio members of all committees except the Search Committee.

ARTICLE SEVEN

Officers

Section 7.1. Officers Enumerated. The officers of the congregation are the President, Vice President, Moderator, Treasurer, and Clerk. All officers must be voting members of the congregation.

Section 7.2. President. The President is elected at the annual meeting. The term of office is one church year or until a successor is elected and has qualified as a voting member of the congregation. The President may not serve more than two successive terms. The President presides at meetings of the Board and performs such other duties as are usually performed by a president or as may be assigned by the Board or the congregation.

Section 7.3. Vice President. The Vice President is appointed by the Board from among its members for a term of one church year. In the absence or disability of the President, the Vice President performs the duties and exercises the powers of the President.

Section 7.4. Moderator. The Moderator is elected at the annual meeting in each even-numbered year. The term of office is two church years or until a successor is elected and has qualified as a voting member of the congregation. The Moderator may not serve two consecutive, full terms. Whenever the Moderator is not able to preside at all or any part of a congregational meeting, the President serves as Moderator Pro Tem.

Section 7.5. Treasurer. The Treasurer is elected at the annual meeting. The term of office is one church year or until a successor is elected and has qualified as a voting member of the congregation. The Treasurer is eligible for successive terms of office. The Treasurer performs such duties as are usually performed by a treasurer and such other duties as from time to time may be assigned by the Board.

Section 7.6. Clerk. The Clerk is elected at the annual meeting in each odd-numbered year. The term of office is two church years or until a successor is elected and has qualified as a voting member of the congregation. The Clerk is eligible for successive terms of office. The Clerk is custodian of the corporate seal and all official documents belonging to the congregation and keeps the minutes of all congregational meetings and meetings of the Board. This officer upon request certifies the qualification of members to vote. It is the function of the Clerk to send official announcements to members of the congregation and to perform such other duties as may devolve upon this office.

Section 7.7. Vacancies. If a vacancy occurs in the office of President, the Vice President completes the President's unexpired term, and the Board fills the vacancy on the Board according to the provisions of Section 5.3. If a vacancy occurs in any other elective office, the Board fills the vacancy until the end of the current church year. Notice of intent to fill a vacancy must be included in the notice of the Board meeting.

Section 7.8. Other Officers. The Board may appoint other officers, who hold office for whatever term the Board prescribes and have whatever powers and duties the Board may specify consistent with these bylaws.

Section 7.9. Terminations. The Board may revoke any of its appointments at its discretion.

Any elected officer may be removed by two-thirds vote of those voting at a congregational meeting whose notice declared that intention.

ARTICLE EIGHT

Finance

Section 8.1. Church Funds. The funds of the congregation must, as designated by the Board, be

(1) deposited in its name in securities of the U. S. government or in federally insured accounts at banks, trust companies, or savings and loan institutions, or

(2) invested in the General Investment Fund of the Unitarian Universalist Association or its successor, or

(3) invested in mutual funds or investment trusts, or

(4) managed by an investment manager, who may invest them only in common or preferred stocks, bonds, notes, debentures, mutual funds, or investment trusts.

Social responsibility must be one of the criteria for investment.

Funds may be withdrawn only by persons designated by the Board.

Section 8.2. Endowment Funds.

A. General Provisions.

(1) The Board or congregation may from time to time place money in endowment funds. Memorial gifts of any size and other gifts that become effective as a result of a death must be placed in endowment funds unless otherwise specified by the donor.

Endowment funds are a capital asset that must at all times be segregated from operating funds.

(2) Endowment funds fall into three categories: primary endowment, income endowment, and chartered endowment. These are distinguished in part by the terms under which principal and income may be used. As indicated in the descriptions that follow, these bylaws place the greatest restrictions on the use of primary endowment and the least on chartered endowment funds.

(3) Except as provided in Section 8.2 C, no part of the principal of the primary or income endowment funds may be used except by a majority vote at two congregational meetings at least two months apart. The notices of these meetings must specify the purpose and the maximum amount of the proposed expenditure.

(4) The placement or apportionment into the primary or income endowment funds of any gift or bequest that the donor has not restricted as to use nor specifically directed to either the primary or income endowment is the responsibility of the Board, except that the final decision for any gift or bequest exceeding fifteen percent of the annual budget in the year received is made by the congregation.

B. Primary Endowment. The primary endowment is managed as a separate fund. Its income accrues to principal as earned. Neither its principal nor its interest may be used for operating expenses. Money may not be transferred from the primary endowment fund to any other endowment fund, except that any bequest or gift that the donor has not designated to a specific endowment fund, along with any income that has accrued to it, can be transferred within one year of receipt by the congregation to the income endowment fund.

C. Income Endowment. The income endowment is managed as a separate fund. Its income, which may be derived from capital appreciation as well as dividends or interest, may be used for operating expenses. In any year, applicable income may be calculated as a fraction of the historical average total return of the investment portfolio over a period of at least the three immediately preceding calendar years. The fund is invested and its income distributed with the objective of preserving the real purchasing power of both the principal and the income derived from it. Money may not be transferred from the income endowment fund to any other endowment fund, except that any bequest or gift that the donor has not designated to a specific endowment fund, along with any income that has accrued to it, can be transferred within one year of receipt by the congregation to the primary endowment fund.

D. Chartered Endowment Funds.

(1) Chartered endowment funds exist to satisfy a need for a category of endowment funds the use of whose assets is restricted by the original donor. The principal or the interest or both may be so restricted.

(2) The creation of a chartered endowment fund is not complete until either the congregation or the Board has approved a charter for that fund specifying its name, creation date, how its principal and income may be used, by what means the charter may be amended, and, if appropriate, when the charter expires. Money may be transferred from chartered endowment funds to other endowment funds unless the charter prohibits transfer. The charter may not waive any provisions of Section 8.2A.

(3) Unless the charter provides for termination at a specific date, the Board may include in the notice of any annual meeting of the congregation a recommendation to terminate any chartered endowment fund if it judges the fund to be either no longer active or no longer able to fulfill its original intent. Upon termination, the Board transfers any money remaining in the chartered endowment fund to another endowment fund.

(4) During the last month of each fiscal year, income from chartered endowment funds, in accordance with their restrictions, is allocated to the funds in proportion to their respective average balances for that year.

Section 8.3. Operating Funds.

A. Annual Operating Fund. The annual operating fund consists of

- (1) pledge income,
- (2) fund-raising proceeds as specified by a fund-raising policy enacted by the Board, and
- (3) all receipts not specified for another fund pursuant to these bylaws.

B. Chartered Special Funds.

(1) Special funds are intended for emergency repair, capital maintenance, or special projects. They are created from time to time by the congregation or the Board.

(2) Money may be transferred to any special fund from a holding fund, or from the annual operating fund as specified by the budget or by resolution of the congregation. It may also be added to the special fund by virtue of a gift specified for that fund, or as the result of a fund-raising activity under the fund-raising policy enacted by the Board. Special funds may accumulate money from year to year.

(3) The creation of a special fund is not complete until either the congregation or the Board has approved a charter for that fund specifying its name, creation date, purpose, the process by which expenditures must be authorized, and by what means the charter may be amended.

(4) Unless the charter provides for termination at a specific date, the Board may include in the notice of any annual meeting of the congregation a recommendation to terminate

any chartered special fund if it judges the fund to be either no longer active or no longer able to fulfill its original intent. The Board recommends an appropriate transfer of any remaining funds to an endowment fund, another chartered special fund, or the annual operating fund.

C. Property Maintenance Fund.

(1) Maintenance of church property is funded in part by the property maintenance fund, established on July 1, 1988.

(2) The charter of the fund is established and amended by two-thirds vote of the congregation. For the budget year 1988-89, the amount of the initial annual contribution is set at \$22,000. Each subsequent annual contribution is increased or decreased from the previous year's contribution in proportion to the increase or decrease in the replacement value of the church building (as set by the church's insurance carrier) averaged over the preceding five years.

(3) Interest earned by the fund accrues to principal as earned. Principal and interest are used exclusively for four major maintenance items associated with the main church building and grounds, as follows:

1. Maintenance of the structure and integrity of the building, including the roof, walls, windows and exterior brick work
2. Repair or replacement of the heating plant
3. Repair, resurfacing, or regrading the church parking lots
4. Repair or replacement of chairs.

D. Bookkeeping Accounts. The Board or its designee may from time to time establish bookkeeping accounts for use by church organizations. Each organization is limited to a single account, which is subject to the finance policies of the Board. Unless renewed, a bookkeeping account terminates on January 31 of the year following the fiscal year in which it was created. The assets of terminated accounts are transferred to the annual operating fund or another church fund.

E. Holding Funds.

(1) The Treasurer or a person designated by the Treasurer may from time to time establish temporary holding funds for bookkeeping purposes. Money may not be transferred to any holding fund from special funds, from the annual operating fund, or from endowment funds.

(2) Unless the Treasurer determines that a holding fund serves a continuing purpose, it terminates no later than January 31 of the year following the fiscal year in which it was created, and its assets must be transferred to a fund other than a holding fund.

Section 8.4. Budget. The congregation adopts a balanced budget for the annual operating fund for each fiscal year as a guide for the management of its affairs. The Board authorizes committee leaders or other individuals to approve and control expenditures from various budget items or categories.

Expenditures from the annual operating fund must be made according to the budget enacted by the congregation. The Board may, however, reallocate expenditures within any main category of the budget for current operating expenses, except that it may not modify allocations to special funds or to the property maintenance fund. In addition, the Board may increase budgeted expenditures for any main category, provided that

(1) the increase is balanced by decreases in other categories, and

(2) the total of such increases made during any fiscal year does not exceed four percent of the total budgeted expenses for that year.

The congregation may modify the budget at any time, provided that it maintains the balance between income and expenses.

If, at the end of a fiscal year, the operating fund contains a surplus, such money is transferred to the chartered operations special fund, established by the congregation on May 19, 1989, for use as provided in its charter. If the operating fund ends the year with a deficit, any money in the operations special fund, up to the amount of the deficit and not otherwise committed, is transferred to offset the deficit. If a deficit still remains, it becomes a charge against the next year's operating fund.

Section 8.5. Borrowing.

A. By Board. The Board may borrow money for the annual operating fund provided that the total indebtedness subsequent to the borrowing does not exceed ten percent of the annual budget then in effect. In calculating the total indebtedness, any balance due on mortgages on real property owned by the church is excluded.

B. By Congregation. By a two-thirds vote, the congregation may authorize borrowing in excess of the limit set forth in Section 8.5A. The notice of the meeting must state the reason the financing is required, the maximum amount to be borrowed, the current total of church indebtedness, and the duration of the proposed loan.

Section 8.6. Fiscal Year; Church Year. The fiscal year is from July 1 to June 30. As used in these bylaws, "church year" means fiscal year. Terms of elective office begin and end at the beginning and end of the church year.

ARTICLE NINE

Professional Staff

Section 9.1. Called Ministers. The congregation calls the senior ministers of the church, including the Parish Minister (which position may be shared by co-ministers) and Associate Minister. Any minister called by the congregation is referred to in these bylaws as a “called minister.”

Section 9.2. Calling of Ministers. Any called minister must be selected at a special meeting of the congregation called for the purpose of making the selection. A quorum for said meeting consists of twenty-five percent of the eligible voting members of the congregation. The selection of a called minister must be made by an affirmative vote of at least eighty percent of the eligible voting members present at said meeting.

Section 9.3. Removal of Ministers. Any called minister may be removed at a special meeting of the congregation convened for that purpose. A quorum for said meeting consist of twenty-five percent of the eligible voting members of the congregation. The removal of a called minister must be made by an affirmative vote of a simple majority of the eligible voting members present at said meeting.

Section 9.4. Salary of Ministers. Any called minister’s salary and benefits package may be fixed or changed only by a majority vote of those voting at a congregational meeting called and held pursuant to the requirements of Article Four.

Section 9.5. Ministerial Responsibilities. The Parish Minister has overall responsibility for ministerial leadership of the congregation. Other called ministers have such duties as are assigned to them by the congregation and the Board. Each called minister and the congregation sign a letter of agreement that sets forth the minister’s responsibilities, compensation, and benefits.

Section 9.6. Freedom of the Pulpit. Ministers are free to express in the pulpit their ideas and opinions on any subject.

Section 9.7. Other Positions. The Board may appoint or remove other members of the professional staff (including non-called ministers) as the need arises.

ARTICLE TEN

Miscellaneous

Section 10.1. Policies and Procedures. The Board creates and maintains a Policies and Procedures Manual which sets forth policies and procedures to effectuate the provisions of these bylaws and carry out the ministries of the congregation. The Manual

is available to members. Any changes to the Manual made by the Board are clearly stated as part of the Board minutes.

Section 10.2. Rules of Order. The latest edition of Robert's Rules of Order applies to the conduct of all congregational meetings, Board meetings, and committee meetings in all cases in which it is not inconsistent with applicable law and these bylaws.

Section 10.3 Indemnification of Officers and Trustees. To the fullest extent permitted by law, the congregation must indemnify and defend any current or former trustee or officer of the church from all claims, actions or investigative proceedings arising out of such person's actions in such capacity, including judgments, penalties, fines, settlements, and reasonable attorney's fees and disbursements incurred in connection with any such actions or proceedings. The Board must, to the extent practicable, secure insurance to fund such indemnification.

ARTICLE ELEVEN

Amendments

These bylaws may be amended or repealed by two-thirds vote of those voting at any congregational meeting provided that the substance of the proposed amendment is presented at the immediately preceding congregational meeting and included in the notices of both meetings and provided that the meetings are held at least sixty days apart.

ARTICLE TWELVE

Severability

Any finding that a provision of these bylaws conflicts with law will not have the effect of invalidating other provisions of these bylaws.