

KHN Sustainability Plan

Background

KHN's Board of Directors is deeply committed to ensuring KHN's existence as a Jewish presence in the Greater New Hope / Lambertville area, well into the future. To that end, the board has taken the bold step of initiating the **KHN Sustainability Plan**, to ensure KHN's financial viability, should we experience financial challenges in the future.

While KHN is not currently in a state of decline, we are mindful of the headwinds that other shuls (as well as houses of worship of other faiths) are facing. With our current financial position being as strong as it is, the Board feels that the time is ripe to allocate some of our financial resources to ensuring KHN's existence in the future, and to commit to an ongoing plan for continuing to do so.

With that objective in mind, the Board has established a **KHN sustainability account** to serve as a 'lock box' for funds to be used by KHN in the future to continue operations, if/when KHN's operating expenses exceed its income. Should the day come when our membership declines, and the amount of revenue that KHN is able to collect from its members in the form of membership dues and donations is not enough to meet our basic operating expenses, KHN would have the ability to draw funds from this reserve fund to bridge this gap. It is the Board's vision that funds in the sustainability account are to be used for this purpose only, and not for any other purpose, so as to ensure that these funds are available when they are most needed.

What's Been Done

To start the process, the Board voted in its October 2022 meeting to approve the following action items:

- Designate KHN's Life & Legacy Endowment Fund (managed by the Jewish Community Foundation of Greater Mercer) as KHN's 'sustainability account'
- Transfer \$150,000 from KHN's operating account to the sustainability account
- Finance Committee to evaluate the sustainability account's investment performance annually, or more frequently if deemed necessary, and make recommendations accordingly

Bylaw Amendment

In order to finalize the sustainability plan, the Board is asking the general membership to approve the following amendment to KHN's bylaws at the annual meeting in May 2023. This amendment ensures that future boards continue our commitment to KHN's future financial viability, and ensures that funds from the sustainability account are used only for their intended purpose and not for any other purpose.

Article 13 Sustainability Plan

Article 13.01 Sustainability Account

The Congregation will maintain a brokerage account or endowment fund (herein referred to as the 'sustainability account') with a reputable financial institution or Jewish non-profit organization whose values are aligned with the Congregation's. Funds from the sustainability account are to be used for the sole purpose of sustaining the Congregation, in order to ensure its existence in the future. In accordance with Article 13.03 below, disbursements from the sustainability account

are to be made only to bridge a deficit where the Congregation is unable meet its operating expenses from the operating income that it collects from its members and supporters. Funds from the sustainability account are not to be used for any other purpose.

Article 13.02 Contributions to the Sustainability Account

At the end of each fiscal year, any funds in the Congregation's operating accounts in excess of one year of expected expenses will be transferred to the sustainability account. Funds may be transferred from the Congregation's operating accounts to the sustainability account at other times during the year with approval by the board.

Article 13.03 Disbursements from the Sustainability Account

Funds from the sustainability account are to be used only to bridge a deficit between the Congregation's operating income and operating expenses, in a dire situation where the Congregation is not able to meet its operating expenses from its operating income, and only after all non-essential spending has been eliminated. Funds from the sustainability account may be disbursed for this purpose, and only for this purpose, after a two-thirds vote by the Board of Directors that the conditions of Article 13.03 have been met.

Article 13.04 Management of the Sustainability Account

The Finance Committee will evaluate the performance of the investments in the sustainability account on an annual basis, or more frequently if deemed necessary by the Finance Committee, and make recommendations to the Board of Directors accordingly. The sustainability account may be transferred to a different financial institution or organization upon a majority vote by the Board of Directors. Any changes made to the management of the sustainability account will be noted by the Secretary of the Board of Directors in the meeting minutes.

Donating to KHN's Sustainability Account

Members and supporters of KHN who are interested in seeing that their donation is used specifically to sustain KHN may allocate their donation to the sustainability account. To make an online donation, click [here](#).