

**REVISED**  
**First Unitarian Church of Portland**  
Board of Trustees Meeting - December 6, 2018  
Board Meeting - **6:00 - 7:00 PM** - Room B102

**Board Meeting**

**Board Roles:**

Process Observer: Ryan

Timekeeper: Cindy

Words: Evie

6:00 **Convene**  
Opening Words - Evie  
Determine Quorum  
Process Observer Review - Ryan  
Review & Approve previous meeting's minutes

6:05 Congregant Comment Period

**Updates**

6:15 ET Update  
NOTE: Committee Updates - reports attached  
NOTE: Dates to calendar - Seminary for a Day Jan 26, Retreat May 31 & June 1,  
Mini-retreat January 6, 2019

**Consent Agenda**

6:35

**3 Year Management Review.** The Governance Committee recommends the Board not undertake its 3-year management review this year.

Rationale: The Gov Chair noted that, under Board policies, the Board retains an outside consultant to review the management of the church every 3 years. The Chair noted that the Board can always vary from its policies if it desires. The Committee agreed that Bill is an excellent manager and, with a ministerial transition likely in the next few years, the church does not need to expend its funds for this purpose.

**Initial work toward the board goal of evaluating possibilities for further development of our campus.** Give Rev Sinkford approval to explore becoming one of the 5 City of Portland supported religious sites for affordable housing. See attached background information.

**Action/Discussion**

6:40 **Change in Topic-** Close-out discussion of our Nov 4 Forum. We have had some discussion of the structure of the forum and what we thought worked or could work better. This conversation will focus more on the dynamics within the board at the forum. It will build on conversations the Board has had about how we are together, and is part of our process work as a board, creating community and long term relationship.

**Meeting Wrap-up**

6:55 Communications Check and Process Observations

Closing Words - Evie  
7:00 Adjourn

**Holiday Dinner and Party for Board - 7pm**

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**Background information for consent agenda item - Development of our campus:**

I want to update you on the initiation of work toward the goal of evaluating possibilities for further development of our campus. I also want to make two requests, after the update.

First, the wishes I have heard that development might address include:

- Parking
- New Sanctuary
- Improved Office Space
- Retirement/Co-Housing at Market Rate
- Affordable Housing

All of these possibilities will need to be on the table in a discernment process.

One hope that I have heard since I was called, is that we would partner with a developer and, at least in a world of wishes, get a new sanctuary and some parking "for free." I have also regularly heard the hope that we might provide affordable housing or supportive housing for the houseless. That hope is shared by many of our justice activists as well as our partners in the efforts to provide shelter.

As we move beyond the many hopes into concrete planning, my first steps involve developing a process to present viable alternatives for development to the Board.

That process requires basic financial modeling. We are blessed with congregants who are professionals in this area: Lorelei Juntunen (Ryan Deibert's partner) and Ian Carlton of ECONorthwest(an Economic Development firm) are congregants who have volunteered to help us through this discernment stage at least. I have met with them once to begin exploring possibilities. They are interested especially in the affordable housing area.

Lorelei and Ian understand themselves to be early members of a team that will include other areas of expertise to explore the possibilities to present to the Board.

The recently passed support for affordable housing here in Portland presents an opportunity we had not anticipated. The City's Bureau of Planning and Sustainability has just published a Request for Proposals from Faith Organizations. The City is prepared to offer pre-development services to religious communities interested in development of affordable housing on their property. They are looking for 5 pilot projects to support in this way. Applications are due January 18, with selection by mid-February.

It would be ideal if we were a few steps further along in our discernment. However, few other congregations will likely be further along that we are, though few will have as many options for development as do we.

I believe we should apply for the available City of Portland support. In addition to the obvious advantages of the help and the funding available, being one of the 5 pilot sites would have the benefit of getting us into and known by the City development "system."

As we move through this process, I believe that the Board needs to be not only informed but very much a part of the various steps along the way. Hence, the following "asks":

1. I would like at least one and preferably two Board members to join the initial "Discernment Team." I would be looking for folks who would be comfortable with the analytical work involved. I hope this would be a formal Board appointment.
2. I would like the Board's approval to explore becoming one of the 5 City of Portland supported religious sites for affordable housing. A motion of "approval to explore" would give me sufficient authorization.

I know the December agenda has very little time. Can we manage to fit this in? It will be important if we are to meet the 1/18 application deadline.

Thanks in advance for your consideration. Feel free to share this memo with the full board and/or to let me know what more or different you might want to facilitate these first steps toward that board goal.

Blessings,

Bill

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**First Unitarian Church of Portland**

Board of Trustees Meeting Minutes - November 1, 2018

Board Meeting - 7:00 - 9:00 PM - Room B102

**Board Dinner**

6:00 Arrive and Dine  
6:25 Informal Check-in &  
Spiritual Deepening  
6:55 Break

**Meeting Roles:**  
Process Observer - Ryan  
Time Keeper - Leila  
Words - Ryan

**Board Meeting**

Present: Board Members: Barbara Morrison, Cindy Cumfer, Kathy Ludlow: moderator, Randy Russell, Alan Comnes: Vice Moderator, Theo harper, Secretary, Ryan Deibert, Evie Zaic: Second Vice Moderator, Leila Wrathall, Treasurer and Andy Parker

Dottie Chidester assistant note taker.

Absent: Mindy Clark, Matthew Swafford

ET: present; William Sinkford Senior Minister, Tom Disrud: Associate Minister & Kathryn Esteys: Church Administrator.

7:00 **Convene:**

Opening Words – Ryan taken from an essay called “The Center Must be Deep” Susan Smith

Determined a Quorum is in attendance tonight.

Review Agenda – Kathy noted no additions to agenda

Process Observer Review – Ryan talked about reducing repeated comments by simply acknowledging agreement with a speaker. Passed out red playing cards and noted one may lay down a card because of feeling discomfort about the discussion even if you do not know exactly why. He noted the intent to observe noting participation, decision making and will focus on strengths.

Review & Approve previous meeting’s minutes, minutes were approved.

7:05 Congregant Comment Period Patrick Malone for Nom Com was our only congregant visitor and indicated he was here to represent the Nom Com and had no additional comment

**Updates:**

7:15 ET Update: Bill noted, these are difficult times and all are experiencing it. We will be holding our 2<sup>nd</sup> annual vespers Requiem and the Unitarian Choir will be singing.

Tuesday evening from 5:00 pm – 9:00 pm the church will be open to watch the results of the election come in. There will be a vespers service in the Elliot sanctuary as well as a TV set up in the Buchan reception hall. We are in the middle of the AFD a notice regarding this will be seen in the E news. We are at 33% of our goal. Pledges are coming in more slowly than they did last year. Concern is about the number of pledges and the timeliness of them, not about the generosity of the gifts. Celebration Sunday, Nov 11, tends to be the heaviest pledging period. There has also been slow registration for classes as well. “This

is reflective of the difficulties in the world”, he surmised. Kathryn noted issues of board thank you calls. We will be calling those who have carried forward or increased their pledges decreased pledges will be pastoral calls. Tom reported, this coming Sunday will be the first of Young Adult brunches and in addition to that there will be two spiritual circles for young adults each month that will happen on weekday evenings. Mira sees her involvement with this group as an interim role and is working on developing leadership within the group. Bill noted: Update on Asylum center we hosted 15 men and there will be no more. Leila noted an appreciating program will occur for those who supported the center. The space will become a day shelter on Dec 1. We will be working with Portland Homeless Family Solutions with this. Kathryn noted we have a new social justice pamphlet. Bill noted, the children’s mosaic restoration has been completed and rededication occurred a few weeks ago. Holiday plans are underway. January 26 Sophia Betancourt will be the speaker at Seminary for a Day. The title of her talk will be “From Liberal to liberation a Theological Response to Climate Change”. Bill noted the conversation has begun regarding the plans for use of our property. Shelter will be for people who are not full times residents in shelter or do not have homes. Alan noted, at the choir retreat it was said our membership is down by 30%. From what he knows this is not correct and wanted to have this miscommunication corrected. Conversation indicated we have not had this level of loss. We have 950 pledging members and report this to the UUA, Kathryn noted. This has been consistent over several years. Many people paid their pledge early, in 2017 for 2018 because of the tax law changes. “The point I hope the board members take away, is to the point the pledges are soft it is because the pledges have not come in. When discussing this with congregants it would be best to advise someone to make their pledge. This is the year to ask people to step up. We have been going to our most generous folks over and over”, Bill indicated. Kathryn noted, we will need folks to come in and make calls after the celebration Sunday event.

7:50 Dates to calendar - Board Forum Nov 4, Celebration Sunday Nov 11, Holiday Party Dec. 6, Seminary for a Day Jan 27, Retreat May 31 & June 1.

It was noted we want to look at a mini retreat regarding Ministerial Transition. There is a signup or survey that will be out on email, to decide when we can meet. There became a need to discuss this item further.

Cindy noted concerns that if we make decisions it needs to be an open meeting. It seemed she was concerned that decisions will be made without congregant right to attend meetings and hear the deliberations and decision-making. Leila noted we could have discussion and postpone decisions until the board meeting. Randy noted having some time on our own will be helpful to lay out goals and process timeline. Cindy noted worry about this and noted concerns with the board retreat as well. Evie noted this would be a way for us to have better organization when we invite members in to discuss this. The decision about this will be postponed, Kathy said. Alan noted there needs to be clear guidelines on what a board retreat is and what a private session is. We need to get prepared for the discussion. Randy suggested the BOC put something together to clarify. We can go ahead and work on a date and then decide what form this meeting would take.

-Holiday party food - ~\$14 each. Will have a short board meeting from 6 – 7 pm and then holiday party. Will have John Boelling provide the food.

### **Committee Updates:**

Comm Comm minutes have been put out and there was an error it was suggested that board members go to major groups in the church to get time to speak about board work and answer questions.

Finance comm noted discussion regarding how we can meet our goals for financial sustainability and get us out of using reserves. Ideas came up that we have a board member speak during the AFD, talk about reasons for our request for increased pledges. Maybe have board members have home dinners. Provide general comments about our financial situation.

An auditor came in and did a review and made a report. There were no problems. The auditors did not have a copy of the finance committee's report, Leila noted. There were some issues with a CPA and how we burned the mortgage. In terms of our September financial report we are about \$60,000.00 short and were about \$40,000.00 up in September though rental money came in well. Over all our operating expenses were about \$5,800.00 above budget. Regarding net cash, we are about \$20,000 below our budget. With the updates to razors edge software system we will probably get better reports for analysis.

Governance Committee, noted have submitted minutes. Cindy indicated the need to add to the minutes 2 major pieces, the need to agree to a different format to the Executive Team annual report and will have more conversations. The biggest piece for consideration is the congregational survey. There was discussion about not using all 7 mission elements but synopsise into 4 major points from the mission statement. The committee will meet this week to discuss further. Talked about having listening circles so congregants could comment.

PET had meeting and are planning to educate themselves and have begun to read a book, "Radical Dharma", Rev. Angel Kyodo Williams. Will have to find a new date for their November meeting. January generative discussion will be regarding the Boards break out session in Seminary for a Day.

### **Consent Agenda:**

8:02 Authorize Intern Minister Mira Mickiewicz to perform weddings. Agreed by all present.

8:05 **Break**

### **Action Items:**

8:00 -Nov 4 Forum - "Meet the Board and Our Goals for the Year" final details - Comm Comm  
-Mini-retreat topic - Senior Minister Transition - late November - BOC  
-Agree board members attend Membership Ceremony and Path to Membership – BOC  
Randy indicated the Forum is set and will have communication about it to the RE parents. Should be something in the E News and bulletin Kathy will MC the event. We're asking all board members to be at both of these events and there will be a brief review of goals set for this year. Then open conversation and questions.

Talked about food for the Forum sign-up sheet sent around.

8:15 Generative Discussion Topic:  
What Board service is to me. Spiritual, Other and why. We broke up into dyads, discussed this question and then came together to each note what we have learned.

**Meeting Wrap-up:**

8:45 Communications Check and Process Observations Good strength, there were moments of disagreement that we faced in a good way. One of the questions I am left with is to ask are we really talking about the issue that is really the issue. Sometimes we talk about time when it is not about that but about priorities.

8:55 Closing Words – Ryan, poem from a friend who passed “The Heart Beat of an Ordinary Day”.

9:00 Adjourn

Respectfully submitted: Theo Harper, Board Secretary with assistance of Dotty Chidester

**First Unitarian Church of Portland  
All Adult Music Retreat Fall 2018 (Camp Magruder)  
Dialog with the Board (2 Sessions)  
October 27, 2018**

Sessions were an opportunity for adult music program participants to meet Board members, to have Board members explain a bit about why they serve on the Board and what Board leadership entails, and to solicit input from participants/congregants. Board members present were Alan Comnes and Theo Harper. Over 40 people attended each session (over 80 total) and, within each session, a broad range of folks asked questions.

Alan and Theo attended the start of each session. In session 1, Alan left and Theo led the session. In Session 2, Theo left and Alan led the session.

In both sessions, Theo specifically called out the upcoming Sr. Minister transition and the need for congregants to share their vision of what they want the church to be / become and what kind of minister they want. Alan shared the Board’s current near-term (1-3 year) goals and his background before opening up to questions.

**Key Takeaways**

Specific interest in ministerial transition. Would we have an interim minister? Would that interim help with healing and resetting the church’s vision of itself?

- Church needs to work at identifying who it is and what it wants to become. Needs to examine if it wants to remain “intellectual”, “too PC”, “grey haired” or if it can figure out a way to attract younger people and people of color.
- Church needs to figure out how to retain people who come in but do not stay. Church of introverts.

- Concern over the drop in membership. [Note that this particular questions was a reaction to a statement that DeReau (or a choir member) made to all participants earlier in the retreat that membership had in recent years dropped ~30%, from 1600 to 1100. Although this statistic was later corrected in an email to all choir members on 11/8/2018, it generated discussion here.]
- Always asking for money is a turn-off for those (otherwise committed) visitors/new members who feel guilt tripped or that they do not have something to contribute. Leads to people leaving. I explored this issue after the session as I was a bit surprised. The constant appeal for money appears to have to do with the AFD and last year's Burn the Mortgage campaign. Upshot: members with less money need to feel that they are accepted/wanted for talents. Requests for money need to be made in a way to not create stress.
- We can do more to attract young adult members. They may not have a lot of \$'s to provide but the church offers an important place for community; something in short supply. They have other talents to contribute.

Related note: one item that could be offered is a financial planning course for young adults; one that specifically addresses generosity (while, still presumably addressing other financial goals). Dave Livingston said he met a congregant (Melissa \_\_\_\_\_), who had interest/ skills in this area.

## Q&A Session 1 Notes

The first session was with members of the Unitarian and Chamber Choir. Session was led primarily by Theo Harper. Notes taken by Mark Kimbell

Sr. minister Transition. 2-3 years to retirement. Who to call? What for? Who are we as a people? Rigid? Loose?

Any data on families/demographics? Source: annual survey. 1100 members. Not all respond.

Euro-American, people identifying as people of color. Aging out, a concern. Not sure it is any different now compared to previous years.

Any info on age dist over the years? Could be a normal situation. No hard data, but a good question. Ed program attendance is an indicator.

Comment: High School / youth RE classes getting bigger, but they don't come back [after they graduate].

Who to call as minister? Young charismatic person to draw people in. TJ? 3 year horizon for on-staff preference for selection. UUA policy.

TH comment on supporting UUA.

A comment: 2 kids in RE program -- would like more families of color. Inconsistent with first church mission.

Diversity discussion. "others" worship differently. Does our service fit these?

Would like to see continuing inclusively-chosen staff.

Comment we have a lot of ground to walk to bring in new members. More welcoming. First Unitarian is a church of introverts

Failure to attract diversity despite "black lives matter" banner and other similar outreach.

Unitarians are heady/intellectual, too PC w/regard to people of color. Not warm. [TH comment: What was actually said was people of color have different ways of worship and our approach may not be a match for their needs or something like that.

Need action-based vision to attract new members.  
New leadership should push this.

Leadership transition. Tom/Kathryn part of that? Kathryn “of our age”, may exit sooner rather than later.

Two transition models. A transition year with interim ministers + search committee. Other: Choose someone. [?]

Don't choose exclusively based on color, ethnic b/kgnd, etc.

Liked Kate, social justice minister. That function was important for some. Budget to pay for that is an issue.

Back to being more welcoming....ask ourselves what serves our own hearts. Is board work spiritual? Being a member of the church spiritual?

Self-identity, honest evaluation of who we are.

[Need a] Good balance of personable, spiritual, social justice person. How god-diverse are we? God-averse reputation.

Don't have a good idea of who really is coming to church. Need more connections to attendees.

Previous search committees put together info packets, attended others' services. Wants similar approach for this transition.

Minister sets decision to attend a service, regardless of music that Sunday.

Family in 30's, had twins. No one approached them for weeks. Back to introverts? Not welcoming enough.

Better follow-up after bringing newcomers into the minister's circle. Low-hanging fruit are our young people. Promoting younger staff.

## **Q&A Session 2 Notes**

The second session was with Session w/ Chalice, Women's, and Bell Choirs. Session was led primarily by Alan Comnes. Notes taken by Leslie Comnes.

Congregant (C) 1: Why does Alan serve on the board? Feels it's one place where he can make a difference?

C2: What bylaw changes do you refer to? May consider different number of board members. Want to make sure bylaws reflect latest UUA guidelines to attract new minister.

C3: What is ministerial transition? Bill has said he has planned to retire in 2-3 years, so board is starting to prepare for that. Wrote about it in moderator's letter posted in September. Objective of board to have a transition team to educate congregation, look at models of transition, etc.

C4: Is there a way to ensure that we have a diversity of minister applicants? UUA goal is to increase diversity. Would lead to a model that would come up with search committee, which would be comprised of people who would consider that seriously.

C5: About size of board, considering smaller or larger? Currently, there are 12 on the board. Gotten feed-back from consultants that more effective boards can be smaller.

C6: Task of interim minister is to help heal conflict or wounded feelings, and to help congregation in identifying identity of the congregation. Would want to express her desire for the church to have an interim. Alan: interim minister approach will definitely be considered--one of the standard models.

C7: In previous church, non-interim church model created a lot of chaos. But, interim minister model worked well. Ruthann agrees

C8: Would like to see very vigorous organization particularly around interim minister. Maybe have focused discussion each week after services on a particular, focused discussion. Alan: good idea; relatedly, there will be a meet-the-board forum Nov.

C9: Would hope that in the next chapter the constant financial crisis would get sorted out. At what point does the leadership and the board figure out what needs to be cut. Is that something that the board is talking about? Alan: that is one of the things the board is working on a financial stability, balanced budget by 2021. We're going through structural changes in Portland/national economy, which affect member's ability to give.

C10: Last year UUA regional assembly: went to a workshop. First question they ask was: How large is your board? Our church was the largest of all. Something to consider that a policy-based board may not need such a large Board.

C11: First of all, love changes happening in de-siloing the church structure. Everyone's talking to everyone in different corners – different programs, but no coordination between things. Second, came from a smaller church, where there were two interim ministers, but that was healing. Very spiritually helpfully and then got a minister who we could appreciate and thrive. Third point, huge draw was 1.5 million dollar payment on the Buchan – getting us to pay down that payment, clearing the slate.

C12: About size of the board, making it smaller with such a large congregation, would lose representation of the congregation. Ministerial search: Are there ideas for how to address the secular nature of Portland and how to meet the needs of Portland's changing population – age, diversity, etc.

C4: Young adult group, one of the things that came up, was wanting to see younger people involved in things, not necessarily more young adult things. Alan: nominating committee does have that as a goal. And, smaller board could have better dialog and is not necessarily cross purposes of diversity.

C13: There was a question about the by-laws. What things are controversial? Alan: 1) Large board, 2) Our bylaws formally require that each minister have a minister relations committee, which isn't seen as best practices currently with UUA.

C14: Is this an opportunity to revise policy-based governance? Alan: No one has said that policy-based governance is a bad thing in terms of attracting new ministerial talent.

C3: Are we one of the biggest congregations in the UUA? Are there other models for other big churches? Alan: We are one of the largest (and Jean said we have the most numbers each Sunday). For models look at other faiths like Presbyterians. And UUA is a good resource.

C8: Building on previous comment: Young people that stay are those that connect with members in some way. We don't an organized way to connect people with mentors, especially with those just starting in their career. Alan: Engaging/retaining new members/friends is a high priority of the Executive Team. Looking at new hire, it's pretty obvious that we would make ability to retain new members a high priority.

C11: Bill has combination of many skills- strong spiritual leader and at the same time a good

administers. How many of our ministers currently in the pool, have that range of schools? She would prefer minister as spiritual leader, and have another person do the administration side, not even necessarily a minister. Alan: there are multiple ways to meet the “executive” needs of the Church; does not require that it be part of the job of Sr. Minister.

C15: One of the recent changes made to board policies is that the Board is obligated to ensure that the church has a competent management. This will cover situations where new minister isn't necessarily meant to lead church's executive function.

C6: Looked at other churches – with policy-based governance. Another church had a professional manager who answered to the ministers, but they did the work of the day-to-day management.

C16: The thing that strikes him most is the sea of gray and white hair. If this church has lost 30% of membership in last years. There are larger concerns here if the congregation is aging. But, population is going up at this time. What do we have to offer these young families? Need to be asking that question and needs to be talked about. Hasn't seen many of the big questions being discussed as much – it seems like kind of a closed system.

C2: Constantly asking for money. Has friends who have turned off by the pleas for money. There has to be attention paid to the budget, but a balance needs to be made.

C9: (Agreeing) It's a major turnoff the constant asking for money, especially for young people.

C17: If we look back 40-50 years, and see what church was going through then. For young people today, their world is geared around technology, and technology helps them streamline their lives. Bill envisions in the future, where this church acts like the cathedral church, with satellites around (virtual) that would be at the community level. Consider the notion of more of a virtual church. Could even extend into music program, being more virtual. Explore ways to excite young people.

C12: Loves actually having a church as a physical sanctuary where people meet face to face.

C4: When tells friends about our church, they are interested, just don't know about our church.

C18: A different point of view about giving. Joined in 1983. As an ex-Mormon, Dr. Deale was excited that ex-Mormons as they willingly tithe and volunteer. What we get for our gifts is so much. We should we paying for this and paying for it gladly. Maybe we're not training our kids.

C19: The reason young people feel like they are being asked – it's a lack of understanding.

## GOVERNANCE COMMITTEE MINUTES

Chair: Cindy Cumfer

DATE: November 8, 2018, 7:00-9:00 pm

COMMITTEE MEMBERS PRESENT: Cindy Cumfer, Chair; Andy Parker, Ryan Deibert

COMMITTEE MEMBERS ABSENT: Mindy Clark, Matt Stafford

VISITOR: Kathy Ludlow

Opening Words: Cindy

Announcements: The Chair reported that she completed her tasks from the last meeting of talking with Bill about the ministerial assessment changes and with Randy about a forum that solicited congregant input. A summary of those conversations are included at the end of these minutes and were previously supplied to Gov Com members.

### AGENDA ITEMS:

1. The minutes of the last meeting were unanimously approved by the Committee.

2. **Review of the Congregational Survey.** The Committee discussed and reviewed a draft of a proposed congregational survey prepared by the Chair. The Committee extensively reviewed the draft of the Congregational Survey presented by the Chair and made numerous improvements. A copy of the revised survey is attached.

The Committee recognized that the ET may have changes or additions to the survey and that the Communications Committee may want to add questions related to its communication function. The Committee agreed that, where possible, these questions should be integrated into the survey approved by the Committee. If not, a separate subheading should be added so that congregants taking the survey can distinguish between question related to the assessment of the church's ministry and other questions.

3. **3 Year Management Review.** The Chair noted that, under Board policies, the Board retains an outside consultant to review the management of the church every 3 years. The Chair noted that the Board can always vary from its policies if it desires. The Committee agreed that Bill is excellent manager and, with a ministerial transition likely in the next few years, the church does not need to expend its funds for this purpose. The Committee considered whether this 3-year review is needed in general, given the changes in the policies that now require the Board to have a management consultant review the competency of the Executive Team when it is formed or changes personnel.

The Committee recommends to the Board that the Board not undertake its 3-year management review this year. The Committee will consider whether to make a recommendation to change this policy in general when it does its overall policy review later this church year.

**4. Proposed Change in the Composition of the BOC.** The Committee voted to propose a change to the policy on the composition of the BOC at the last meeting and alerted the BOC to the potential change, so that the BOC would not be surprised when Gov Comm does the policy review later in the year and could offer feedback if it desired. Kathy reported that the BOC did not have time to consider this proposed change.

Closing Words: Cindy

Next Meeting: Thursday, December 13, 7-9 pm, Room A-301. Everyone welcome!

## ATTACHMENT

Conversation with Bill re: Gov Comm's proposals for 2018-19 Joint Evaluation of Ministry on 10/22/18 and with Randy

### 1. Joint Report

Accounting for factors outside the church (e.g., interest in church membership generally; what's happening with UU churches elsewhere and with other Portland churches; weak interest in churches by 18-35 year olds, etc.)

Bill approved.

### 2. Approve summary of mission elements:

The proposal was that we simplify our 7 mission elements for purposes of the assessment and/or congregational survey to 4:

- deepen spiritually personally;
- create a spiritually-based covenantal community in the church;
- bring our values into the world to create a larger beloved community; and
- perpetuate the church's and denomination's existence into the future (needed since our goal is long-term or unrealizable).

Bill approved but suggested I review our Mission Statement. I did and shortened to 3.

### 3. Reorganization of ET report

Our proposal was that the ET report move away from the Carver format and report what the church has done to realize our mission elements. This would mean more specific information about what the church accomplished in relation to each element.

Bill is OK with this. He favors “outcome” measures.

### 4. Can we improve input from congregants in the congregational survey?

Randy (Comm Comm) chair approved.

- Organize around more understandable mission questions. See above.
- Ask “I” questions?
- Randy proposed “listening: sessions with about 4 groups of congregants invited to separate sessions.

**Communication Committee Meeting Minutes**  
**November 13, 2018 7pm-8:30pm**

Committee members attending: Randy Russell (Chair); Alan Comnes; Theo Harper; Kathy Ludlow, Barbara Morrison

- Light chalice / reading / check-in
  - Kathy read from Henry David Thoreau
- Approved September meeting minutes with corrections
- Forum Follow Up -

The forum came off well, but we were competing with many other scheduled activities, particularly after 2nd service. Next year plan to hold the forum in mid October before the AFD starts. The format (after each service) was fine and the board goals were a good topic. More conversation starters and an informal arrangement of chairs might facilitate conversation. We have a list of attendees and Randy will send thank you notes.

- November Moderator Letter

Discussed content and determined to include information about the recent board forum, board offer to speak and answer questions at church group meetings, note AFD results.

- Review Draft of Congregational Survey.

There was a lively discussion. CC needs to review last year's draft to fully understand what's been eliminated. Several areas of the survey raised questions. Randy will share specifics with Governance.

- Board Dialogues

We reviewed the notes from the meetings that Theo and Alan held with the choirs during the music retreat. They did an excellent job. Some of the info might influence questions for the survey. We will publish those notes as an attachment to these minutes to be included in the board packet. We are pursuing more such opportunities with other church groups/committees.

- Seminary for a Day workshop

PET is working on this. Theo will check with them to determine if CC can be of assistance.

- Board Winter Forum

This forum will focus on the church budget. Randy to check with Leila and the Finance Committee to coordinate planning. The Forum is scheduled for February 24th. We are recommending using the same "two service" format used at the last forum.

- Review response to any congregant letters or inquiries  
There have been no formal inquiries
- Closing Words

Barbara read a poem by Wislawa Syzmborska

- Adjourn

| <b>First Unitarian Church</b>                       |                                                    |                                                              |                                                              |                            |                                               |                                           |                                   |
|-----------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|----------------------------|-----------------------------------------------|-------------------------------------------|-----------------------------------|
| <b>Year-To-Date Operating Summary</b>               |                                                    |                                                              |                                                              |                            |                                               |                                           |                                   |
| <b>10/31/2018</b>                                   |                                                    |                                                              |                                                              |                            |                                               |                                           |                                   |
|                                                     |                                                    | <b>ACTUAL<br/>OPERATIONS<br/>YEAR TO DATE<br/>10/31/2018</b> | <b>ACTUAL<br/>OPERATIONS<br/>YEAR TO DATE<br/>10/31/2017</b> | <b>ACTUAL<br/>VARIANCE</b> | <b>BUDGET<br/>YEAR TO DATE<br/>10/31/2018</b> | <b>BUDGET<br/>VARIANCE<br/>10/31/2018</b> | <b>ANNUAL<br/>BUDGET<br/>FY19</b> |
| <b>Church Operations</b>                            |                                                    |                                                              |                                                              |                            |                                               |                                           |                                   |
|                                                     | <b>Operating Income</b>                            |                                                              |                                                              |                            |                                               |                                           |                                   |
|                                                     | Pledge Income                                      | 399,073                                                      | 436,236                                                      | (37,163)                   | 486,833                                       | (87,760)                                  | 1,451,166                         |
|                                                     | Contributions                                      | 28,831                                                       | 30,785                                                       | (1,954)                    | 30,785                                        | (1,954)                                   | 110,000                           |
|                                                     | Program Income                                     | 38,875                                                       | 53,544                                                       | (14,668)                   | 41,479                                        | (2,603)                                   | 122,950                           |
|                                                     | Rental Income                                      | 158,648                                                      | 161,769                                                      | (3,121)                    | 159,811                                       | (1,163)                                   | 460,276                           |
|                                                     | Other Income                                       | 16,627                                                       | 16,828                                                       | (200)                      | 14,167                                        | 2,460                                     | 35,500                            |
|                                                     | Transfer from Foundation                           |                                                              |                                                              |                            |                                               |                                           | 55,000                            |
|                                                     | Transfer from Other Funds                          |                                                              |                                                              |                            |                                               |                                           | 165,267                           |
|                                                     | <b>Total Operating Income</b>                      | <b>642,055</b>                                               | <b>699,161</b>                                               | <b>(57,106)</b>            | <b>733,075</b>                                | <b>(91,020)</b>                           | <b>2,400,159</b>                  |
|                                                     | <b>Operating Costs</b>                             |                                                              |                                                              |                            |                                               |                                           |                                   |
|                                                     | Payroll Expenses                                   | 522,868                                                      | 458,526                                                      | (64,342)                   | 533,248                                       | 10,380                                    | 1,642,945                         |
|                                                     | Reimbursible Expenses                              | 103,804                                                      | 1,259                                                        | (102,545)                  | -                                             | (103,804)                                 |                                   |
|                                                     | Occupancy Expense                                  | 81,114                                                       | 82,639                                                       | 1,526                      | 90,265                                        | 9,152                                     | 287,250                           |
|                                                     | Program Expense                                    | 99,403                                                       | 86,718                                                       | (12,685)                   | 125,969                                       | 26,566                                    | 303,485                           |
|                                                     | Rental Expense                                     | 2,951                                                        | 4,617                                                        | 1,666                      | 6,273                                         | 3,323                                     | 43,820                            |
|                                                     | Administration Expense                             | 22,122                                                       | 22,138                                                       | 15                         | 28,658                                        | 6,536                                     | 66,906                            |
|                                                     | Interest Expense                                   | -                                                            | 20,283                                                       | 20,283                     | -                                             | -                                         |                                   |
|                                                     | Other Expense                                      | 1,989                                                        | 53                                                           | (1,936)                    | 900                                           | (1,089)                                   | 7,750                             |
|                                                     | <b>Total Operating Costs</b>                       | <b>834,250</b>                                               | <b>676,233</b>                                               | <b>(158,017)</b>           | <b>785,314</b>                                | <b>(48,936)</b>                           | <b>2,352,156</b>                  |
| <b>Net Church Operations</b>                        |                                                    | <b>(192,195)</b>                                             | <b>22,928</b>                                                | <b>(215,124)</b>           | <b>(52,239)</b>                               | <b>(139,956)</b>                          | <b>48,003</b>                     |
|                                                     | <b>Reserve Account Deposits</b>                    |                                                              |                                                              |                            |                                               |                                           |                                   |
|                                                     | Annual Operating Reserve                           | 12,001                                                       | 14,712                                                       | 2,712                      | 16,001                                        | 4,000                                     |                                   |
|                                                     | <b>Total Reserve Deposits</b>                      | <b>12,001</b>                                                | <b>14,712</b>                                                | <b>2,712</b>               | <b>16,001</b>                                 | <b>4,000</b>                              | <b>48,003</b>                     |
| <b>Net Church Operations After Reserve Deposits</b> |                                                    | <b>(204,196)</b>                                             | <b>8,216</b>                                                 | <b>(212,412)</b>           | <b>(68,240)</b>                               | <b>(135,956)</b>                          | <b>-</b>                          |
| <b>Investment Income</b>                            |                                                    |                                                              |                                                              |                            |                                               |                                           |                                   |
|                                                     | Dividend & Interest Income                         | 96                                                           | (400)                                                        | 496                        | -                                             | 96                                        |                                   |
| <b>Net Investment Income (Loss)</b>                 |                                                    | <b>96</b>                                                    | <b>(400)</b>                                                 | <b>496</b>                 | <b>-</b>                                      | <b>96</b>                                 |                                   |
| <b>Operating Surplus (Deficit)</b>                  |                                                    | <b>(204,100)</b>                                             | <b>7,816</b>                                                 | <b>(211,916)</b>           | <b>(68,240)</b>                               | <b>(135,859)</b>                          |                                   |
|                                                     | Funded from Loan Reserve (1210-10)                 | 79,949                                                       |                                                              |                            |                                               |                                           |                                   |
|                                                     | Funded fr Special Proj for Sanctuary<br>Renovation | 23,855                                                       |                                                              |                            |                                               |                                           |                                   |
|                                                     | <b>Special Projects Funded</b>                     | <b>103,804</b>                                               | <b>1,259</b>                                                 | <b>102,545</b>             | <b>-</b>                                      | <b>103,804</b>                            |                                   |
| <b>Net Cash Effect</b>                              |                                                    | <b>(100,296)</b>                                             | <b>9,075</b>                                                 | <b>(109,371)</b>           | <b>(68,240)</b>                               | <b>(32,056)</b>                           |                                   |

| <b>First Unitarian Church</b>                       |                                 |                                                             |                                                       |                                             |                                     |                            |
|-----------------------------------------------------|---------------------------------|-------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------|-------------------------------------|----------------------------|
| <b>Monthly Operating Summary</b>                    |                                 |                                                             |                                                       |                                             |                                     |                            |
| <b>10/31/2018</b>                                   |                                 |                                                             |                                                       |                                             |                                     |                            |
|                                                     |                                 | <b>ACTUAL<br/>OPERATIONS<br/>CURRENT MONTH<br/>OCT 2018</b> | <b>OPERATIONS<br/>PREVIOUS<br/>MONTH<br/>SEP 2018</b> | <b>OPERATIONS<br/>MO to MO<br/>VARIANCE</b> | <b>BUDGET<br/>CURRENT<br/>MONTH</b> | <b>BUDGET<br/>VARIANCE</b> |
| <b>Church Operations</b>                            |                                 |                                                             |                                                       |                                             |                                     |                            |
|                                                     | <b>Operating Income</b>         |                                                             |                                                       |                                             |                                     |                            |
|                                                     | Pledge Income                   | 124,978                                                     | 90,631                                                | 34,348                                      | 147,428                             | (22,450)                   |
|                                                     | Contributions                   | 10,877                                                      | 8,855                                                 | 2,022                                       | 12,231                              | (1,354)                    |
|                                                     | Program Income                  | 13,015                                                      | 12,486                                                | 530                                         | 25,179                              | (12,164)                   |
|                                                     | Rental Income                   | 44,544                                                      | 51,395                                                | (6,851)                                     | 38,317                              | 6,227                      |
|                                                     | Other Income                    | 5,917                                                       | 3,604                                                 | 2,313                                       | 6,238                               | (322)                      |
|                                                     | <b>Total Operating Income</b>   | <b>199,331</b>                                              | <b>166,970</b>                                        | <b>32,361</b>                               | <b>229,394</b>                      | <b>(30,063)</b>            |
|                                                     | <b>Operating Costs</b>          |                                                             |                                                       |                                             |                                     |                            |
|                                                     | Payroll Expenses                | 132,736                                                     | 134,639                                               | 1,903                                       | 133,668                             | 932                        |
|                                                     | Reimbursible Expenses           | 35,533                                                      | -                                                     | (35,533)                                    | -                                   | (35,533)                   |
|                                                     | Occupancy Expense               | 20,599                                                      | 25,112                                                | 4,513                                       | 21,906                              | 1,307                      |
|                                                     | Program Expense                 | 29,235                                                      | 41,785                                                | 12,550                                      | 39,832                              | 10,597                     |
|                                                     | Rental Expense                  | 881                                                         | 688                                                   | (193)                                       | 1,568                               | 687                        |
|                                                     | Administration Expense          | 11,924                                                      | 2,945                                                 | (8,979)                                     | 13,044                              | 1,121                      |
|                                                     | Other Expense                   | 50                                                          | 1,793                                                 | 1,743                                       | 225                                 | 175                        |
|                                                     | <b>Total Operating Costs</b>    | <b>230,957</b>                                              | <b>206,962</b>                                        | <b>(23,996)</b>                             | <b>210,244</b>                      | <b>(20,714)</b>            |
| <b>Net Church Operations</b>                        |                                 | <b>(31,627)</b>                                             | <b>(39,992)</b>                                       | <b>8,365</b>                                | <b>19,150</b>                       | <b>(50,777)</b>            |
|                                                     | <b>Reserve Account Deposits</b> |                                                             |                                                       |                                             |                                     |                            |
|                                                     | Annual Operating Reserve        | -                                                           | 4,000                                                 | 4,000                                       | 4,000                               | 4,000                      |
|                                                     | <b>Total Reserve Deposits</b>   | <b>-</b>                                                    | <b>4,000</b>                                          | <b>4,000</b>                                | <b>4,000</b>                        | <b>4,000</b>               |
| <b>Net Church Operations After Reserve Deposits</b> |                                 | <b>(31,627)</b>                                             | <b>(43,992)</b>                                       | <b>12,365</b>                               | <b>15,150</b>                       | <b>(46,777)</b>            |
| <b>Investment Income</b>                            |                                 |                                                             |                                                       |                                             |                                     |                            |
|                                                     | Dividend & Interest Income      | 20                                                          | 24                                                    | 3                                           | -                                   | 20                         |
| <b>Net Investment Income (Loss)</b>                 |                                 | <b>20</b>                                                   | <b>24</b>                                             | <b>3</b>                                    | <b>-</b>                            | <b>20</b>                  |
| <b>Operating Surplus (Deficit)</b>                  |                                 | <b>(31,606)</b>                                             | <b>(43,968)</b>                                       | <b>12,369</b>                               | <b>15,150</b>                       | <b>(46,756)</b>            |
|                                                     | Special Projects Funded         | 35,533                                                      | -                                                     | 35,533                                      | -                                   | 35,533                     |
| <b>Net Cash Effect</b>                              |                                 | <b>3,927</b>                                                | <b>(43,968)</b>                                       | <b>47,902</b>                               | <b>15,150</b>                       | <b>(11,223)</b>            |

|                                           |                         |                                |                         |                      |                     |
|-------------------------------------------|-------------------------|--------------------------------|-------------------------|----------------------|---------------------|
| <b>First Unitarian Church</b>             |                         |                                |                         |                      |                     |
| <b>Dashboard Report</b>                   |                         |                                |                         |                      |                     |
| October 2018                              |                         |                                |                         |                      |                     |
| <b>CAMPAIGN MONTHLY TRACKING</b>          |                         |                                |                         |                      |                     |
| <b>Pledge Drive Statistics</b>            | <b>2019 Campaign</b>    | <b>2018 Campaign</b>           | <b>2017 Campaign</b>    | <b>2016 Campaign</b> |                     |
| <b>As Of</b>                              | <b>10/31/18</b>         | <b>10/31/17</b>                | <b>10/31/16</b>         | <b>10/31/15</b>      |                     |
| <b>All Members--</b>                      |                         |                                |                         |                      |                     |
| Pledge Goal                               | 1,506,750               | 1,459,000                      | 1,545,000               | 1,500,000            |                     |
| Pledges Received                          | 296,419                 | 411,207                        | 609,699                 | 11,640               |                     |
|                                           |                         |                                |                         | -                    |                     |
| Percent of Goal                           | 19.67%                  | 28.18%                         | 39.46%                  | 0.78%                |                     |
| Pledging Households                       | 120                     | 229                            | 322                     | 7                    |                     |
| Average Pledge Received                   | 2,470                   | 1,796                          | 1,893                   | 1,663                |                     |
| Payments Received                         | 17,520                  | 37,053                         | 16,349                  | 2,000                |                     |
| Total                                     |                         |                                |                         |                      |                     |
| Percent of Pledge                         | 5.9%                    | 9.0%                           | 2.7%                    | 17.2%                |                     |
| <b>Attendance</b>                         |                         |                                |                         |                      |                     |
|                                           | <b>Oct'18</b>           | <b>**Oct'17</b>                |                         | <b>**Oct'16</b>      | <b>Oct'15</b>       |
| For the month (in sanctuary + livestream) | 2,863                   | 3,908                          | -26.74%                 | 3,139                | 3,239               |
| Total LiveStream (included above)         | 455                     | 490                            | -7.14%                  | 429                  | 227                 |
| Total for the Fiscal Year                 | 10,774                  | 11,015                         | -2.19%                  | 9,476                | 10,105              |
| Average per Sunday for month              | 716                     | 782                            | -8.43%                  | 628                  | 810                 |
| Average per Sunday YTD                    | 599                     | 612                            | -2.19%                  | 526                  | 594                 |
| ** = 5-Sunday month                       |                         |                                |                         |                      |                     |
| <b>New Members</b>                        |                         |                                |                         |                      |                     |
|                                           | <b>Jul '18 - Oct'18</b> |                                | <b>Jul '17 - Oct'17</b> |                      |                     |
| Enrolled                                  | 10                      | -54.55%                        | 22                      |                      |                     |
| Number of Pledges Received                | 5                       | -66.67%                        | 15                      |                      |                     |
| Total Amount of Pledges Received          | 2,694                   | -78.34%                        | 12,440                  |                      |                     |
| Average Pledge                            | 539                     | -35.03%                        | 829                     |                      |                     |
| <b>Plate Contributions</b>                |                         |                                |                         |                      |                     |
|                                           | <b>FY18</b>             | <b>Recipient(s)</b>            |                         | <b>FY18</b>          | <b>Recipient(s)</b> |
| Jul                                       | 2,937                   | CAUSA                          |                         | Jan                  |                     |
| Aug                                       | 2,817                   | One Oregon                     |                         | Feb                  |                     |
| Sep                                       | 6,219                   | Innovation Law Lab/Respite Ctr |                         | Mar                  |                     |
| Oct                                       | 4,308                   | OR Jusrice Res Ctr; UU-UNO     |                         | Apr                  |                     |
| Nov                                       |                         |                                |                         | May                  |                     |
| Dec                                       |                         |                                |                         | Jun                  |                     |
|                                           |                         |                                |                         | Fiscal YTD           | 16,281              |



# First Unitarian Church

## Statement of Cash Flows

For the Month Ending  
10/31/2018

|                                                 |                     |
|-------------------------------------------------|---------------------|
| <b>Beginning Cash &amp; Equivalents Balance</b> | <b>1,118,075.44</b> |
| <b>Receipts</b>                                 |                     |
| Pledges & Contributions Received                | 135,855.07          |
| Events/Weddings/Memorials                       | 1,927.00            |
| Rents Received                                  | 42,616.86           |
| Program Receipts                                | 14,578.63           |
| Special Events                                  | 393.65              |
| Miscellaneous Receipts                          | 5,732.55            |
| Interest/Gain-Loss on<br>Investments            | (5,960.13)          |
| Increase/Decrease Accounts Receivable           | 7,616.50            |
| Restricted Fund Receipts                        | 100.00              |
| Buchan Building Receipts                        | 10,378.00           |
| <b>Total Receipts</b>                           | <b>213,238.13</b>   |
| <b>Payments</b>                                 |                     |
| Payroll/Taxes/Benefits                          | (132,887.34)        |
| Operating Expenses                              | (47,127.04)         |
| Program Expenses                                | (55,656.07)         |
| Increase/Decrease Prepaid Expenses              | (2,906.23)          |
| Acquisition of Property & Equipment             | (325.00)            |
| Increase/Decrease Accounts Payable              | (33,048.79)         |
| Miscellaneous Expenses                          | (1,075.52)          |
| <b>Total Payments</b>                           | <b>(273,025.99)</b> |
| <b>Net Cash In/(Out)</b>                        | <b>(59,787.86)</b>  |
| <b>Ending Cash &amp; Equivalents Balance</b>    | <b>1,058,287.58</b> |

**First Unitarian Church  
Balance Sheet  
Operating Fund  
10/31/2018**

ASSETS

Cash

|                                     |                   |
|-------------------------------------|-------------------|
| Petty Cash                          | 500.00            |
| Wells Fargo Checking                | 106,492.44        |
| Wells Fargo Money Market            | 580,757.70        |
| Wells Fargo Required Loan Reserve   | 31,904.32         |
| Wells Fargo Tax Rebate              | 42,606.55         |
| Wells Fargo Justice Begins at Home  | 14,294.58         |
| OnPoint Anniversary                 | 15,157.54         |
| WF Sleger's Fund for Music Ministry | 32,601.56         |
| Rental Income Reserve               | 60,008.43         |
| UBS Investment                      | 2,904.90          |
| Wells Fargo MM SUI                  | 20,949.91         |
| Investments                         | <u>150,109.65</u> |

Total Cash

1,058,287.58

Current Assets

|                                                   |                  |
|---------------------------------------------------|------------------|
| Prepaid Expenses                                  | 12,411.80        |
| Prepaid Insurance                                 | 3,328.06         |
| Accounts Receivable Events/Weddings/<br>Memorials | 8,483.00         |
| Pledges Receivable Pledges                        | 1,208,244.53     |
| Pledge Receivable Allowance Uncollectable         | (123,734.46)     |
| Bookstore Inventory                               | <u>17,265.50</u> |

Total Current Assets

2,184,286.01

Fixed Assets

|                                                 |                   |
|-------------------------------------------------|-------------------|
| Furniture & Equipment                           | 522,081.56        |
| Property 1011 SW 12th                           | 1,070,285.58      |
| Property 1211 SW Main St. Sanctuary             | 758,685.24        |
| Property SW Salmon                              | 6,993,838.75      |
| Property 1030 SW 13th House                     | 28,000.00         |
| Property 1126 32 SW 13th Outside In Real Estate | 332,755.00        |
| Property 1034 SW Main Office                    | 483,545.50        |
| Improvements                                    | 1,807,193.83      |
| Accumulated Depreciation                        | (5,005,839.85)    |
| Lease Origination Costs                         | 15,000.00         |
| Accumulated Amortization                        | <u>(4,646.00)</u> |

Total Fixed Assets

7,000,899.61

|                                                   |                     |
|---------------------------------------------------|---------------------|
| Other Assets                                      |                     |
| TOTAL ASSETS                                      | <u>9,185,185.62</u> |
| LIABILITIES & FUND BALANCES                       |                     |
| Current Liabilities                               |                     |
| Accounts Payable                                  | 8,887.95            |
| Accounts Payable Foundation                       | (171.30)            |
| Events/Weddings/Memorials Clearing                | 32,206.98           |
| Accrued Vacation                                  | 73,175.33           |
| WB Fund Payable                                   | 114.36              |
| Union Dues                                        | (36.00)             |
| Total Current Liabilities                         | <u>114,177.32</u>   |
| Long Term Liabilities                             |                     |
| Deferred Lease Revenue                            | 374,456.00          |
| Funds Held for Others                             | 907.50              |
| Total Liabilities                                 | <u>489,540.82</u>   |
| Fund Balances                                     |                     |
| Fund Equity Operating                             | 394,819.71          |
| Fund Equity General Capital                       | (155,052.72)        |
| Fund Equity Salmon Street                         | 592,187.80          |
| Fund Equity Buchan Building                       | 6,940,241.97        |
| Fund Equity Commemoration                         | 18,310.89           |
| Fund Equity                                       | 76,090.49           |
| Fund Equity MJS Lecture Series                    | 124,830.47          |
| Fund Equity Hessler Deale                         | 24,230.75           |
| Fund Equity Hollingsworth Anniversary Fund        | 15,170.00           |
| Fund Equity Program Designate                     | 180,966.88          |
| Fund Equity Mark Sleger's Fund for Music Ministry | 32,597.46           |
| Rental Income Reserve                             | 60,000.88           |
| Fund Equity Pledges                               | (3,511.76)          |
| Reserved Funds                                    | 643,629.15          |
| Profit (Loss) Year to Date                        | (246,616.89)        |
| Unrealized Gains (Losses)                         | (2,250.28)          |
| Total Fund Balance                                | <u>8,695,644.80</u> |
| TOTAL LIABILITIES AND FUND BALANCES               | <u>9,185,185.62</u> |

| <b>First Unitarian Church</b>                                                           |                                           |                                                                   |            |
|-----------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------|------------|
| <b>Notes to Financials -October 2018 (department transactions greater than \$2,000)</b> |                                           |                                                                   |            |
| <b>OPERATING INCOME</b>                                                                 |                                           |                                                                   |            |
|                                                                                         | Pledge income                             | below budget YTD                                                  | (87,760)   |
|                                                                                         |                                           | below budget for the month                                        | (22,450)   |
|                                                                                         | Program Income                            |                                                                   |            |
|                                                                                         | Scrip                                     | partially suspended                                               | 1,400      |
|                                                                                         | Social Justice                            | mostly Respite Center donations                                   | 3,090      |
|                                                                                         | AP Retreats                               |                                                                   | 2,070      |
|                                                                                         | Rental Income                             |                                                                   |            |
|                                                                                         | Tenants                                   | no shelter rent                                                   | 25,259     |
|                                                                                         | Events                                    |                                                                   | 17,358     |
|                                                                                         | Other Income                              |                                                                   |            |
|                                                                                         | Sexton reimbursement from renters' events |                                                                   | 3,060      |
|                                                                                         | SAIF dividend                             |                                                                   | 2,438      |
| <b>OPERATING COSTS</b>                                                                  |                                           |                                                                   |            |
|                                                                                         | Occupancy                                 |                                                                   |            |
|                                                                                         | Utilities                                 |                                                                   | 5,240      |
|                                                                                         | Contract services                         |                                                                   | 4,588      |
|                                                                                         | Repairs & Maintenance                     |                                                                   | 4,465      |
|                                                                                         | Program Expenses                          |                                                                   |            |
|                                                                                         | Scrip                                     | partially suspended                                               | 1,743      |
|                                                                                         | Stewardship                               | AFD expenses                                                      | 5,142      |
|                                                                                         | Social Justice                            | mostly Respite Center related expenses                            | 5,229      |
|                                                                                         | Music                                     | vesper service musicians                                          | 5,450      |
|                                                                                         | Audit                                     | review for FY18                                                   | 6,600      |
| <b>DASHBOARD</b>                                                                        |                                           |                                                                   |            |
|                                                                                         | New members                               |                                                                   | 6          |
|                                                                                         | New pledges received                      |                                                                   | 1          |
| <b>CASH/SECURITIES BALANCE</b>                                                          |                                           |                                                                   |            |
|                                                                                         | Buchan Building Capital                   |                                                                   |            |
|                                                                                         |                                           | Burn the Mortgage payments received in Sep                        | 8,225.00   |
|                                                                                         |                                           | Transferred to the Foundation                                     | (8,225.00) |
|                                                                                         |                                           | Burn the Mortgage payments received in Oct                        | 10,378.00  |
|                                                                                         |                                           | Balance as of 10/31/18                                            | 10,378.00  |
|                                                                                         | Required Loan Reserve (1012)              | payment to Red's Electric for lighting project                    | (35,531)   |
|                                                                                         | Annual Operating Reserve                  | transfer to operation to cover checking deficit (see 9/18 report) | (32,327)   |
|                                                                                         | MJS Lecture                               | investment gain                                                   | 5,683      |

### Campaign Performance Analysis 2019 AFD - Pledges as of 11/29/2018

| Campaign ID         | Description          | No. Donors | Avg/Donor  | No. Gifts | Avg/Gifts  | Total Given    | Goal           | Over(Under)    | %Goal  |
|---------------------|----------------------|------------|------------|-----------|------------|----------------|----------------|----------------|--------|
| 2019 OperatingPled; | 2019 OperatingPledge | 760        | \$1,742.84 | 760       | \$1,742.84 | \$1,324,557.84 | \$1,506,750.00 | (\$182,192.16) | 87.91% |

### Campaign Performance Analysis 2018 AFD - Pledges as of 11/29/17

| Campaign ID         | Description           | No. Donors | Avg/Donor  | No. Gifts | Avg/Gifts  | Total Given    | Goal           | Over(Under)    | %Goal  |
|---------------------|-----------------------|------------|------------|-----------|------------|----------------|----------------|----------------|--------|
| 2018 OperatingPled; | 2018 Operating Pledge | 687        | \$1,736.46 | 687       | \$1,736.46 | \$1,192,947.60 | \$1,459,000.00 | (\$266,052.40) | 81.76% |

**First Unitarian Church  
Finance Committee Minutes  
November 27, 2018**

**Attending:**

Committee Members: Leila Wrathall, Evie Zaic, Kathy Ludlow

Board Members and Congregants: Linda Craig, Ed McClaran, Stan Jewett, Joann Flor, MaryAnn Roulier

Staff: Kathryn Estey, Zaida Cooper

**Call to Order:** Buchan B310, 5:05 pm

**Reading:** Ed provided a reading.

**Date and Time for Next Regular Meeting:** January 22, 2019, 5:00 – 6:30

**Meeting Schedule for Year: Meetings:** Dec 25 (canceled), February 26, March 26, April 23, May 28 & June 25 (tentative);

Finance/Budget Forums: October 7, Winter TBD, May 5

**Announcements and Reports:**

Leila reviewed Agenda. December meeting is canceled.

**Motions/Approval**

**October 2018 Financial Review - Discussion**

| <b>October-18</b>       | <b>YTD</b>   | <b>Budget YTD</b> |
|-------------------------|--------------|-------------------|
| <b>Operating Income</b> | \$ 642,055   | \$ 733,075        |
| <b>Operating Costs</b>  | \$ 834,250   | \$ 785,314        |
| <b>Reserve Deposits</b> | \$ 12,001    | \$ 16,001         |
| <b>Investment</b>       | \$ 96        | --                |
| <b>Net Cash Effect</b>  | \$ (100,296) | \$ (68,240)       |

**Discussion:** Pledge payments have been below budgeted amount this FY, but pledge cycle is based on calendar year and prior FY pledge payments ended \$40,000 over budget. Some congregants will be paying pledges using required minimum distributions at end of year. Still receiving pledge payments in response to Zaida's October reminder letter, plus end of year payments. Rental income is up significantly last 2 months, almost on budget.

Operating expenses includes \$103,805 of reimbursable expenses to cover special projects (light efficiency & part of chancel accessibility). The income is accounted for "below the line" not under Operating Income. The reimbursement for these projects is coming from Special Project and Wells Fargo reserve funds. Net Cash Effect factors in the "reimbursement" from funds transferred from the reserves.

There is no annual fund reserve entry for this month. They used money that should have gone into that reserve to help with cash flow this month. Rev. Sinkford is a good money manager and has been able to produce surpluses at end of the FY in recent years, even when use of reserves has been budgeted. Increase in salaries this FY has created an additional fixed expense that has to be covered.

### **Updates – Kathryn**

**Annual Fund Drive:** Kathryn and Zaida reported on AFD. See attachment. AFD doing very well. The church rarely hits 90% of pledges received by end of January. Program Directors in the near future will be contacting individuals in their programs who haven't pledged. AFD pledges to date are still not sufficient to cover budget requirements.

**Banking:** Kathryn is working on putting together a small committee of members with financial experience to look at switching financial institutions now that mortgage has been paid off. She has sent out emails and is waiting to find out who is willing to participate.

**Audit Review:** Kathryn reported that a conference call had been set up with the auditor who conducted the financial review to discuss some questions that had been raised about it. Kathryn, Zaida, the outside auditor who reviews the books monthly, Leila and Linda Craig will participate.

**Discussion of Fundraising in general and Board 1-3 Year Goal: Support ET to have an AFD and other income streams that meets the church's full [actual] expenses by the 2020-2021 church year**

**Key points from Fundraising discussion:**

1. Board members or others could discuss at a younger adult group meeting giving/pledging, how to get started, how to decide how much to give (starter pledging), etc. Finance Committee members might be good to assist with this.
2. Younger members may have issues with budgeting & how to allocate their \$ to different charities.
3. Stewardship is less sterile term than pledging—means you're helping to sustain your community.
4. Don't want to make people feel bad about whether they can afford to give or not.
5. Nothing wrong with asking for money, it is how we do it that is critical.
6. Hold one-on-one meetings with new members and then discuss "stewardship."
7. Giving to church is different than to other organizations, it is our spiritual home; e.g. when a parent dies you go to the church for support not a group like nature conservancy.
8. As newer member, like having idea of what it costs to run the church, e.g. \$1600/member.
9. Why not reconstitute stewardship committee and use to emphasize stewardship of the church rather than to raise money.

Finance Committee Board members & attendees were asked to submit their top 3 items from brainstormed list of ways the Board could implement this goal (see prior months minutes). It was noted that Board members are already making thank you calls to congregants in the fall, rather than waiting for January. An additional item was added to the list (attached), reconstituting a stewardship committee. The purpose of this committee would be to focus on stewardship rather than fundraising. Leila will compile a list of highest priorities based on everyone's top 3 suggestions and send them to the Board for its January meeting.

**Foundation Gift & Bequest Acceptance Policy**: the committee discussed the policy. Leila explained that the Church and the Foundation have to adopt the same policy. The main changes in this policy were to clarify the definitions of gift and bequest, and to increase the amount of donation the Church could retain from \$1500 to \$3000. Any donation over that amount automatically goes to the Foundation unless a donor has explicitly stated that the money is being given to the Church. If there were any proposed changes by the Committee, they would have to go back to the Foundation for action prior to being sent to the Church board for a vote. Ed shared what was discussed at the Foundation meeting when this policy was adopted. Kathryn is still making some edits, none that are substantive.

Some questions were raised that we were unable to answer and there were suggestions for modification:

1. To Section IV. D. 3. Add "or legal consequences"
2. IV K & L: why \$100,000. Shouldn't this be lower. Some thought that maybe using term **recommended** minimum of \$100,000 allowed the Foundation to accept something lower.
3. IV G: why wouldn't we want to liquidate any oil and gas donations immediately as appropriate? This is probably "old" language that should be updated. FYI that Shelter Rock UU congregation, which generously funds many UU causes, gets its money from oil wells.

The group agreed that these items should be sent to the Foundation for suggestions regarding future changes, but to go ahead and recommend to the church Board Policy as adopted by the Foundation to resolve the confusion between gifts and bequests that exists in current policy.

M/S/C to recommend the Foundation Gift and Bequest Acceptance Policy with Kathryn Estey's edits to the Board for adoption. This will be sent to the January board meeting for action subject to the policy having been finalized by Kathryn.

Ed did the closing reading. MaryAnn volunteered for November meeting.

Meeting adjourned at 6:40 pm.

Minutes submitted by Leila. **M/S/C Recommend that Board adopt revised wording: "Support ET to have AFD and other income streams that meet the church's budgeted expenses by the 2020-2021 church year"**

1. Find out how other large churches operate their AFDs.
2. (continuation of #1) Stewardship Comm did this about 4 yrs ago, as a result the church tried a stairstep approach, didn't seem to work well.
3. Discontinued BOT members soliciting congregants individually for pledges because not working well. Discussion of how individuals were selected and whether this should be reconsidered with some different methods of selecting congregants for meetings.
4. Kathryn thinks modal AFD pledge is \$600 and that may be the median also, not sure. Mean is \$1500. # of pledging units is decreasing, although increasing amount given/unit.
5. One person noted that the church has a less personal method of soliciting pledges than other organizations have that they donate less to. Gets phone calls and some special event invitations.
6. Bill still has lunches with congregants. Is there a way that BOT members can do some meetings with congregants? If yes, how should targets be selected? Maybe individuals who have more capacity to give?
7. At end of BTM may want to look at what info this gives us about individuals capacity to give.
8. Have BOT make more personal phone calls, e.g. thank you calls during the AFD not in January.
9. Look at how auction donators are thanked.
10. Foundation posted a list in Fuller Hall of everyone who made a bequest during Foundation month and people really looked at it. Got positive energy from it.
11. Foundation thank you brunch was very affirmatively received.
12. UUA generosity network asks people to make 4-5 thank you calls a month to donators.

13. Question of at what point are congregants tapped out: AFD, auctions, BTM. Evie noted they were concerned about whether they would see a dip in 2018 auction proceeds due to BTM but didn't.
14. Razer's Edge (fundraising software) may allow better analysis of giving by congregants will could help this effort.
15. (Already adopted) Discussion about how thank you calls by Board members will be handled. Erin bundles names of pledgers, will be communicating with Kathy Ludlow so Board members can make calls.
16. How should responsibilities ministers assume for AFD calls be shared with BOT. Should BOT members call congregants who decrease pledges without explanation?
17. Strong thought that BOT should be more involved with AFD.
18. Should Board members make presentations from the pulpit during AFD. Only Laura Milne has done so in recent years. BOT members can discuss certain issues like salary increase better than ministers.
19. BOT can make AFD pitch during its Forums.
20. AFD house parties put on by Board members.
21. Reconstitute a Stewardship Committee