

First Unitarian Church of Portland
Board of Trustees Meeting - March 5, 2020 - Agenda
Board Meeting - 7 - 9pm - Buchan Reception Room

Board Meeting

6:00 Dinner
6:25 Informal check-in
6:40 Deepening

Board Roles:

Process Observer: Theo
Timekeeper: Ryan
Words: Brad

7:00 **Convene**
Opening Words - Brad
Determine Quorum
Process Observer Review
Review Agenda
Review & Approve previous meeting's minutes

7:10 Congregant Comment Period

Updates

7:20 ET Update

NOTE: Committee Updates - reports attached.

NOTE: Dates to calendar -
Mar 8 - Introduce Search Comm at services
April 19 - Board Forum
May 3 - Budget/Fin Forum between services
May 3 - Bill's last Q&A for year
May 31 - Annual State of Church during services

Consent Agenda

7:50 Approve - Policy updates submitted by Gov Comm, in packet
Accept Gov Comm recommendation By-Law changes to put on Annual Ballot 2020, in packet

Action Item -

7:55 Presentation from Foundation Board President Dev Dion
8:10 Closed Session - Meet with new Search Committee members, share charge, answer questions

Meeting Wrap-up

8:50 Communications Check and Process Observations



Our Mission:

The mission of First Unitarian Portland is to create a welcoming community of diverse individuals; to promote love, reason and freedom in religion; to foster lifelong spiritual growth; and to act for social justice.

Our Vision:

First Unitarian Portland is a beacon of hope for us and for our community, a spiritual center in the heart of our city that helps each of us to find our moral compass, calling and challenging us to build the beloved community with an ever deepening sense of spirit, diversity and inclusion.

Goals for First Unitarian Church

Five Year Church Goals are created in collaboration with the congregation and Executive Team and adopted by the Board. They reflect the mission and vision of our church. Church goals are primarily carried out by the Executive Team and staff, collaborating with the Board.

Board 1-3 Year Goals are created by the Board and Executive Team at our yearly Retreat. Board goals may draw from the 5 Year Church goals, yet reflect work within the purview of the Board.

First Unitarian Church Five Year Goals

At the Board meeting on May 6, 2016, the Board adopted five year goals for the church.

From 2016-2021, First Unitarian Church of Portland will:

- Focus on collaborative governance, revising policies for clarity and brevity and creating linkages between the Congregation, the Board, and the Executive Team.
- Increase church funding through enhanced giving, including goal to reduce or retire the Buchan Building mortgage.
- Make a cultural transition from program-focused church to mission-driven church, with priority to building beloved community between generations.
- Develop a long-term plan for development and sustainability of church campus given changing dynamics of West End and downtown Portland.

Board Goals for 2019/20

Recognize that adopted goals are 1-3 year goals. (Going forward, add a new goal when an old one is retired.)

1. Continued to work on issues of Power, Privilege and White Supremacy Culture by
 - a. Educating ourselves on the issues.
 - b. Examining the ways in which Power, Privilege and White Supremacy Culture affect our Church, including our Board work.
 - c. Taking steps to improve our practices.
2. Support Executive Team to have an Annual Fund Drive and other income streams that meet the church's budgeted expenses by the 2020-2021 church year
3. Governance committee to review and possibly recommend changes to the bylaws as they relate to size of Board, and definition of pledging member in by-laws and policies.
4. Ensure that current possibilities for development on the current campus receive thoughtful consideration and appropriate Board review.
5. Continue a Senior Minister Transition Team to educate the Board, create a timeline, and a congregation education plan.

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### Board Committee Members

- Finance: Leila Wrathall- Chair, Kathy Ludlow, Andy Wilson
- Gov Com: Cindy Cumfer- Chair, Ryan Deibert, Andy Parker, Mindy Clark
- Com Com: Barbara Morrison and Randy Russell- Co-Chairs, Alan Comnes, Brad Taylor, Theo Harper
- Board Liberation Team (BLT): Theo Harper- Chair, Ryan Deibert, Cindy Cumfer, Mindy Clark

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**First Unitarian Church Portland Oregon
Board of Trustees Meeting - FINAL
February 6, 2020**

Board Members present: Mindy Clark, Alan Comnes, Cindy Cumfer, Ryan Deibert, Theo Harper, Kathy Ludlow, Barbara Morrison, Andy Parker, Brad Taylor, Andy Wilson, Leila Wrathall

Absent: Randy Russell

Ministers and staff present: Rev. Bill Sinkford, Rev. Tom Disrud, Kathryn Estey

Timekeeper: Leila Wrathall

Assistant note taker: Dotti Chidester

Process Observer: Brad Taylor

Congregants present: None

The board meeting convened at 7:10 PM. Kathy lit the Chalice.

Opening words: Barbara read a poem by Maya Angelou, "A Pledge to Rescue Our Children."

Kathy determined there was a quorum.

Process observer review: None

Review agenda:

Agenda was reviewed. Theo brought up a concern voiced by a congregant in a wheelchair that he would like to have the option to sit on the main floor of the sanctuary, rather than in the gallery where people in wheelchairs generally sit. Ryan shared that he and Kathryn would be meeting with the congregant to talk about his concerns. No discussion item was added to the agenda.

Review and Approve previous meeting's minutes:

Ryan Deibert moved, and Leila Wrathall seconded a motion to approve the minutes. The motion carried with a unanimous vote.

Congregant Comment:

None.

Dates to calendar

Forum dates this year - April 19

February 22 - Nom Comm/Board SC hand-off

March 1 - Board SC Selection Meeting

ET updates

- AFD
 - There is cause for celebration: 1) there was an increase in the total dollar amount of pledges, 2) the average pledge increased slightly, and 3) the average pledge of new members is higher than usual.
 - There is also still work to be done: we only saw an increase of 2% in the total pledge amount over last year against a goal of a 10%.
- Budget
 - We will budget within the resources we have available.
 - Budget development is a two-step process: 1) The first rough budget, which represents what programs are asking for, is not expected to be balanced, 2) the second budget submission to the Finance Committee will be balanced.
- The circumstances of our financial resources mean we will not be able to hire a third minister in the next church year; for the foreseeable future, this likely will be a two-minister church. The pastoral load on the ministers continues to be very high.
- The proceeds from this year's auction will go to fund Phase 0 work on the block development project. The theme of the auction is "Designing for the Future." Phase 0 work has begun.
- UUA Certification
 - Members – 958 (982 last year)
 - Average Sunday attendance – 802 (900 last year)
 - Average Sunday RE attendance – 381 (376 last year)
 - Number of pledgers – 910 (966 last year)
- Trends in membership and attendance
 - 15% decrease in membership over the last five years. We are doing better than all but two of the other large churches in the UUA. We outperform like institutions, but there is still a decline.
 - Less frequent attendance has become more the norm. This is a cultural trend.
 - The number of pledgers is down 8% over the last five years, but we lead the UUA in number of pledgers.
 - Our ministry is more robust than other large churches.
 - In calendar 2019, we lost 136 members to death or inactivation and we added 41 new members. In years past, we averaged 60-100 new members per year.
 - RE attendance is down more significantly than adult attendance over the last five years – 199 vs. 165. Kids are busier than in the past and going to church has become optional in many families.
 - The reset of the choirs has resulted in the average number of singers each week dropping from 51 to 31. Many of the choir members who have dropped out came to church mostly to sing and were not as involved in other church activities and programs.
 - Other less easily quantifiable factors that might be contributing to the decrease in attendance were discussed.
- Ministry is well into the planning process for the next church year.

- We will have an intern minister next year, Stacey Mitchell. We will have fewer guest preachers.
- All money will be out of the Wells Fargo accounts by the end of the month.
- The financial review is taking longer than in the past. The new accountants are being more thorough.
- Emergency planning is underway.
 - Planning for an immediate emergency, headed by Marilyn Eichinger.
 - Planning for continuity of operations – what do we need to have in place to carry on during an emergency, headed by Terry Martin.

Committee Reports are included in the board packet and included here by reference.

Consent Agenda:

- Approve - Moderator Mindy Clark and Secretary Ryan Deibert for 2020-2021 church year.
- Agree to Gov Comm recommendation to skip a congregational survey this church year and work with Search Comm to include essential questions board might have (see Gov Comm minutes attached for explanation).
- Approve recommendations from Fin Comm meeting (see minutes attached for explanation): That staff are authorized to combine multiple restricted accounts into combined restricted bank accounts and multiple reserved accounts into combined reserved accounts as long as the specified restricted and reserve accounts are accounted for separately in the church's books.
 - Combine Major Donor Reserve, Special Projects Reserve and Required Loan Reserve Funds. New name, purpose, authority, etc. to be determined.

Leila Wrathall moved and Brad Taylor seconded a motion to approve the consent agenda. The motion passed with a unanimous vote.

Action Items:

- First Connections/Board Greeting changes:
Ministry has decided to revise the board greeter and First Connections activities. Rather than asking visitors to meet in the Channing Room for First Connections, the meeting will now take place in the north gallery of the sanctuary after the service. The board member signed up to greet will join the group.
- Discuss and agree on process to evaluate and select Search Committee members. Use document drafted by Cindy.
 - Bill Sinkford left the meeting at 8:18. The board began the discussion.
 - We have received 47 applications for the Search Committee (SC). Four of them were from people who are not voting members and Nom Comm will notify them that they are not eligible.
 - The board will meet with Nom Comm on 2/22/20 to hear from them the results of their evaluation of the applications. The meeting will be from 10:00-12:00.
 - The board will meet on 3/1/20 from 10:30-4:30 to select the 7-9 members of the SC. Alan suggested that process observation be used in the meeting.

- Cindy reviewed the process that was used in the 2009 SC selection. Questions were asked and answered.
- It was suggested that the charge to the SC include a recommendation to use process observation in their meetings.

Communication Check:

- Com Comm will discuss how the announcement of the SC will be made to the congregation.
- Com Comm will look at a new date for the previously scheduled April board forum.

Process Observations:

- During the conversation on membership:
 - People queued up to speak and respected the order of comment.
 - The discussion stayed on topic (addressing the issue).
 - Space was held for all comments and perspectives.
- During the conversation on the SC selection process:
 - This was a somewhat more tense conversation.
 - People looked to the document on the process and worked to clarify their understanding of it.

Closing Words: Barbara read a poem by Robert Hayden, "Those Winter Sundays."

Meeting adjourned at 9:00 pm.

Minutes respectfully submitted: Mindy Clark, board secretary

First Unitarian Church Portland- Board of Trustees
Communications Committee Minutes
February 11, 2020 7:00-8:30 pm

Committee members attending: Barbara Morrison, Theo Harper, Kathy Ludlow, Brad Taylor, Alan Comnes, Mindy Clark
Absent: Randy Russell

Light Chalice

Reading – Brad

January minutes approved as written

Discussion of content for February Moderator letter.

Suggestions:

Information about Search Committee: number of applicants, what is next phase, mention of how the survey will be done this year.
We will have an intern. We are not a two clergy church.

Discussion of the Search Committee process.

Important dates: February 22, 10am, Fireside Rm meet with Nom Com
March 1, 10:30, Fireside Rm, Final decision

Has Nom Com responded back to all applicants.

Reiterating what the definition of “voting member” is.

Mindy suggested going back to Dialogue Groups, especially if there seems to be anxiety in the congregation.

Theo reported he had met with about 20 participants in the Good Times function.

Theo asked if the Search Committee would be reimbursed for any expenses. Answer is yes.

Other discussions:

Tom will be changing format for Welcome Circle.

What to do about Google Docs and Dropbox. What documents should be saved? Which documents are being archived?

Brad suggested we have a paper “Bible” of our monthly packets that is brought to our Board meetings. He will bring a “model” of his plan.

Reading: Brad

Meeting Adjourned

Governance Committee Meeting – February 2, 2020, 7-8pm
Meeting Notes

Attending: Cindy Cumfer, Ryan Deibert, Andy Parker, Mindy Clark, Kathy Ludlow
Minutes by Cindy Cumfer

Minutes from the January meeting were approved.

To Do:

Kathy agrees that the BOC will consider all amendments to the Articles and Bylaws and the revised Board policies at its February meeting.

Cindy and Ryan will draft explanations for the changes to the Articles and Bylaws (before the February BOC meeting).

Ryan will draft a proposed Board Self-Evaluation and provide it to Gov Comm by our March meeting.

Cindy will check with the ET about dates to meet with them in connection with our Assessment of the Ministry of the church in June.

DECISIONS:

1. GC agreed to send Board Policy Manual with proposed revisions to BOC and recommendations on Articles/bylaws changes, including the Amendment to the Restated Articles to remove the word “the” from the church name, to BOC. Kathy agreed that the BOC will consider this at its February meeting to send to the Board for its March meeting. The safe church policy will be considered later, probably next year.

2. Congregational survey. GC is open to doing a congregational survey next year, as it is Bill’s final year. It was suggested that we might want to do one after the new minister completes their first year, as well.

3. Assessment of the Ministry: We threw out a number of ideas about the Assessment:

- GC is interested in getting comparative data about the decline in UU churches in the last several years.
- The Assessment needs to acknowledge the strains faced by the ministers in operating without an intern minister.
- GC is interested in following up on the email exchange between Bill and Cindy about focusing attention on what the church has done well and how to build on this and not just focus on our challenges.
- We noted that Bill identified our governance system that avoids tying up the ministry in its day-to-day functioning as a strength and one not shared by many larger congregations.
- We should thread back to our congregational survey of last year for congregant info and to identify strengths Bill may not have mentioned.
- We raised the question about whether a decline in members/insufficient pledges should only be considered as a negative. What can we imagine that might be fruitful about a smaller congregation? Might it enrich the spiritual life of the church?
- The Board should consider taking the opportunity to provoke a congregational discussion about UU decline nationally, and ours.

4. Work Schedule: The Committee created the following schedule for the remainder of its work this year:

February BOC mtg: BOC will pass on all amendment to Articles, bylaws, and board policies for vote at the March board meeting. Cindy and Ryan will draft explanations for these changes before this meeting.

March GC meeting: Review Board self-eval and construct our model for this year

- Question about whether Moderator should be a member of/expected to attend all Committee meetings
- Get model out so that we have results by April meeting

Review of safe church policy: when and what?
Preliminary discussion of assessment of ministry

April GC meeting: Summarize results of Board self-eval for May Board meeting
Construct assessment of ministry

April 19 is the date of the congregational forum. We should talk with Comm Comm about whether some of the forum can/will be devoted to input on ministerial assessment or other Gov Comm matters.

May Board meeting: conduct part of Board meeting on Board Self-Evaluation

May GC meeting: finalize committee draft of assessment of ministry

June Board meeting: Board discussion on Assessment of Ministry

June GC meeting: incorporate Board input and finalize assessment.

First Unitarian Church							
Year-To-Date Operating Summary							
1/31/2020							
	ACTUAL OPERATIONS YEAR TO DATE 1/31/2020	ACTUAL OPERATIONS YEAR TO DATE 1/31/2019	ACTUAL VARIANCE 2019	BUDGET YEAR TO DATE 1/31/2020	BUDGET VARIANCE 1/31/2020	ANNUAL BUDGET FY20	
Church Operations							
Operating Income							
Pledge Income	956,970	925,056	31,914	1,012,371	(55,401)	1,432,226	
Contributions	57,444	73,116	(15,672)	70,572	(13,128)	95,826	
Program Income	74,935	89,769	(14,834)	59,386	15,549	54,322	
Rental Income	254,173	250,928	3,245	276,653	(22,480)	467,476	
Other Income	61,991	33,396	28,595	22,505	39,486	35,500	
Foundation Gift						69,000	
Total Operating Income	1,405,513	1,372,266	33,247	1,441,487	(35,974)	2,154,350	
Operating Costs							
Payroll Expenses	944,233	934,222	(10,011)	927,912	(16,321)	1,634,155	
Reimbursible Expenses	2,320	115,996	113,676	-	(2,320)		
Occupancy Expense	159,707	142,653	(17,053)	148,953	(10,754)	258,151	
Program Expense	137,778	174,397	36,619	152,333	14,555	269,723	
Rental Expense	15,881	8,298	(7,583)	10,920	(4,961)	18,720	
Administration Expense	40,164	36,763	(3,401)	42,785	2,621	60,760	
Other Expense	760	2,754	1,994	2,700	1,940	2,700	
Total Operating Costs	1,300,843	1,415,083	114,240	1,285,603	(15,240)	2,244,209	
Net Church Operations	104,670	(42,817)	147,487	155,884	(51,214)	(89,859)	
Reserve Account Deposits							
Annual Operating Reserve	27,006	28,002	996	27,006	(0)		
Total Reserve Deposits	27,006	28,002	996	27,006	(0)	46,296	
Net Church Operations After Reserve Deposits	77,664	(70,819)	148,483	128,878	(51,214)	(136,155)	
Investment Income							
Dividend & Interest Income	147	161	(14)	-	147		
Net Investment Income (Loss)	147	161	(14)	-	147		
Operating Surplus (Deficit)	77,811	(70,658)	148,469	128,878	(51,067)		
Reserve Account Transfers							
Total Reserve Deposits	-	-	-	-	-		
Net Church Operations After Reserve Deposits	77,811	(70,658)	148,469	128,878	(51,067)		
Reimbursible Expenses	2,320				2,320		
Net Cash Effect	80,131	(70,658)	148,469	128,878	(48,747)		
Transfer from Reserves	0				0	136,155	
Budgeted Surplus (Deficit)	80,131	(70,658)	148,469	128,878	(48,747)	0	

First Unitarian Church						
Monthly Operating Summary						
1/31/2020						
		ACTUAL OPERATIONS CURRENT MONTH JANUARY 2020	OPERATIONS PREVIOUS MONTH DECEMBER 2019	OPERATIONS MO to MO VARIANCE	BUDGET CURRENT MONTH	BUDGET VARIANCE
Church Operations						
	Operating Income					
	Pledge Income	144,366	237,737	(93,371)	101,896	42,470
	Contributions	7,434	22,195	(14,761)	5,179	2,255
	Program Income	10,949	14,847	(3,898)	11,707	(758)
	Rental Income	30,812	34,772	(3,960)	38,165	(7,352)
	Other Income	9,852	4,120	5,732	1,485	8,367
	Total Operating Income	203,413	313,671	(110,258)	158,432	44,982
	Operating Costs					
	Payroll Expenses	145,200	139,855	(5,345)	131,716	(13,484)
	Occupancy Expense	22,498	28,528	6,030	23,752	1,254
	Program Expense	24,883	17,394	(7,489)	18,519	(6,364)
	Rental Expense	2,627	1,331	(1,296)	1,560	(1,067)
	Administration Expense	3,122	10,756	7,634	4,645	1,523
	Other Expense	-	(49)	(49)	410	410
	Total Operating Costs	198,330	197,816	(514)	180,602	(17,728)
Net Church Operations		5,084	115,855	(110,772)	(22,170)	27,254
	Reserve Account Deposits					
	Annual Operating Reserve	3,858	3,858	-	3,858	-
	Total Reserve Deposits	3,858	3,858	-	3,858	-
Net Church Operations After Reserve Deposits		1,226	111,997	(110,772)	(26,028)	27,254
Investment Income						
	Dividend & Interest Income	21	24	3	-	21
Net Investment Income (Loss)		21	24	3	-	21
Operating Surplus (Deficit)		1,247	112,021	(110,769)	(26,028)	27,275
	Reserve Account Deposits					
	Total Reserve Deposits	-	-	-	-	-
Net Church Operations After Reserve Deposits		1,247	112,021	(110,769)	(26,028)	27,275

First Unitarian Church					
Dashboard Report					
January 2020					
CAMPAIGN MONTHLY TRACKING					
Pledge Drive Statistics	2020 AFD	2019 AFD	2018 AFD	2017 AFD	
As Of	01/31/20	01/31/19	01/31/18	01/31/17	
All Members--					
Pledge Goal	1,600,000	1,506,750	1,459,000	1,545,000	
Pledges Received	1,452,579	1,418,551	1,423,597	1,389,137	
				-	
Percent of Goal	90.79%	94.15%	97.57%	89.91%	
Pledging Households	804	862	923	936	
Average Pledge Received	1,689	1,646	1,542	1,484	
Payments Received	340,465	319,391	212,387	249,825	
Percent of Pledge	23.4%	22.5%	14.9%	18.0%	
Attendance					
	'Jan 2020	'Jan 2019		Jan 2018	***Jan 2017
For the month (in sanctuary + livestream)	2,891	2,659	8.73%	3,190	3,030
Total LiveStream (included above)	494	410	20.49%	448	417
Total for the Fiscal Year	17,296	19,872	-12.96%	20,693	23,894
Average per Sunday for month	723	665	8.73%	798	606
Average per Sunday YTD	577	641	-10.06%	690	771
** = 5-Sunday month					
Christmas Eve/Solstice	1259/247	1,556			
New Members					
	Jul '19 -Jun'20		Jul '18 - Jun '19		
Enrolled	30	-6.25%	32		
Number of Pledges Received	20	0.00%	20		
Total Amount of Pledges Received	20,971	-30.13%	30,013		
Average Pledge	1,049	-30.13%	1,501		
Plate Contributions					
	FY20	Recipient(s)		FY20	Recipient(s)
Jul	2,297	ACLU		Jan	4,042 Poor People's Campaign
Aug	2,594	Don't Shoot Portland		Feb	
Sep	5,033	Bahamas Relief; Rahab's Sisters		Mar	
Oct	3,850	FirstU Coming of Age; UU-UNO		Apr	
Nov	3,062	Portland United Against Hate		May	
Dec	6,493	FirstU Emergency Fund		Jun	
				Fiscal YTD	27,371

First Unitarian Church of Portland																	
Cash/Securities Balances																	
January 31, 2020																	
		December 31, 2019		January 31, 2020													
Dept	Fund Name	General Ledger Fund Balance	Change from Prior Month	General Ledger Fund Balance	1010 WF Business Checking	0101 Beneficial State Bank	1011 WF Money Market	1020 UBS Investment	1035-10 WF SUI Deposit	1060 Federated & Franklin	1012-10 Wells Fargo HYS	1060-42 Chas Schwab (MJS Lecture)	1014-10 Wells Fargo Tax Rebate	On Point Anniversary	1015-10 Justice Begins At Home	1017-50 Slegers Music Fund	Rental Income Reserve
10	Cash for Operation	213,972.93	1,104.84	215,077.77				21,061.36									
	Sub-Total Operating Fund	213,972.93		215,077.77	54,043.45	105,730.25	34,242.71	21,061.36									
3412	Annual Operating Reserve	27,410.79	3,858.00	31,268.79			31,268.79										
3414	Major Donor Reserve Fund	47,236.00	-	47,236.00			47,236.00										
3415	Sabbatical Reserve	1,000.00	-	1,000.00			1,000.00										
3423	Special Projects Reserve	10,679.06	-	10,679.06			10,679.06										
3430	Major Repairs & Equipment Reserve	189,934.63	-	189,934.63			189,934.63										
3413	Safety Reserve	140,235.22	-	140,235.22			140,235.22										
1012-10	Required Loan Reserve	30,717.10	1.31	30,718.41							30,718.41						
1015-10	Justice Begins at Home	14,309.45	1.22	14,310.67											14,310.67		
1018-10	Rental Income Reserve	60,030.97	-	60,030.97													60,030.97
3424	Reserve Tax Rebate	42,635.77	1.81	42,637.58									42,637.58				
1010-49	Program Designated	161,591.40	(10,851.85)	150,739.55	150,739.55												
	Sub-Total Reserve Funds	725,780.39	(6,989.51)	718,790.88	150,739.55		420,353.70				30,718.41		42,637.58		14,310.67		60,030.97
30	General Capital																
34	Buchan Bldg Capital	63,517.00	(50,009.00)	13,508.00	13,508.00												
	Sub-Total Capital Funds	63,517.00	(50,009.00)	13,508.00	13,508.00												
1011-40	Commemoration	19,171.89	-	19,171.89			19,171.89										
41	Chesney-Deale (Intern Minister)	76,434.59	(133.70)	76,300.89			59,105.14			17,195.75							
42	MJS Lecture Series	142,819.56	1,269.13	144,088.69								144,088.69					
43	Hessler-Deale (Women in Ministry)	20,526.76	117.09	20,643.85			10,261.22			10,382.63							
46	Anniversary	15,166.41	0.65	15,167.06										15,167.06			
50	Slegers Fund for Music Ministry	32,604.03	0.83	32,604.86													32,604.86
1035-10	State Unemployment Insurance	22,340.57	0.57	22,341.14					22,341.14								
	Sub-Total Restricted Funds	329,063.81	1,254.57	330,318.38	-		88,538.25		22,341.14	27,578.38		144,088.69		15,167.06		32,604.86	
	Total All Funds	1,332,334.13	(54,639.10)	1,277,695.03	218,291.00	105,730.25	543,134.66	21,061.36	22,341.14	27,578.38	30,718.41	144,088.69	42,637.58	15,167.06	14,310.67	32,604.86	-
	Per Bank Rec.	\$1,332,334.13	(54,639.10)	1,277,695.03	218,291.00	105,730.25	543,134.66	21,061.36	22,341.14	27,578.38	30,718.41	144,088.69	42,637.58	15,167.06	14,310.67	32,604.86	60,030.97
	Petty Cash	500.00		500.00													
		1,332,834.13	(\$54,639.10)	\$1,278,195.03	-												
Lines of Credit																	

First Unitarian Church

Statement of Cash Flows

For the Month Ending 1/31/2020

Beginning Cash & Equivalents Balance	1,332,834.13
Receipts	
Pledges & Contributions Received	151,799.73
Events/Weddings/Memorials	2,235.50
Rents Received	28,576.90
Program Receipts	20,596.48
Special Events	319.10
Miscellaneous Receipts	1,073.81
Interest/Gain-Loss on Investments	1,216.86
Increase/Decrease Accounts Receivable	6,958.25
Buchan Building Receipts	13,508.00
Total Receipts	226,284.63
Payments	
Payroll/Taxes/Benefits	(145,199.72)
Operating Expenses	(47,651.52)
Program Expenses	(16,871.63)
Special Events	(745.00)
Increase/Decrease Prepaid Expenses	(2,764.40)
Acquisition of Property & Equipment	380.00
Increase/Decrease Accounts Payable	(4,674.81)
Miscellaneous Expenses	120.35
Charles Schwab Burn the Mortgage	(63,517.00)
Total Payments	(280,924)
Net Cash In/(Out)	(54,639.10)
Ending Cash & Equivalents Balance	1,278,195.03

First Unitarian Church			
Notes to Financials -January 2020 (department transactions greater than \$2,000)			
OPERATING INCOME			
	Pledge income	below budget YTD; includes non-pledge above budget for the month	(68,529) 42,270
	Program Income		
	Ministry	seminary for a day	4,685
	Rental Income		
	Tenants		26,805
	Events		1,778
	Other Income		
	Sexton reimbursement from renters' events		892
OPERATING COSTS			
	Occupancy		
	Utilities		7,971
	Repairs & Maintenance		3,725
	Program Expenses		
	Ministry	SFAD	3,547
	General & Admin	includes 2nd payment to Kern Thompson, auditors	2,414
DASHBOARD			
	New members		11
	New pledges received		6
CASH/SECURITIES BALANCE			
	Buchan Building Capital (Burn the Mortgage)	payments received in Nov transferred to the Foundation	63,517.00 (63,517.00)
		payments received in Dec	13,508.00
		Balance as of 01/31/2020	13,508.00
	MJS Lecture Series	Investment gain	1,269
	Fund 49 (Designated) Auction	balance as of 01/31/2020	9,860.00
OTHER			
	Seminary For A Day	Registrations	6,970
		Expenses (speaker/facilitator, supplies, meals)	(4,091)
		Net Income	2,879

**First Unitarian Church
Finance Committee Minutes
February 25, 2020**

Attending:

Committee Members: Leila Wrathall, Kathy Ludlow

Non-Voting Board Members, Committee Members and Congregants: Barbara Morrison, Ed McClaran, Stan Jewett, Jo Ann Foor, Josh Soske

Staff: Kathryn Estey, Zaida Cooper

Call to Order: 5:00 pm

Reading: Stan provided a reading.

Date and Time for Next Regular Meeting: March 24, 2020; 5:00 – 6:30 PM

Finance & Budget Quarterly Forums: May 3, 2020, 10:30 – 11:10 am

Announcements and Reports:

Leila reviewed Agenda. Zaida provided an updated Cash/Securities Balance sheet that reflects accounts set-up at Beneficial Bank.

Motions/Approval:

M/S/C: Approve January 28, 2020 Minutes.

January 31, 2020 Financial Review - Discussion

January-20	YTD	Budget YTD*
Operating Income	\$ 1,405,513	\$ 1,441,487
Operating Costs	\$ 1,300,843	\$ 1,285,603
Reserve Deposits	\$ 27,006	\$ 27,006
Investment	\$ 147	--
Net Cash Effect	\$ 80,131	\$ 128,878

*Budget YTD is an estimate of amount of income received and expenditures that are projected for this point in time. The amount varies by month, e.g. pledge income is consistently lower in summer.

Discussion: January Financial Report: Kathryn prepared a monthly operating summary that shows January 2019/December 2018 so we could see how the church's current finances are doing relative to last year. Pledge income is lower than December but up compared to last year. The year to date is ahead of the projected budget year to date. Net cash effect is positive for the second month in a row. Looking at the Attendance stats on Dashboard, average attendance per Sunday year to date this fiscal year is down by 10.06% compared to the prior fiscal year. This is something we'll have to continue to monitor.

Payroll expenses are higher than last year's due to the negotiated union increases and cost of living for non-union staff except ET. Sextons now are receiving \$17.50 an hour, same as office positions. However, in the future increases will be tied to the church's overall income. The ET are not receiving any increases this year.

Updates – Kathryn

Annual Fund Drive: Continuing to track closely to last year's figures. As of this meeting, there are have 872 donors, at 91.5% of goal.

Buchan Sprinkler Damage: Significantly less damage this time. Turned off water much more quickly which limited damage. The sprinkler went off when a sexton was in the building and they knew immediately what to do this time. Kathryn is talking to insurance company about the situation and working on how to assess the systems issues.

Budget: Kathryn reviewed the initial budget draft with the committee. As mentioned above, payroll has increased; health insurance has increased but not significantly. No reserve income was included in this budget, but look at that if needed as they work on the budget.

Capitalization & Fixed Asset Policy: Not enough time to discuss, will bring it back later. Some input that fixed asset and capitalization should be split.

Ed agreed to do open and closing reading next meeting.

Linda read closing words.

Meeting adjourned 6:30 pm

**ARTICLES/BYLAWS CHANGES RECOMMENDED BY GOVERNANCE COMMITTEE
AND EXPLANATIONS**

Chair: Cindy Cumfer

Review by: Ryan Deibert

Committee Members: Andy Parker, Kathy Ludlow, Mindy Clark, Ryan Deibert

The Governance Committee recommends that the Board of Directors adopt, submit to and recommend to the voting members of the church the adoption of the following amendments to the church's:

Restated Articles of Incorporation.

1. Amend Article 1 of the Articles of Amendment filed July 12, 1999 as follows:

Change the name of the church from "The First Unitarian Church of Portland, Oregon" to "First Unitarian Church of Portland, Oregon."

EXPLANATION: The Executive Team requested this amendment. Donors and others interested in the church typically search for our name in the state website and other databases under "First Unitarian Church." Oregon's Secretary of State and other governmental offices use our official name "The First Unitarian Church of Portland, Oregon." Searchers for "First Unitarian Church" are told that there is no such entity registered. The church has been told that the use of "The" throws off the search.

2. Amend Article IV, Section 2, as follows:

"The Board of Trustees may vary actual expenditures from budgeted amounts insofar as actual income varies from budgeted income. However, any authorization by the Board of Trustees for sale or mortgage of real property, ~~or for any single unbudgeted expenditure of more than \$20,000 from non-restricted funds~~ shall be effective only if approved or ratified by a vote of two-thirds of the members present and voting at an annual or special meeting. Any single unbudgeted expenditure from non-restricted funds of 2% or more of the Church's Total Adopted Budget must have prior approval of the Board of Trustees."

EXPLANATION: The Governance Committee contacted the Finance Committee to see if this provision needed to be updated, preferably in a way that made it less likely to go out of date. The Finance Committee

responded that it did need to be amended and proposed this Amendment, which ties variance requiring membership approval to a percentage of the budget, rather than a flat dollar sum.

The Governance Committee recommends that the Board adopt and submit to and recommend to the voting members of the church the adoption of the following amendments to the church's:

Bylaws:

1. Amendment to Voting Membership Provision in the Bylaws, Article II, Section 2:

"Voting Membership defined. A member who is at least 16 years of age and has, during the preceding ~~12 months~~calendar year, contributed a minimum amount established from time to time by Governing Policies is a voting member of this church."

EXPLANATION: Kathryn Estey reviewed with the Governance Committee a number of issues that the Executive Team has in interpreting Article II, Section 2. The church needs to know who its voting members are at the time of each election. The bylaws phrase "during the preceding 12 months" is not easily ascertainable from the church records at the time the ET prepares for the annual election, generally in April, since members tend to pledge based on a calendar year. Kathryn proposed and the Committee agreed to recommend a change to the bylaws that this provision would read "during the preceding calendar year," which corresponds to the pledge year used by most members.

2. Amendment to Vacancies in the Bylaws, Article IV, Section 2.

"A vacancy in the Board of Trustees ~~shall~~may be filled by election by the remaining trustees until the next annual meeting, at which time a successor shall be elected for the balance of the unexpired term."

EXPLANATION: The Board generally prefers to fill vacancies as they occur but requests the flexibility to choose to fill or not fill a vacancy during the remainder of the church year, depending on the circumstances. The Board takes the orientation of its new members under our system of policy-based governance seriously. In addition, church business may be especially complicated some years. Some vacancies occur near the end of the church year, and the Board may prefer not to put time and energy into orienting a new Board member who may serve a very short term. In some years, Board business is particularly complicated and it may take considerable time to orient a new member. If the Board is unusually busy, it may prefer to orient all new members the next church year. The Governance Committee recommends that the Board be given this flexibility.

3. Elimination of the Ministerial Relations Committee in the Bylaws, Article VIII, Section 3.

“ Section 3. Ministerial Relations Committees.

- (a) A Ministerial Relations Committee shall be established for each minister called by the congregation. Membership of a committee shall consist of five voting members of the congregation nominated by the minister and appointed by the Board of Trustees. Members serve for a term of three years.
- (b) The committee shall serve as a conduit between the minister and the congregation regarding issues of concern.
- (c) The committee shall be available to the minister for advice and counsel.
- (d) The chairperson of a committee shall advise the Moderator in the event the committee has a serious concern about the minister’s ability to perform the minister’s functions properly.”

The Committee recommends to the Board that the Board request the members to eliminate the provision in the Bylaws requiring a Ministerial Relations Committee.

EXPLANATION: The Governance Committee recommends to the Board that this provision be eliminated. Each minister does form a Ministerial Relations Committee that acts as a sounding board and support system for the ministers, but it has been many years since these Committees have been appointed by the Board. The dynamics of large church governance and the advent of modern communications like email and electronic church newsletters replace whatever “governance” role Ministerial Relations Committees previously filled. Congregants can easily contact our ministers by email, if they want to voice concerns directly to the minister. Congregants are also free to contact the Board with their concerns. The Bylaws are a document that describes Board governance, and Ministerial Relations Committees, while serving a valuable role as a sounding board and support for ministers, are no longer a part of the church governance system.