

**First Unitarian Church**

**Agenda Board Meeting October 8, 2025 6 – 9 pm**

Board (only) Deepening 6:15-7:00 pm, Board Meeting – 7:00-9:00 pm

Buchan Reception

Join Zoom Meeting:

<https://us02web.zoom.us/j/82930223125?pwd=TDdrckx1T0lSTG1KT3BFWGX5MmQyZz09>

Meeting ID: 829 3022 3125

Passcode: 398649

Pre-Board discussion:

6:15-6:45 Board Conversation: Strategic Planning Process

6:45-7:00 Plans for this time period in future months

Board Convenes

7:00 Opening: Reading, Chalice Lighting, Read Covenant (below)

Determine quorum, identify process evaluator, accept agenda, expectations for the meeting

7:10 Introduction and Congregant Comment Time (Roger reads introduction)

7:20 Approve August Board Minutes

Announcement re. Committee Updates (Roger)

7:25 Finance Report

- Financial statement review for June 30 and July 31.
- Report on electronic vote on transfer of Auction funds to Operating fund.
- Motion: Approve Reserve Funds reclassification.

7:35 Executive Team Updates (Progress & Accomplishments & Goals)

Including:

- Block security
- Stewardship & AFD
- Budget correction for 2025-2026, Budget for 2026-2027
- Northwest Academy Lease (Kathryn & Roger)
- HR Committee
- Strategic Planning
- Other items

7:50 Info items and assignments: (Roger)

- Harriet: Sign-up sheets, readings, Process Observer, Board Table
- Org- Slack & File Organization (Task Force?)
- October/November Forum topics and assignments & set date (Task Force?)
- Review of Board calendar (Julia)
- Statement re Committee votes by non-Board members (Linda)
- Foundation Board
- Board adoption of the Annual Report

8:00 Discussions:

- Plans for Board discussion with ET on policy-based governance as it is practiced in our church (Linda & Alison)
- Determine the Board's 1-Year Goals (Julia & Linda?)
- Outside In's Drug Users Health Services (DUHS) Task Force (with ET) (Roger)

8:50 Summarize Board Action Items

8:55 Process Evaluation

Closing Reading (Roger)

9:00

End of meeting

## BOARD COVENANT

We covenant to:

1. Uphold the spiritual nature of our work by regularly engaging in spiritual deepening.
2. Demonstrate our leadership and commitment to the church by our example.
3. Listen with an open, nonjudgmental mind and heart.
4. Treat our time on the board as an opportunity to make an important gift to our church.
5. Communicate openly and appreciate others enthusiastically.
6. Practice respect and care for each other.
7. Work toward repair when harm is done.
8. Act for the good of the church and the community.
9. Acknowledge and understand the true history of the church we inherit, and together build a future that embodies our Unitarian Universalist values.
10. Cultivate relationships within the congregation.
11. Discuss and disagree with curiosity, expressing ourselves as clearly, honestly, and lovingly as possible to further the goal of building understanding.
12. Speak openly with the congregation, respecting the confidentiality of board conversations

We pledge to observe these promises, to do our best to trust that others are also observing them, and to be forgiving when we inevitably make mistakes. We accept the accountability implied in these promises.

### Process Evaluation Guidelines

- Everyone has a chance to contribute to the conversation in a timely manner, without prejudice.
- We keep an open mind and open heart to new ideas.

- We acknowledge when harm is done and offer an appropriate response.
- As elected representatives, we act in the best interest of the congregation.

### Congregant Comment Period Introduction

We hold this time in our meeting to hear the joys and concerns, the hopes, the dreams, and opinions of our congregants as they relate to our church and our actions. We have just read our covenant and want to remind speakers that we are all here together in covenant. Among the things we hold at First Unitarian Church is the inherent worth and dignity of all people.

Keeping this in mind, we would love to hear you.

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## **First Unitarian Church of Portland Board of Trustees Meeting Minutes Wednesday, September 3, 2025**

Board Attendees: Leslie Pohl-Kosbau, Julia Griffiths, Roger Tobin, Linda Craig, Roger Robinson, Saranna Weller-Filz, Harriet Shaklee, Bob Bonner, David Livermore.

ET Attendees: Alison Miller, Tom Disrud, Kathryn Estey.

Board/ET members absent: None.

Non-board/ET attendees: Jody Feldman, John Bishop, Kathy Ludlow. Online: Cathy Tortorici, Lauren MacNeill, Josh Reckord.

Process Observer – Saranna Weller-Filz

### **7:15 pm Chalice Lighting/Opening Words**

#### **Quorum determination**

A quorum of the Board is present

#### **Read Board Covenant**

#### **Thank you cards**

Julia will bring cards to every Board meeting so that we have them available every month to thank committee and other volunteers.

#### **Review Agenda**

The agenda was approved.

## **7:20 pm Congregant Comment Period**

No congregant comments were provided.

## **Consent Agenda**

- Approval of July 2025 Board meeting minutes. Harriet moved to approve the July board meeting minutes. Julia seconded the motion. The motion passed unanimously.

## **7:23 Right Relations Formation Task Force (RRTF) Report**

The RRTF is a subcommittee of the governance committee. The RRTF received 10 applications to be on the Committee on Right Relations (CRR) in July. One applicant withdrew. The RRTF interviewed the nine remaining applicants. The RRTF is recommending five congregants to the CRR and additional candidates for the Right Relations team (RRT). Lauren MacNeill, Teri Martin, Cindy McEnroe, Lena Lee, and Deborah Murray are recommended for the CCR.

Recommendations for the RRT are Bill Pryor, Dean Baker, Martha Jones, and Cynthia Cassis. The CRR will be independent of the Board and ET. The CRR is an organizing body that helps plan the process and educate the congregation on right relations at First Unitarian Church. The RRT can assist with intervention in the event of a conflict. The integration of the CRR into the policies and its relationship to the Safe Church policy is a focus of the governance committee this year and the governance committee will bring a recommendation to the Board on that integration later this church year.

Bob moved that we approve the five candidates for the CRR. Harriet seconded the motion. The motion passed unanimously.

## **7:44 pm Executive Team Report**

From Alison

- Homecoming is this coming Sunday. The theme this year will be Weaving Community. During the year we will invite a weaving of stories from the church past. Church staff have been recalling stories from the past. Children and youth will be in our service for the first 10 minutes of the service every week. Curriculum will begin for learning community in October.
- Social Justice, Heather Vickery from the UUSC will be here on October 4th to lead a workshop on Welcoming. A Trans Welcome Group will also be starting this Fall.
- Music ministry. Garrett is in discernment about his longer-term professional goals. The Music Ministry Transition Team is equipping itself for the transition to a new music director. The timing of the transition is not yet known.
- There will be an expansion of adult programming this year. Alison and Tom will be teaching a Build Your Own Theology class. There will be an Adult OWL class in the spring. There will be a return of the labyrinth in the new year (2026).

- The staff is currently addressing the decrease in the building rental and how we organize the cleaning and maintenance of the facilities and connect with potential new renters. This summer, the day rental of the church for weddings kicked off. We are interested in building wedding rentals back up. The auction contributed to the new welcome desk in the Narthex and will also support nighttime security on our block. We are getting a bid from the security company that works for Northwest Academy. There will also be staff organizing around security during the day (2 at a time)
- We are delighted to have Tom back from his hip surgery and recovery period. Tom came to First Church 30 years ago in September 1995.
- ERTC status. We have about \$330k that we have received. There is a possibility of \$500k more. There were some ERTC applications that were denied. The ET is taking a look at why they were denied and if there is any supplemental information that can be provided.
- Stewardship committee. Dave Hoffman is willing to lead, but he would like a co-leader. Dev Dion and Mabsie Walters are the other two main volunteers for the committee. We are trying to organize a get together with the top 20 percent of our donors to thank them.
- Northwest Academy (NWA) lease negotiations (Kathryn). Roger Robinson, Bob Bonner, and Tony Obst worked with NWA. Some difficult discussions took place during the negotiations. NWA is having some financial difficulties. The agreed upon lease amount is \$180k. It will be a one-year lease. NWA will not be using the Buchan building this coming year. Their leased space is in the Main Street building. The lease will run from July 2025 through June 2026. We are in discussions with other schools to rent more of our building space.
- HR Committee. The HR committee is waiting to finalize the HR handbook. Until the handbook is finalized, job descriptions cannot be completed.
- The church has shifted the donation platform used during Sunday service plate donations from PayPal to Vanco. Kathryn said Vanco is less costly.

### **8:09 pm Board Business Agenda**

- Annual Report. We will gather comments on the annual report draft text by October and then finalize. Is the annual report the same as the evaluation of the ministries? It has been in the past 3 years. We could separate them if we want to in the future. Linda suggests we use the term evaluation of the ministries. Harriet pointed out that the survey is the congregants' evaluation of the ministry.
- Board Goals Determination. There was discussion around how we are going to organize and select Board goals. Julia asked if the committee goals are the same as Board goals? Leslie and Bob are concerned that one of our primary goals should be the sustainability

of our funds. Alison said stewardship should be a primary goal. Alison suggested that we have five principles that we organize our goals under. A church goal is caring for the community as we plan for the future. Alison noted that some of the things we are working around include stewardship and sustainability, long-range planning, community work and working around conflict, and the 8<sup>th</sup> principle. Building sustainability, transparency, 8<sup>th</sup> principle, improving community, and long-range planning are other organizing principles. Julia, Linda, and Leslie agreed to be on a task force to organize the principles into goals that will be recommended for our October meeting.

- Board Calendar.
  - Start preparing for a forum in late October/early November.
  - Receive priorities for the budget from Alison/ET.
  - Talk about our goals
  - Meeting times: Finance committee is the second Tuesday of the month at 5 pm. The communications meeting is the Tuesday after the Board meeting at 6:30 pm. The first governance committee meeting is the second Thursday of the month at 4:30 pm. The BLT is the second Tuesday of the month at 7 pm.
  - Alison asked that we move the next Board meeting to October 8<sup>th</sup> because Yom Kippur service on October 1<sup>st</sup>

#### **8:46 pm Executive session**

An executive session was held until 8:59 pm.

#### **9:00 pm Meeting Wrap-up**

- Board Tea—Saranna suggested we cancel the tea and refund the money to the three bidders and figure out what the Board can do next year for the auction to engage more congregants.
- Use of Slack—Katheryn and Roger T will work on the cost issue.
- Committee action items—NA
- Process Observations (Saranna)—We did well until we got into the executive session. In the executive session, we were talking over each other probably because we were getting tired. Saranna didn't observe any harm. No other Board members spoke up about harm. The Board acted in the best interest of the congregation. The Board demonstrated good listening to the Right Relations Task Force presentation. Alison noted that it would have been good practice to have the bios of the recommended CRR members before we voted.

- Linda noted that Erin has asked us if we could approve transfers from Reserve accounts to Operations for the 6/30/25 financial statements before our October Board meeting in order to keep to the schedule set by our CPA firm. The Finance Committee will be reviewing the request at their September 9 meeting. We agreed we could vote by email if everyone participated. Linda will prepare something that we can vote on in Slack.
- Closing Words—Julia

**9:14 pm meeting adjourned.**

Minutes by David Livermore

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### **First Unitarian Board of Trustees, minutes of working session 7-2-25**

Present: Roger Robinson, Julia Griffiths, Leslie Pohl-Kosbau, Saranna Weller-Filz, Bob Bonner, Roger Tobin, Linda Craig, Harriet Shaklee, Tom Disrud, Alison Miller, Kathryn Esty

Absent: David Livermore

**Pre-meeting session:** Board self-evaluation for the activities and accomplishments of the 2024-25 year.

What follows are comments of the trustees in discussion of each of 4 topics.

- 1) Consideration of the Board Covenant of Leadership:
  - Do we need to make the covenant more specific about the 8<sup>th</sup> principle?
  - The spiritual portion of our pre-meeting has slipped to a lower priority
  - Is it time to revise covenant?
  - We need tools to do repair of harm;
  - New members found it difficult to learn the true history of the current dissention
  - Do we need to more openly record the history of our recent controversy and the actions the church took?
- 2) Board goals for 2024-5
  - We need further progress toward a balanced budget.
  - Was there a safe working environment for staff considering the controversies?
  - Elucidate steps to take toward 8<sup>th</sup> principle; start walking the talk
  - Forums were successful on educating about amendments
  - Board successful with by-law changes that had not been completed in prior years
  - We held the first in person annual meeting that we had in years – thanks to all involved and hope to make it an annual event

- Note role of Article 2 in board work – love at the center.
- Has policy governance been implemented in such a way as to avoid conflict. Can the board avoid dealing with conflict and still fulfill its function? Clarify boundary of policy board?
- Forums need childcare. And food, so parents with kids can stay.

### 3) Conduct of board meetings

- We need better use of the 6-7 time period.
- Board packet needs a table of contents – hard to locate reports
- Can we improve tracking of ongoing work; have trouble keeping track of own work in context of committee work and another committee's work
- What staff support is available versus our responsibility?
- Let's add process observation questions to board packet.

### 4) Committee structure

- Do we need to reduce committees with our 9-member board?
- Can we develop a diagram with all committees, what they do, who do they report to, and who are the members? Need role clarity in a governance system.
- Congregant members of committees – clarify roles? Congregant members need to be confirmed each year.

## **Board meeting**

The meeting was called to order by Roger Robinson, followed by the chalice lighting, opening words and reading of the board covenant

Thank you, cards were distributed for committee chairs to thank their volunteer members, signed by all present.

Leslie Pohl-Kosbau was the process observer for the meeting

ET report by Rev. Alison:

- The church received a significant check from ERTC which will greatly help church finances;
- We are expecting a drop-in income from NW Academy as their enrollment is shrinking. We're currently in negotiation over space.

Board retreat planning is in the works. Topics include the 8<sup>th</sup> Principle and how to function as a strong board. The board retreat will be from 6-9 on Friday, August 29 at a local site. We will meet on Saturday, August 30 from 9-4 at the Willamette Falls church.

Stewardship committee – a joint function of the Finance Committee and the ET. It is currently concentrating on plans for the next Annual Fund Drive.

The Board had a report from the 8<sup>th</sup> principle transformation team at the June Board meeting. Saranna is working to clarify what the board wants to do on the 8<sup>th</sup> Principle and how to work with the transformation team. Saranna and the BLT will work to clarify the charge to the team and explore how to move forward. Saranna will be circulating a short survey to board members in preparation for the retreat.

The Annual Report is in the final stages of preparation. Bob has been getting several views of the shared ministry in the words of our church ministers and leaders. Board members have received a draft report from Bob. It's our collective responsibility as a board to see what conclusions to come to.

After reading the findings, Bob asks that Board members think of what summary statements might be in order. Please respond by July 16. Thanks to Bob, Leslie and Harriet

Attendees: Saranna Weller-Filz, Julia Griffiths

Opening words

Checking in

**Questions for meeting with Transformation Team:**

How was the charge presented to you?

Transforming our congregation into one which does not only enthusiastically adopt the 8<sup>th</sup> Principle, but which also accountably embodies it, will require deep reflection, concerted effort and sustained commitment. For that reason, we are instituting a Transformation Team (TT) whose charge is to initiate and guide this important process. The TT will serve as a visioning and research group, as well as a central hub of learning and information, toward the realization of our congregation's desire to live into the 8<sup>th</sup> Principle.

What do you see this work to be?

What do you see as the role of the board in your work, other than financial? How do you see us working together?

Tell us how you've collaborated with groups in the church?

How do you envision all groups in the congregation collaborating around 8<sup>th</sup> principle (or not)?

Tell us about your work since 2022 and your goals for this church year?

**Goals for the committee:**

- Accountability awareness – how do model and implement accountability as described in 8<sup>th</sup> principle with each other?
- What would the board like to accomplish this year?
  - Conversations during board meetings?
  - Model to congregation?
  - Some kind of training or shared experience around 8<sup>th</sup> principle learning

Goal: present 2 trainings or shared experiences around 8<sup>th</sup> principle learning.

**Do we invite non-board members to the meetings?**

Not at this time.

**9/22 Transformation Team : BLT Meeting Link**

First Unitarian Leadership Acct is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/81784175625?pwd=UIMO02kc5uzjSlvETmFGTX6vw8TKKm.1>

Meeting ID: 817 8417 5625

Passcode: 508760

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One tap mobile

+16694449171,,81784175625# US

+16699006833,,81784175625# US (San Jose)

Join instructions

<https://us02web.zoom.us/join/81784175625/invitations?signature=ZwnpP4C8smjDQpBVzIPsvC7fZfJb7-Y0QmWupmp6zh8>

Respectfully submitted,

Julia Griffiths

## Communication Committee Goals – 2025-2026

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- Required Tasks:
  - Oversee monthly Board letter to Front Steps
  - Manage Board calendar
  - Manage quarterly Board forums
  - Manage Annual Meeting
  - Manage Board table
- Goals:
  - Create best practice doc for Board communications, including in response to congregant comments at board meetings or email
  - Work with ET on Google Drive replacement
  - Manage implementation of Slack
  - Update Board webpages
  - Create document showing history of church conflicts to improve transparency and common understanding of church history.

## 2025-09-09 Communications Committee Meeting Notes

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Attendees: Saranna Weller-Filz, David Livermore, Julia Griffiths

- Opening reading and check-in
- Comms re: NWA and Outside In
  - Hold communications for now and wait until task force is formed.
  - David did reply to all emails from staff, confirming receipt. He's happy to send future notices if necessary.
- Committee Goals – Finalize goals, set measurements, prioritize
  - Goals were refined. Julia to send draft to committee for review and prioritize.  
[See draft here.](#)
- Congregant Roles – Based on goals, identify skills to advertise for
  - Attributes: help us to help the congregation track the multiple big initiatives of the year.
  - Laurie Lester has expressed some interest in re-applying for this year.
- Board message for Front Steps this week/month?
  - Create Slack conversation about board letter, asking for volunteers.
  - Julia to write draft for this month, distribute to group.

- Board Table on 9/28 - David will set up, will check with Bob for location. Need volunteer to close up and put away.
  - Calendar for Sept & Oct
    - Julia follow up with Tom re: forum
  - Assign opening reading and notetaker for next meeting
    - Saranna opening - Oct
    - David opening - Nov
    - Julia - notes
  - Agenda items for next meeting
    - Committee goals
    - Congregant members
  - Closing
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Board Approval requested for FY 2026 Congregant Members of the Finance Committee:

All five non-Board congregants who served on the Finance Committee last church year (2025) [Ed McClaren, Jo Ann Foor, Karen Shawcross, Dave Hoffman, Tony Obst] have been asked to continue and have agreed. They each have sent a written reply to the following three questions:

1) What roles have you had at First U or other Unitarian Churches?

2) What experience and expertise do you have in finance management (e.g. career, nonprofit, etc.) that would be valuable for the Finance Committee work?

3) Why do you want to be on the committee? You could include those committee goals you would like to work on this year (see list below).

I attach the request with the answers given by the five congregants seeking to serve in FY 2026 on the Finance Committee.

Dev Dion as President of the Foundation continues as an ~~ex-officio~~ guest to our Finance Committee meetings.

Bob Bonner, Finance Committee chair

## First Unitarian Church

### Governance Committee meeting 9/11/25 via Zoom 4:30 pm

Attending: David Livermore, Roger Tobin, Leslie Pohl-Kosbau, Linda Craig, Tom Disrud, Harriet Shaklee

Linda read Opening Words from Alan Deale. Tom lit the chalice.

Linda confirmed with Committee members that second Thursday at from 4:30 – 6:00 via Zoom will be regular meeting time. David wishes to be added to the committee. Tom attended this time as representative from the ET, but said that a regular liaison has not been named.

The Governance committee reviewed the work plan and accepted all items. For each goal, a lead member was identified, along with assistants and a time-line where possible.

1. Complete the report that was written in spring 2025 on Board Policies related to Evaluation. Take this report to the Board for discussion, and then propose and adopt changes in the Policies to simplify and clarify. Linda C. leads, Harriet S. assists, timeline early fall.
2. Starting from what was done in 2025 and prior years, plan an outline and work plan for doing the Annual Report and Evaluation of the Ministries as required by Bylaws and addressed in Board Policies. Harriet S. leads, begin early fall, proposal adopted by full Board by mid-year.
3. Clarify the relative roles of the Board and the Senior Minister/ET with respect to governance. Is the term “Policy Governance” useful? Plan an approach to this work with Rev Alison and the Board. Linda C. will contact Roger R. to plan for full board discussion with Alison Miller and Kathryn Esty. ASAP.
4. Review Board Policies and bylaws to incorporate the Right Relations Task Force. Roger T. leads, Linda C. assists, Kathy Ludlow has agreed to be a non-board member.
5. Working with Rev Alison, describe scope of work and hire a consultant to define the competencies needed for administration of the church. The intention of this work is to plan job descriptions and qualifications for future hires. Leslie P-K. leads, David L. assists, Linda C. contacts Alison Miller about qualified consultants.
6. Review Board Policies related to Financial matters (Task Force of Finance and Governance). Linda C. leads.

7. Develop a proposal for rebalancing Board terms among our existing Board so that three Board members come up for election each year. David L. leads, brings proposal to Oct. gov committee for November Board action.
8. Develop and adopt a process for petitions. Roger T. leads. October Governance agenda.
9. Determine authority of Board committees and related voting rights for non-Board committee members. (ORS 65.354) Linda C. leads, proposal for October board meeting
10. Plan policy for congregant use of membership data. David L. leads.
11. Plan procedure for Board self-evaluation at year end. Revisit in January.
12. Consider establishing a succession plan for Board officers. Revisit late fall

**Workplan adopted 9 11 2025 by the Committee.**

Other governance concerns: Governing policies are difficult to grasp and sometimes repetitious. An outline is needed.

**To forward for action at October Board meeting.**

- a) Approval of Kathy Ludlow as a non-Board member of Governance Committee.
- b) Statement on voting by non-Board members of Committees. (Linda to draft statement.)
- c) Workplan for Governance reported for Board information.

Linda read closing reading.

Committee adjourned 6:00 p.m.

*Notes Harriet*

First Unitarian Church  
Finance Committee

Report from Task Force to Simplify and Document Reserve Accounts  
9/8/2025

Jo Ann Foor, Linda Craig, Erin Tafuri, and Kathryn Estey met in July 2025 to review the Reserve accounts in the Church's Statement of Financial Position. Our task was to review the purpose of the accounts and determine if they were correctly classified between "Donor Restricted" and "Unrestricted." We also looked for any accounts still on the books that no longer served a purpose.

Attached is a spreadsheet showing the result of our work, using 6/30/25 account balances.

Five accounts were deleted which a) no longer had a balance, and b) were not expected to be used again: Capital Fund; Tax Rebate Reserve; Required Loan Reserve; Rental Income Reserve; and Special Projects Reserve.

We propose reclassifying eighteen accounts from Donor Restricted to Unrestricted. These accounts will continue to carry a balance to be used for the designated purpose, but they do not fit the definition of Donor Restricted accounts using Generally Accepted Accounting Principles (GAAP), because they were raised through program activities, and not by contributions from donors given for a specific purpose. Releasing them from restriction allows the staff to use the funds for their designated purpose, and the ability to delete the accounts when the funds have been spent. The Task Force encourages the staff to use the funds in many of the smaller accounts for their designated purpose within the next year if possible, so the accounts can then be deleted.

The eighteen accounts to be reclassified from Donor Restricted to Unrestricted carry a total balance of \$365,515 at 6/30/25. The two largest accounts merit some further explanation.

Sewell Lecture Series: This account originated when Marilyn Sewell retired as Senior Minister. Although initially funded by donors for the purpose of holding an annual lectureship on social justice, the account has grown and changed as proceeds from lecture tickets and earnings on the balance have been added. It is the intent of the church to continue to use this fund for the designated purpose, but it is no longer a fund that meets the definition of Donor Restricted.

Auction: The auction is held annually. Typically, an announcement is made stating the intended use of the proceeds, but auction funds are raised by congregants purchasing tickets to donated events, items or experiences. Although some individual contributions to each auction are received, those contributions are given for the purpose of assisting with general fundraising, and they are not restricted to the stated intended use.

Although the Task Force failed to significantly reduce the number of reserve funds, by recognizing that certain funds are not Donor Restricted, staff is encouraged to use these funds whenever program expenses match the fund's designated purpose. In this way, over time, the Net Asset section of the Church's Statement of Financial Position will be simplified.

Next steps:

- 1) The Finance Committee and then the Board should review and approve the proposed reclassifications.

***Motion: The Finance Committee approves of the reclassification of Reserve Accounts as shown on the attached spreadsheet and recommends Board approval.***

- 2) Section 3.3.1. of the Governing Policies of the church specify documentation required for Reserve or Restricted Funds. This documentation either does not exist or is not collected in a file where it can be found. The Task Force should work to prepare the documentation, starting with Donor Restricted Net Assets.

The documentation required includes:

- i. Statement of purpose or intent for use of funds;
  - ii. Who has authority to expend funds;
  - iii. Source of money for that fund;
  - iv. Length of time for the fund's existence;
  - v. How the fund balance may be used, or who has authority to determine how to use the balance after the purpose has been achieved, or the fund is no longer needed;
  - vi. Sunset date for each Reserve Fund unless the Board of Trustees authorizes an extension of the Reserve Fund, or the Fund is legally required or explicitly authorized by these Policies.
- 3) One new Reserve Fund has been proposed by staff this year after the receipt of the Employee Retention Tax Credit. The current balance is \$336,047. Staff should write the required documentation as set forth in the Governing Policies, and if they agree with the proposal, the Finance Committee and the Board should approve the fund's creation.

## **Board Approval requested for FY 2026 Congregant Members of the Finance Committee:**

All five non-Board congregants who served on the Finance Committee last church year (2025) [Ed McClaren, Jo Ann Foor, Karen Shawcross, Dave Hoffman, Tony Obst] have been asked to continue and have agreed. They each have sent a written reply to the following three questions:

***1) What roles have you had at First U or other Unitarian Churches?***

***2) What experience and expertise do you have in finance management (e.g. career, nonprofit, etc.) that would be valuable for the Finance Committee work?***

***3) Why do you want to be on the committee? You could include those committee goals you would like to work on this year (see list below).***

### **Jo Ann Foor:**

#1: I've been on the Finance Committee since 2019, while Rev. Bill was the minister. Looking back, it would have been helpful to have some type of information provided to a new member like me about the church's structure and processes, as it took a while to make sense of how the church operates. It might have helped if I had any experience with another Unitarian or other church. This is the only church management-type experience I have.

I joined the Nominating Committee in 2022 and have just started my second three-year term.

#2: Most of my professional career was spent as a tax accountant in public accounting. I have a bachelor's degree in Psychology, and a master's degree in Taxation. I'm an inactive CPA, licensed in California - I haven't kept my license active since I left public accounting. During my career I worked with nonprofit organizations, primarily in forming them, filing returns and providing tax advice, not in their day-to-day operations.

Since leaving public accounting, I've been the Director of Finance for a nonprofit providing substance abuse treatment in California, and a Business Manager for the Department of Anesthesia at the University of California, San Francisco. After moving to Portland in 2016 I worked for an agency providing short-term financial consulting for a variety of companies in the Portland area before I retired.

#3: I'm interested in working to help find the best way forward to try and solve the financial pressures faced by the church. In years past we would note during our Finance Committee meetings that pledges were down, for example, but we did not seem to take it as seriously as we could have. There was a certain inertia that came with the knowledge that we'd meet the budget one way or another as always. The stressors are more obvious now.

I'm especially concerned about the transition when Kathryn retires. We need the right person to replace her. We need someone with an accounting background, but at the same time we'll

lose the institutional knowledge that she has. Even if we find an amazing candidate, it will take some time for that person to settle into the role.

**Dave Hoffman:**

1) What roles have you had at First U or other Unitarian Churches?

UUCP Princeton: Worked on Stewardship Committee for 5 years as a member, headed stewardship for 4 years.

Served on the Board of Trustees for 3 years just prior to moving to OR. Served as a Board Member On UUCP Green Burial Cemetery LLC for 4 years, we located and purchased 13 acres to create a Green Burial Cemetery.

2) What experience and expertise do you have in finance management (e.g. career, nonprofit, etc.) that would be valuable for the Finance Committee work?

I was the President of a US subsidiary of a pharmaceutical contract manufacturing company for 16 years as well as running their global sales organization. At the end of the day, I was responsible for the P&L of the US subsidiary, so finance (cost control) and the profitability was a very important part of my objectives. We went through some tough times during the early 2000's and after the financial crisis in 2008. We weathered those two storms by tough management of operating expenses, as well as adjusting headcount.

3) Why do you want to be on the committee? You could include those committee goals you would like to work on this year (see list below).

1,2,3 and 5. I can't do all of these so use me where the need is the greatest.

**Karen Shawcross:**

1. I've been a Lay Minister for 10 years, and a Spiritual Director for 8 years. Finance Committee, Real Estate Development Task Force, Wellspring Facilitator, Workshop Presenter, IJAG, COHO. Alliance.

2. As Senior Vice President at Bank of America I managed a \$6 million budget. As Executive Director of Bienestar for 8 years, I managed all the finances. I've been of the Bird Alliance (Portland Audubon) Finance committee for 10 years.

I served on two national boards of directors - Women Work and Women in community Service and was Board chair of one.

3. I want to continue on this committee as we enter a critical time in the life of the church with greatly diminished revenues and increasing expenses. I am particularly concerned about the physical condition of the property and want to be sure that this is factored into any new strategic plan. I will be on the subcommittee of the FinComm on building and grounds.

**Ed McClaran:**

1) I was Stewardship chair, Vice President and President (two terms) of the Unitarian Universalist Church in Reston, VA from 2007-2011. We joined here in Nov 2011. I've been an usher since then, chair of membership from 2013 till Jen Thomas came (we had no staff support

during that time). Foundation Board since 2016. Attended Finance Committee as a guest since 2013.

2) Professionally, I worked in the National Security space industry in a variety of systems engineering and program management positions until I retired in 2011.

3) As far as the committee goals list, I'm happy to support #s 6 & 7.

**Tony Obst:**

1) At First UU: Serve as a congregational member on the Finance Committee, Foundation Board, and Foundation Advisory Committee. Participated in negotiations of Church lease with NorthWest Academy. Serve as usher on fourth Sundays. Serve on First Connections Table once a month. As a member of the Good Times Committee, helped organize and run the all Church picnic this year.

At other UU Churches: Served as Vice President of Finance. Served as Chair of the Annual Fund. Served on Stewardship Committee. Served as an usher. Drafted and negotiated lease with a Church tenant.

2) I have a B.A. degree concentrating in economics, an M.B.A. degree with a concentration in finance, and a JD degree concentrating in corporate law. I was a law firm lawyer practicing in banking, finance, and securities. I also served as an inhouse banking and finance lawyer at several major banks. I served as Associate Director of the Parents' Fund at the school my children attended.

3). I think that my background and experience in finance would be the most useful to the Church in roles involving finance. I am interested in, and excited about, working with other Church members on Church finance matters. I would like to incorporate best practices in all of the matters on which I work.

I am interested in participating in work on the following Committee goals:  
Review Bylaws and Governing Policies related to church budgeting, financial assets, and work of the Finance Committee to see if additions or revisions are as needed.

a. Working with the ET, determine policies and procedures that should be adopted and monitored for significant contracts with entities outside of the church.

b. Determine policy for the Finance Committee to review both short- and long-range implications of financial decisions and budgets.

I am also available to serve as needed on any of the other sub-committees addressing any of the other Finance Committee goals.

**Finance Committee Goals for FY 2026:**

*1. Monitor monthly financial statements and present a monthly financial report to the Board.*

- 2. Adjust budget for 2025-2026 to address major changes in income and expenditures and report changes to Congregation.*
- 3. Review and approve budget to recommend to the Board for 2026-2027 fiscal year.*
- 4. Review Bylaws and Governing Policies related to church budgeting, financial assets, and work of the Finance Committee to see if additions or revisions are needed.*
  - a. Working with the ET, determine policies and procedures that should be adopted and monitored for significant contracts with entities outside of the church.*
  - b. Determine policy for the Finance Committee to review both short- and long-range implications of financial decisions and budgets.*
- 5. Working with the Facilities Manager and ET, review needs of Buildings and Grounds to structure an advisory group with expertise to supervise and manage long term needs and maintenance and repair schedules.*
- 6. Simplify reserve account structure, and as possible, reduce the number of restricted accounts. Complete documentation of reserve accounts as specified in the Governing Policies.*
- 7. Working with Rev Alison and the Governance Committee, describe the scope of work and hire a consultant to define the competencies needed for administration of the church.*
- 8. Continue the work of the Task Force on improving financial reporting for better understanding of the Finance Committee, Board, Stewardship Committee and Congregation.*

## Minutes Finance Committee

Sept 9, 2025

- 1) The Finance Committee met via Zoom on Sept 9, 2025. Treasurer Bob Bonner called the meeting to order with welcome and chalice lighting at 5 pm.

Attending: Board members: Bob Bonner, Linda Craig, Leslie Pohl-Kosbau, Roger Robinson.  
Congregants: Ed McClaran, Jo Ann Foor, Karen Shawcross, Dave Hoffman, Dev Dion. Staff:  
Kathryn Estey.

Board members of the Committee were confirmed. Leslie asked to join the committee.

Members of the congregation requesting appointment to the committee include Karen Shawcross, Dave Hoffman, Ed McClaran, Jo Ann Foor, Tony Obst. Bob asked for brief biographical sketches and will request Board appointment of these folks at the next Board meeting, October 8. Dev Dion, Chair of the Foundation Board, will continue to attend the meetings as a guest.

- 2) Bob explained how the committee will operate this year.
  - a) **Voting.** According to state law, if an organization's committee has the authority to speak for the Board of Trustees, committee members must be Board members to vote. To be sure that we comply, Bob plans to ask non-Board members for their opinion before each vote but they will not have a formal vote.
  - b) **Task forces.** Bob plans to continue to appoint Task Forces as Roger did last year to work on committee tasks between meetings.
  - c) **Monthly financial statements.** The Committee will plan to look at monthly financial statements for the church. Bob asked that Kathryn and Erin present an **analysis** each month of trends suggested by the statements and their expectations of significant events in the coming months that will affect finances.

### **3) Review of draft Finance Committee goals from the Board Retreat**

Bob asked the Committee's approval of the following goals which were written at the Board retreat at the end of August.

- 1. Monitor monthly financial statements and present a monthly financial report to the Board.*
- 2. Adjust budget for 2025-2026 to address major changes in income and expenditures and report changes to Congregation.*
- 3. Review and approve budget to recommend to the Board for 2026-2027 fiscal year.*

*4. Review Bylaws and Governing Policies related to church budgeting, financial assets, and work of the Finance Committee to see if additions or revisions are needed.*

*a. Working with the ET, determine policies and procedures that should be adopted and monitored for significant contracts with entities outside of the church.*

*b. Determine policy for the Finance Committee to review both short- and long-range implications of financial decisions and budgets.*

*5. Working with the Facilities Manager and ET, review needs of Buildings and Grounds to structure an advisory group with expertise to supervise and manage long term needs and maintenance and repair schedules.*

*6. Simplify reserve account structure, and as possible, reduce the number of restricted accounts. Complete documentation of reserve accounts as specified in the Governing Policies.*

*7. Working with Rev Alison and the Governance Committee, describe the scope of work and hire a consultant to define the competencies needed for administration of the church.*

Additions: *8. Continue the work of the Task Force on improving financial reporting for better understanding of the Finance Committee, Board, Stewardship Committee and Congregation.* Bob suggests that we need reports with analysis of those elements that are changing from the past and their trends so that we can make reasonable projections for the future.

Jo Ann Foor heads this Task Force.

Discussion:

- a) There was extensive discussion of the role of the Stewardship Committee and its relationship to Finance Committee. Stewardship Committee, currently Dave Hoffman, Mabsie Walters, and Dev Dion, is a committee of the ET. Dave said the S. Comm. needs information about the current and future budget, trends in income and expenses, and pledging history to be able to help communicate the church's needs to the Congregants. Timing will be an issue because Stewardship will need information about the budget for future years as they work on this fall's pledge drive. This next year will be particularly challenging because of the need to fill budgeted, but unrealized rent income, and anticipating that donors to last year's match donations may not be willing to give at that level for another year.

Roger suggested a Task Force to work on a five-year projection of income and expense.

- b) Karen said that Walsh Construction did a comprehensive report of the church's maintenance and repair needs pre-Covid. The report will be helpful to the Buildings and Grounds Committee. The report should be located and circulated.

- c) A budget revision for this year is necessary to recognize the reduced amount of rent to be paid by Northwest Academy according to the new lease. Although not a budget item, we also need to plan cash flow for HVAC and roofing repairs. The ET will bring a revised budget to the Finance Committee which is charged with reviewing budget variances.
  - d) Dev suggested a cash flow forecast be prepared.
  - e) Kathryn showed us comparisons of pledges made and received for the 2024 and 2025 calendar years. She'll send out this comparison.
- e) Committee members are to let Bob know which of these goals they wish to work on.

#### **4. Review of 6/30/25 draft financial statements. --Kathryn**

Kathryn reported on budgeted vs. actual operating expenses for the year ended 6/30/25. The budget for this year anticipated a loss of \$166,000 in the operating budget. After transfer from Reserves of money earned by the 2024 Auction, Zap the Gap, the operating income per the budget tab shows net income of \$4,826. (See financial statements, Budget tab.) The Committee will be asked to approve the transfer of the auction money (see below).

Linda reported that GAAP basis financial statements are expected to show income for the year of \$154K. This includes depreciation expense of \$272K which is offset by receipt of the Earned Income Tax Credit money of \$336K. (See financial statements, SA Summary tab.) She pointed out that the church's current net assets of \$2.7 million are shown on the FS tab labelled Fin Pos Summary.

Committee members requested help with reviewing the many tabs of the monthly financial statements.

**5. Consideration and vote on request from Kathryn/Erin to transfer reserve account funds to "cure" operating fund deficit.** –Motion from Linda to approve a transfer of 2024 auction proceeds, currently held in Reserves, to operating fund. Motion approved. This motion should be forwarded to the Board from the Finance Committee for an email vote.

**6. Report from Jo Ann and Linda on Reserve Account simplification and releasing restricted accounts.** –Linda presented work by the Reserve Account task force. Jo Ann, Linda, Erin and Kathryn agreed to the proposal that is attached to these minutes via spreadsheet and narrative. Motion from Linda: Move that the Finance Committee approve the reclassification of Reserve Accounts as shown on the attached spreadsheet and recommend Board approval at the October 8 Board meeting. Approved.

The work of the Task Force should continue to document the Reserve Funds per requirements in the Governing Policies Section 3.3.1.

The ET wishes to establish a new Reserve Fund to hold the money from the Employee Retention Tax Credit (ERTC). The Committee requested that they prepare the needed documentation for the next Finance Committee meeting. The new Reserve Fund requires Board approval.

Meeting adjourned 6:35 pm.

Minutes. Linda Craig

First Unitarian Church of Portland				
UNREVIEWED Statement of Financial Position as of 06.30.2025 / pg. 1 of 3				
<i>Prepared by Susan Matlack Jones &amp; Associates</i>				
		6/30/2025	6/30/2024	Change
<b>Assets:</b>				
Petty Cash		500	500	-
BSB Checking 4673		752,711	455,254	297,457
BSB Checking 5591		23,945	23,766	180
BSB Checking 5601		22,591	993,754	(971,163)
BSB Checking 5614		104,798	104,011	787
OnPoint		18,310	17,102	1,209
CDARS		913,526	-	913,526
ICS Money Market 601		120,614	-	120,614
Franklin Investments		16,374	15,935	439
Charles Schwab Investments		217,581	197,642	19,939
Federated Investments		9,698	9,460	238
UBS Investments		0	(0)	0
Accounts Receivable		3,651	7,393	(3,742)
Pledges Receivable - Operating Pledges		515,849	550,686	(34,837)
Pledges Receivable Allowance Uncollectable		(75,000)	(60,000)	(15,000)
Prepaid Expenses		13,206	19,843	(6,638)
Prepaid Insurance		0	1,355	(1,355)
Prepaid Power Purchase Agreement		15,500	18,083	(2,583)
Bookstore Inventory		10,847	16,343	(5,496)
Land		613,424	613,424	-
Buildings & Improvements		9,241,993	9,260,889	(18,896)
Furniture & Equipment		288,273	288,273	-
Accumulated Depreciation		(5,105,347)	(4,851,907)	(253,439)
Lease Origination Costs		15,000	15,000	-
Accumulated Amortization		(6,646)	(6,396)	(250)
<b>Total Assets</b>		<b>7,731,399</b>	<b>7,690,408</b>	<b>40,991</b>
<b>Liabilities:</b>				
Accounts Payable		37,462	69,352	(31,890)
Credit Card Payable		15,658	10,903	4,755
Accrued Wages		4,230	80,701	(76,471)
Accrued Vacation		84,825	80,344	4,481
Deferred Lease Revenue		319,932	332,085	(12,154)
Oregon Clean Power Note		17,688	20,177	(2,489)
<b>Total Liabilities</b>		<b>479,795</b>	<b>593,562</b>	<b>(113,767)</b>
<b>(Cont'd on next page)</b>				

First Unitarian Church of Portland				
UNREVIEWED Statement of Financial Position as of 06.30.2025 / pg. 2 of 3				
<i>Prepared by Susan Matlack Jones &amp; Associates</i>				
		6/30/2025	6/30/2024	Change
<b>Net Assets:</b>				
Net Assets Without Donor Restrictions:				
Undesignated and Unrestricted Net Assets		6,119,429	6,119,429	0
Operating Fund		(298,754)	(0)	(298,754)
Annual Operating (Contingency) Reserve*		43,887	-	43,887
Safety Reserve*		140,235	140,235	-
Major Repair & Equipment Reserve*		165,855	165,855	-
Rental Income Reserve		-	399	(399)
Sabbatical Reserve		1,000	1,000	-
Major Donor Reserve		163,440	163,440	-
Commemoration Fund		12,212	12,212	-
Sewell Lecture Series		210,851	198,124	12,727
Fund 49 - Adult Programs Scholarships		4,672	4,672	-
Fund 49 - Anti-Racism Curriculum		720	720	-
Fund 49 - Auction		60,826	58,901	1,925
Fund 49 - Campus Ministry		1,266	1,266	-
Fund 49 - Contingency Minister - Disrud		2,598	3,148	(550)
Fund 49 - Contingency Minister - Miller		2,020	2,020	-
Fund 49 - Executive Team Contingency		1	1	0
Fund 49 - Family Ministries		19,711	18,982	729
Fund 49 - Family Ministries - Coming of Age		3,467	3,467	-
Fund 49 - Family Ministries - YRUU		36,626	34,128	2,498
Fund 49 - Lay Ministry		910	610	300
<b><i>(Cont'd on next page)</i></b>				

First Unitarian Church of Portland				
UNREVIEWED Statement of Financial Position as of 06.30.2025 / pg. 3 of 3				
<i>Prepared by Susan Matlack Jones &amp; Associates</i>				
		6/30/2025	6/30/2024	Change
Fund 49 - Men's Group		2,108	2,003	105
Fund 49 - Social Justice		4,127	4,127	(0)
Fund 49 - UU-UNO		1,477	1,477	-
Fund 49 - Young Adults		1,923	1,423	500
Idaho Interfaith Fund		0	905	(905)
Employee Retention Tax Credit (ERTC)		336,047	-	336,047
<b>Total Net Assets Without Donor Restrictions</b>		<b>7,036,654</b>	<b>6,938,544</b>	<b>98,110</b>
Net Assets With Donor Restrictions:				
Chesney-Deale Intern Minister Fund		38,275	36,376	1,900
Hessler-Deale Women in Ministry Fund		16,770	17,300	(530)
Hollingsworth Anniversary Fund - G.A.		21,412	21,931	(518)
Slegers Music Ministry Fund		30,817	31,804	(988)
Fund 49 - 13 Shower Project		69,293	12,561	56,732
Fund 49 - Alliance		2,913	8,926	(6,014)
Fund 49 - Congregant Care		18,565	11,644	6,922
Fund 49 - Mosaic Wall Maintenance		1,421	1,421	-
Fund 49 - Music		14,125	14,720	(595)
Fund 49 - Quilts of Love		1,358	1,619	(261)
<b>Total Net Assets With Donor Restrictions</b>		<b>214,950</b>	<b>158,301</b>	<b>56,648</b>
<b>Total Net Assets</b>		<b>7,251,604</b>	<b>7,096,846</b>	<b>154,758</b>
<b>Total Liabilities and Net Assets</b>		<b>7,731,399</b>	<b>7,690,408</b>	<b>40,991</b>

First Unitarian Church of Portland				
UNREVIEWED - Statement of Financial Position - Summary as of 06.30.2025				
Prepared by Susan Matlack Jones & Associates				
		6/30/2025	6/30/2024	Change
<b>Assets:</b>				
	Cash and Cash Equivalents	1,043,470	1,594,386	(550,916)
	Investments	1,157,179	223,037	934,142
	Receivables	444,500	498,079	(53,579)
	Prepaid Expenses	39,553	55,624	(16,071)
	<b>Total Current Assets</b>	<b>2,684,702</b>	<b>2,371,126</b>	<b>313,576</b>
	Fixed Assets	5,046,697	5,319,282	(272,585)
	<b>Total Assets</b>	<b>7,731,399</b>	<b>7,690,408</b>	<b>40,991</b>
<b>Liabilities:</b>				
	Accounts Payable	53,120	80,255	(27,135)
	Accrued Wages & Vacation	89,055	161,045	(71,990)
	<b>Total Current Liabilities</b>	<b>142,175</b>	<b>241,300</b>	<b>(99,125)</b>
	Deferred Lease Revenue	319,932	332,085	(12,154)
	Oregon Clean Power Note	17,688	20,177	(2,489)
	<b>Total Liabilities</b>	<b>479,795</b>	<b>593,562</b>	<b>(113,767)</b>
<b>Net Assets:</b>				
	<b>Total Net Assets Without Donor Restrictions</b>	<b>7,036,654</b>	<b>6,938,544</b>	<b>98,110</b>
	<b>Total Net Assets With Donor Restrictions</b>	<b>214,950</b>	<b>158,301</b>	<b>56,648</b>
	<b>Total Net Assets</b>	<b>7,251,604</b>	<b>7,096,846</b>	<b>154,758</b>
	<b>Total Liabilities and Net Assets</b>	<b>7,731,399</b>	<b>7,690,408</b>	<b>40,991</b>

First Unitarian Church of Portland					
UNREVIEWED Actual vs. Budget / pg. 1 of 2 / as of 06.30.2025					
Prepared by Susan Matlack Jones & Associates (unaudited)					
		YTD Actual	Annual Budget	Remaining Budget	Percent of Budget Realized Expected: 100%
<b>Revenue:</b>					
	Pledge Contributions	1,349,337	1,400,000	50,663	96%
	Non-Pledge Contribution	101,823	75,000	(26,823)	136%
	Foundation Gift to the Church	100,000	100,000	-	100%
	Plate Contributions	84,396	53,000	(31,396)	159%
	Program Contributions (charitable)	12,948	11,000	(1,948)	118%
	Program Income (non-charitable)	6,788	35,000	28,212	19%
	Tenants Rental Income	339,364	385,840	46,476	88%
	Deferred Lease Income	9,500	-	(9,500)	
	Event Rental Income	19,863	25,000	5,137	79%
	Merchandise Income	7,834	9,500	1,666	82%
	Miscellaneous Income	2,543	-	(2,543)	
	Reserve & Fund 49 Income	-	100,000	100,000	0%
	<b>Total Revenue</b>	<b>2,034,395</b>	<b>2,194,340</b>	<b>159,945</b>	<b>93%</b>
<b>Expenses:</b>					
	Payroll	1,508,022	1,618,529	110,507	93%
	HR Expenses	22,223	26,800	4,577	83%
	Professional & Contract Services	86,142	106,650	20,508	81%
	Professional Expenses	10,790	17,250	6,460	63%
	Professional Expenses - Sr. Minister	10,625	8,500	(2,125)	125%
	Professional Expenses - Associate Minister	6,052	6,000	(52)	101%
	Professional Expenses - Intern	-	2,000	2,000	0%
	Guest Ministers, Musicians, & Speakers	7,980	16,000	8,020	50%
	Interest Expense	979	-	(979)	
	Program or Office Expense	25,248	96,051	70,803	26%
	Retreat/Workshop/Conference Expenses	27,676	39,610	11,934	70%
	Event Expense	10,480	9,000	(1,480)	116%
	Parking	27,012	25,450	(1,562)	106%
	Utilities	100,337	115,000	14,663	87%
	Custodial Supplies	10,347	10,000	(347)	103%
	Software/Web/Comp. Program	28,358	37,200	8,842	76%
	Computers, Furniture & Equipment	11,043	18,300	7,257	60%
<b>(Cont'd on next page)</b>					

First Unitarian Church of Portland				
UNREVIEWED Actual vs. Budget / pg. 2 of 2 / as of 06.30.2025				
<i>Prepared by Susan Matlack Jones &amp; Associates (unaudited)</i>				
	YTD Actual	Annual Budget	Remaining Budget	Percent of Budget Realized Expected: 100%
Equipment Rental/Lease	16,849	17,050	201	99%
Bldg Repairs & Maintenance	20,420	40,000	19,580	51%
Equip Repairs & Maintenance	987	6,150	5,163	16%
Landscaping	-	1,500	1,500	0%
Outside Printing & Copying	3,370	14,900	11,530	23%
Postage & Shipping	5,068	5,200	132	97%
Bank Charges & Merchant Fees	14,962	15,500	538	97%
Cost of Goods Sold	8,643	2,000	(6,643)	432%
Licenses & Fees	1,734	7,000	5,266	25%
UUA Dues	38,500	38,500	(0)	100%
Insurance	41,462	27,000	(14,462)	154%
Credit Card Rebates	(578)	-	578	
Donations/Plate Share	41,278	32,200	(9,078)	128%
Miscellaneous Expenses	552	1,000	448	55%
<b>Total Expenses</b>	<b>2,086,560</b>	<b>2,360,340</b>	<b>273,780</b>	<b>88%</b>
<b>Transfers</b>				
Transfers from Other Sources	56,991	(166,000)	(222,991)	
Transfer to Other Sources	-	-	-	
<b>Total Transfers</b>	<b>56,991</b>	<b>(166,000)</b>	<b>(222,991)</b>	
<b>Change in Net Assets - Operating Fund</b>	<b>4,826</b>	<b>-</b>		
<b>GAAP Adjustments</b>				
Depreciation Expense	(272,335)			
Amortization Expense	(2,833)			
Adjustment to Accrual Pledge Contributions	75,424			
Uncollectibles	(125,261)			
Interest Income	21,395			
Gain (Loss) on Investments	15,905			
Other Fund Revenue	(8,763)			
Fund Transfers from Other Sources Offset	62,625			
Other Fund Expense	(314)			
Fund Transfers to Other Sources Offset	(52,650)			
Reserve & Fund 49 Income	511,437			
Reserve & Fund 49 Expenses	(74,698)			
<b>Change in Net Assets GAAP</b>	<b>154,758</b>			

First Unitarian Church of Portland  
Statement of Financial Position Show Reclassification of Reserve Accounts  
6/30/2025

6/30/2025

**Net Assets:**

**Net Assets Without Donor Restrictions (no change):**

Undesignated and Unrestricted Net Assets	6,119,429
Operating Fund	(298,754)
Annual Operating (Contingency) Reserve*	43,887
Safety Reserve*	140,235
Major Repair & Equipment Reserve*	165,855
Major Donor Reserve	163,440
Sabbatical Reserve	1,000

**Deleted funds since 5/31/25 report (these had zero balances):**

Capital Fund	-
Tax Rebate Reserve	-
Required Loan Reserve	-
Rental Income Reserve	-
Special Projects Reserve	-

**Reclassified from Donor Restrictions to W/O Donor Restrictions**

1	Sewell Lecture Series	210,851
2	Auction	60,826
3	Commemoration Fund - moved from with donor restrictions	12,212
4	Adult Program Scholarships	4,672
5	Anti Racism Curriculum	720
6	Campus Ministry	1,266
7	Contingency - Rev Disrud	2,598
8	Contingency - Rev Miller	2,020
9	ET Contingency	1
10	Family Ministries	19,711
11	Family Ministries - Coming of Age	3,467
12	Family Ministries - YRUU	36,626
13	Lay Ministry	910
14	Men's Group	2,108
16	Social Justice	4,127
17	UU-UNO	1,477
18	Young Adults	1,923

19	Idaho Interfaith (Delete this fund. Spent for purpose)	-
	<b>Subtotal Reclassified</b>	<b>365,515</b>
	<b>New</b>	
	ERTC	336,047
	Rounding	1
<hr/>		
	Total Net Assets Without Donor Restrictions	7,036,654
<hr/>		
	<b>Net Assets With Donor Restrictions (no change)</b>	
	Chesney-Deale Intern Minister Fund	38,275
	Hessler-Deale Women in Ministry Fund	16,770
	Hollingsworth Anniversary Fund	21,412
	Slegers Music Ministry Fund	30,817
	Fund 49 - 13 Shower Project	69,293
	Fund 49 - Alliance	2,913
	Fund 49 - Congregant Care	18,565
	Fund 49 - Mosaic Wall Maintenance	1,421
	Fund 49 - Music	14,125
	Fund 49 - Quilts of Love	1,358
	Rounding	1
<hr/>		
	Total Net Assets With Donor Restrictions	214,950
<hr/>		
	Total Net Assets	7,251,604
<hr/>		

## First Unitarian Church

### Governance Committee meeting 9/11/25 via Zoom 4:30 pm

Attending: David Livermore, Roger Tobin, Leslie Pohl-Kosbau, Linda Craig, Tom Disrud, Harriet Shaklee

Linda read Opening Words from Alan Deale. Tom lit the chalice.

Linda confirmed with Committee members that second Thursday at from 4:30 – 6:00 via Zoom will be regular meeting time. David wishes to be added to the committee. Tom attended this time as representative from the ET, but said that a regular liaison has not been named.

The Governance committee reviewed the work plan and accepted all items. For each goal, a lead member was identified, along with assistants and a time-line where possible.

13. Complete the report that was written in spring 2025 on Board Policies related to Evaluation. Take this report to the Board for discussion, and then propose and adopt changes in the Policies to simplify and clarify. Linda C. leads, Harriet S. assists, timeline early fall.
14. Starting from what was done in 2025 and prior years, plan an outline and work plan for doing the Annual Report and Evaluation of the Ministries as required by Bylaws and addressed in Board Policies. Harriet S. leads, begin early fall, proposal adopted by full Board by mid-year.
15. Clarify the relative roles of the Board and the Senior Minister/ET with respect to governance. Is the term “Policy Governance” useful? Plan an approach to this work with Rev Alison and the Board. Linda C. will contact Roger R. to plan for full board discussion with Alison Miller and Kathryn Esty. ASAP.
16. Review Board Policies and bylaws to incorporate the Right Relations Task Force. Roger T. leads, Linda C. assists, Kathy Ludlow has agreed to be a non-board member.
17. Working with Rev Alison, describe scope of work and hire a consultant to define the competencies needed for administration of the church. The intention of this work is to plan job descriptions and qualifications for future hires. Leslie P-K. leads, David L. assists, Linda C. contacts Alison Miller about qualified consultants.
18. Review Board Policies related to Financial matters (Task Force of Finance and Governance). Linda C. leads.
19. Develop a proposal for rebalancing Board terms among our existing Board so that three Board members come up for election each year. David L. leads, brings proposal to Oct. gov committee for November Board action.

20. Develop and adopt a process for petitions. Roger T. leads. October Governance agenda.
21. Determine authority of Board committees and related voting rights for non-Board committee members. (ORS 65.354) Linda C. leads, proposal for October board meeting
22. Plan policy for congregant use of membership data. David L. leads.
23. Plan procedure for Board self-evaluation at year end. Revisit in January.
24. Consider establishing a succession plan for Board officers. Revisit late fall

**Workplan adopted 9 11 2025 by the Committee.**

Other governance concerns: Governing policies are difficult to grasp and sometimes repetitious. An outline is needed.

**To forward for action at October Board meeting.**

- d) Approval of Kathy Ludlow as a non-Board member of Governance Committee.
- e) Statement on voting by non-Board members of Committees. (Linda to draft statement.)
- f) Workplan for Governance reported for Board information.

Linda read closing reading.

Committee adjourned 6:00 p.m.

*Notes Harri*

Board goals for 2025-2026 year.

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*Approved at Board meeting 10/8/2025*

Strengthen trust within our community with better communications.

Strengthen our affirmation and promotion of the 8<sup>th</sup> Principle.

Assist the Executive Team to launch and lead a strategic planning process that will build sustainability for the church's future.

Review and update our governance policies and practices to match our current and future realities and needs.

Attend to the Board's fiduciary responsibilities for finances and building maintenance.

Memo to Board of Trustees

First Unitarian Church

From Linda on behalf of the Governance Committee

Re: Voting by non-Board members of Committees

September 24, 2025

A question was raised about voting by non-director members of our committees. Our Governing Policies, 4.11.6 specify how such members are appointed and serve, and it states, "In order to comply with Oregon law, the non-Board member on any committee that exercises Board authority shall not be allowed to vote."

The guidance from Oregon law is as follows:

ORS 65.354 (1)(a) Board of directors may create one or more committees that exercise the authority of the board. Only a director may serve as a voting member of such committees.

ORS 65.354(2)(a) Board of directors may create committees to advise the Board or otherwise serve the corporation. A member of a committee the board creates under this subsection may be, but need not be, a director or a member of the corporation.

Although both our Governing Policies and state law allow non-director members to vote if the committee does not exercise Board authority, it is not always clear when our standing committees are acting on behalf of the Board. To avoid misunderstandings about when non-directors serving on committees may vote, the Governance Committee recommends that we continue with the practice that only directors may vote on Board committees unless specific appointments are made for a new committee established for a specified purpose which is strictly advisory. However, we recognize the valued guidance that non-director members bring to our standing committees, and recommend the following motion:

"To recognize the value that appointed non-director members of Board committees bring with their expertise and experience, we recommend that Chairs of Board committees solicit the opinions of all committee members before any vote by the directors is taken. The method of doing this is left to each committee Chair."

## Establishment of Advisory Committee on Church Administration

The Board of Trustees and the Senior Minister, Rev. Alison Miller, shall establish an advisory committee for the purpose of assessing the competencies required to manage the administrative affairs of the church. The advisory committee is to recommend to the Board and Executive Team the scope of work and how information will be gathered. At the conclusion of the work, they will prepare a report to guide administrative position descriptions and hiring. The work of the committee entails selecting and determining the scope of work for a management consultant.

This work is called for now by the impending retirement of the church's administrator, Kathryn Estey, and two of the Church's Governing Policies:

Policy 2.2. The Board shall evaluate the Executive Team at such time it is constituted and when it changes personnel to ensure competency to manage the church.

Policy 2.5.1. Every third year, in collaboration with the Executive Team, the Board shall engage an outside consultant to review the management of the church or some aspect of it.

The Moderator of the Board of Trustees and the Senior Minister shall appoint the members of the committee.