

First Unitarian Church
Agenda / Board Meeting / March 4, 2026 / 7 – 9 pm

Board (only) Deepening 6:00-7:00 pm

Board Meeting – 7:00-9:00 pm

Join Zoom Meeting:

<https://us02web.zoom.us/j/82930223125?pwd=TDdrckx1T0ISTG1KT3BFWGx5MmQyZz09>

Meeting ID: 829 3022 3125

Passcode: 398649

Pre-Board Meeting:

6:15-7:00 Rev. Alison's Presentation & Discussion with Tom

Board Convenes

- 7:00 Opening: Reading, Chalice Lighting, Read Covenant (below)
Determine quorum, identify process evaluator, accept agenda, thank you to Julia and Linda
- 7:10 Introduction and Congregant Comment Time (Roger reads introduction if necessary)
- 7:20 February Board Minutes
- 7:22 Committee & Task Force Presentations as needed:
BLT: Transformation Team Update
Governance
Finance
Administration Transition Task Force, Roger & Rev. Alison
Outside In Lease Task Force, Roger
Northwest Academy Lease Task Force, Roger
- 7:35 Proposed By-Law changes and discussion
Board Vote on By-Law changes
- 7:55 Break
- 8:05 Executive Team Updates
- 8:15 Presentation of FY2027 Draft Budget and discussion
- 8:50 Annual Report Items?
Process Evaluation
- 8:55 Closing Reading
- 9:00 Adjournment

First Unitarian Church / Board Meetings / General Information

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 from you.

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Board Committees

Finance Committee

Bob Bonner, Chair
Linda Craig
Leslie Pohl-Kosbau
Roger Robinson

Non-board members: Ed McClaran, Jo Ann Foor, David Hoffman, Tony Obst

Governance Committee

Linda Craig, chair
Roger Tobin
David Livermore
Harriett Shaklee
Leslie Pohl-Kosbau

Communications Committee

Julia Griffith, Chair
David Livermore
Saranna Weller-Filz

Board Liberation Team

Saranna Weller-Filz, chair
Julia Griffiths

First Unitarian Church of Portland

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.



First Unitarian Church / Portland, Oregon

Our Mission & Vision

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.

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Board Goals for 2025-2026 Year

- Strengthen trust within our community with better communications.
Lead: Communications Committee
- Strengthen our affirmation and promotion of the 8th Principle.
Lead: Board Liberation Team Committee
- Assist the Executive Team to launch and lead a strategic planning process that will build sustainability for the church's future.
Lead: Strategic Planning Task Force
- Review and update our governance policies and practices to match our current and future realities and needs.
Lead: Governance Committee
- Attend to the Board's fiduciary responsibilities for finances and building maintenance.
Lead: Finance Committee

Approved at Board meeting 10/8/2025

First Unitarian Church of Portland Board of Trustees Meeting Minutes Wednesday, Feb. 4, 2026

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

ET Attendees: Alison Miller, Kathryn Estey.

Board/ET members absent: Excused: Roger Robinson, David Livermore, Tom Disrud.

Non-board/ET attendees: Jo Ann Foor (Nominating Committee), Josh Reckord—both online.

Board roles: Process Observer – Harriet

7:07 pm Chalice Lighting/Reading

In Roger Robinson's absence, Julia Griffiths, Vice-Moderator, called the meeting to order. In David Livermore's absence, Linda Craig will take notes. Reading from Bob Bonner in honor of Black History Month, letter by Frederick Douglass, 1846.

Read Board Covenant

Quorum determination. A quorum of the board is present.

Review Agenda. A report of the Stewardship Committee was added to the Committee Reports agenda.

Congregant Comment Period. There were no congregant comments

January Board meeting minutes accepted as sent.

Review of Board goals

- **Communications**—Goal to strengthen trust within our community with better communications. Julia: Forum scheduled for this Sunday on budget priorities.
- **Board Liberation Team**--Goal to strengthen our affirmation of 8th principal. Saranna: The pre-Board meeting discussion, led by Saranna, focused on how the Board might be able to advance the 8th Principle.
- **Strategic Planning**--Goal to assist ET in leading a Strategic Planning Process that will build sustainability for the Church's future. Leslie: Roger R. and Leslie are meeting with Alison next week.
- **Governance**- Goal to review and update our governance policies and practices to match our current and future realities and needs. Linda: Governance Committee working on policies to incorporate the Right Relations committee into our Bylaws and Governing Policies and on a policy on how to petition to call a meeting. Hoping to bring these drafts to the March Board meeting.
- **Finance and building maintenance**—Goal to attend to the Board's fiduciary responsibilities for finances and building maintenance. Bob: Working on nitty gritty. All financial assets are now FDIC protected. Looking at budget with multi-year prospective. Looking toward the SP process for how we can live within our means and support that vision.

Committees Presentations:

- **Stewardship.** Leslie. Stewardship has met almost every week working toward boosting the AFD. Final calling next week. We're invited to sign up for calling from a list of people who gave last year or the year before but have not yet pledged this year. Each asked to take three or four names. There is a script. Kathryn said she would send contact info after people have signed up. Kathryn wants to know outcome of the calls so that they can be recorded and pastoral care offered if necessary. The Committee is proposing to add stewardship events throughout the year.
- **Finance.** Bob. Our roofing contractors have done minor repairs and an inventory of future needs. The HVAC repair is underway. Bob is looking at cash balances to be able to report how finances look each month at the time of the Board meeting. The losses we were experiencing earlier in the year of about \$30K each month improved in November and December. Alison adds that the ET met with planners of the annual auction and decided that auction funds will support roofing costs. Kathryn reported that budgeting will begin when the church receives the December financial statements from the bookkeeper.

Per federal law and our Governing Policies, the Board is responsible for reviewing compensation for "insiders," defined as those who can influence policy and budget, to assure compensation is not excessive. Bob plans to review the ministers' and Kathryn's salaries to comply.

- **Communications.** Julia reported that the Communications Committee will supervise the annual report this year. They plan a simpler report to include statistics about the life of the congregation and notable events of the church year. It is important that this kind of report go to the Archives.
- **Board Liberation Team.** We had a brief discussion about how to keep the 8th Principle in our minds. The BLT could do a brief presentation each month. What would be included? What would curriculum be? How do we go from participating in a book group to something more meaningful? Could we partner with an organization led by people of color on some kind of service project? Alison: "Is there a common experience? Or is there a training we can have? Is there a book we would all read?" BLT will discuss at next meeting.
- **Administration Task Force.** Alison reported that they have been meeting and reaching out to consulting firms and to other UU congregations of similar size. They are exploring whether contracting with an interim administrator would be helpful.
- **Outside In Lease Task Force.** Bob says they are working on better communication and creating commitment to the broader community on the impact of OI's programming on our block and beyond.
- **Tripartite March 3 with Nominating Committee.** Saranna cannot be present, and she asked about whether presentation of the candidates could be via Zoom. Jo Ann will take the question to the Nominating Committee.
- **Old Business: In January, a motion from the Finance Committee to change signers on our Beneficial State Bank accounts was approved. The Board approved new account signers for our Beneficial State Bank accounts: Kathryn Estey, Alison Miller, Tom Disrud, Roger Robinson, and Robert Bonner.** The ET is asked to implement this promptly and to remove all other signers.

Executive Team Updates

Rev. Alison:

Harriet and Alison met to talk about Evaluation of the Ministries. The Bylaws require that the ET and the Board compile this report jointly. Per the Bylaws, the Evaluation should focus on Ends, but our Governing Policies list eight of them, and that may be too many for effective reporting. They may choose two or three as each year's focus. End 6, "Is a sustainable church community in which congregants, Board, staff and ministers share stewardship of both our tangible and our human resources," is a good candidate for this year.

The goal of the Annual Fund Drive (AFD) is \$1.475 million. Pledges now total \$1.3 million, a gap of \$175K. Alison will announce the gap from pulpit. They hope to raise another \$50 – 60K before campaign closes. She believes that could build a budget with that amount, but it will be hard and not allow for everything they would like to do.

The 2026 AFD team has engaged more volunteers than in the past, and Strategic Planning will focus on aligning resources with mission. Money received from the Employee Retention Tax Credit could be used to support staffing and positions in the church that would support growth.

End 7 is also very pertinent this year. "The ministers and congregation develop and maintain relationships with other Unitarian Universalist congregations and institutions and the local interfaith community, providing leadership in the larger UU movement." We are a hub for community and ecumenical activities. Dana and Alison will be on the program for the Regional UU meeting to be held in California. Our congregants show up regularly at the ICE protests.

Staff has been taking care of one another during stress of last couple of weeks.

We are receiving applications for the music director position.

The OWL curriculum is starting for youth this week. The adult curriculum will begin next week.

On March 15 there will be a program at our church on abolishing the US system of incarceration led by a minister of the UU Church of the Larger Fellowship, Aisha Hauser.

We have 646 voting members this year. Religious education members now total 90 after having dropped to 75. There were 150 RE members when Rev Alison began her ministry with us.

The church's annual operating budget for the year ended 6/30/2025 was \$2.4 million. Expenses are being held in check this year. The sexton staff has dropped by two, one by retirement and one by layoff.

Kathryn. Invites us to the Conference room in the office which is dedicated to Strategic Planning.

Questions for the ET:

Can we get regular attendance figures? Yes, those are compiled and can be reported to the Board.

What is happening with the HR manual? Kathryn said it is on hold while staff figures out how to integrate it with HR guidance from our payroll service, Paychex. They offer an automatically updated set of HR policies which are helpful. Kathryn said she plans to finish the manual before she leaves at the end of June.

What do we know about Sunday attendance for people under 40? Their energy and ideas would be helpful. Alison says that attendance figures are not broken down by age, but she is aware that there is a growing group of about 45 people between the ages of about 20 to 40 who sit in the balcony each Sunday. She is hoping to engage them in other church activities. How do we track people who "belong" but don't "join?"

Forum February 8

Julia reported that Roger Robinson will be moderating the Forum. Topics to be covered include the status of the AFD, a Foundation update, priorities for the 2027 budget, the financial position of the church, and a SWOC (Strengths, Weaknesses, Opportunities and Challenges) activity for the Strategic Plan.

Continued discussion on Policy Based Governance

We discussed how to get additional training so that we go into discussions with a common base of understanding. Alison will send links for online training by Dan Hotchkiss. We can read those things and then bring a discussion to the next meeting, proposed for 6:15 before the March 4 Board meeting. Is role clarity the right topic? The UU Institute offers a leadership development curriculum which may be helpful.

Other business—taking risks.

Alison asked us to consider how comfortable the Board is with taking risks. This time challenges our faith. Members may be stepping out and getting arrested. Our beliefs and values are questioned, and our church could be targeted for our activism. What risks are appropriate for our church? How can we be strategic about the risks we assume?

Process observation.

Harriet. Everyone did have a chance to participate. We had good discussions, and open discussions. No harm was noticed. We tried to act in the best interest of the congregation.

Closing words.

Bob read another letter from Frederick Douglass, this one dated 1881, showing how his thinking evolved.

The meeting adjourned at 8:50 pm.

Notes by Linda Craig

Communications Committee Meeting Notes – 2026-02-10

Attending: Saranna Weller-Filz, David Livermore, Roger Tobin, Julia Griffiths

Opening Words – Julia

Check-in

Forums

Discussed the February forum and ideas for March. Folks asked for 10-year view of finances plus membership and attendance. David offered to collate existing financial information. Julia to ask Bob if he has raw data. Julia to look for historical data on attendance and membership.

For March forum, try to keep it to 1 hour, with shorter agenda, allow time for people to finish their soup.

Consider holding it in Buchan so people can eat their soup and chat until meeting starts.

Suggested Agenda:

- Opening
- Treasurer's Presentation
- Budget Presentation
- Q&A
- Closing

Exit Interviews

We reviewed the report on themes (included below).

Annual Report

Created simplified outline with two items: statistics and notable events. The purpose of this report is to give people a look back at the year that was. Suggested that report be finished in the Spring and distributed widely in the Fall. Does not need to be included in "Annual Meeting" mailing.

For Next Meeting

Website

- Review FAQ page
- Page for Strategic Planning?

Assign remaining tasks for Annual Report

Forum Review

April Meeting: Prepare for year-end actions (exit interviews, farewell to retiring Board members)

Below are recurring themes found in the six Exit Interview reports available on the Board's Google Drive. Reports are from interviews with John Bishop, Mindy Clark, Theo Harper, Barbara Morrison, Matt Swafford, and Andy Wilson.

Training

Several mentioned the need for more and better training of new Board members. In particular, training on Board processes, Bylaws, and Governing Policies were mentioned. Also mentioned were training on policy governance generally and training on addressing white supremacy and patriarchy.

One interesting suggestion: case studies of common tasks or issues as training material for new Board members.

Time Commitment & Expectations

A couple of Board members mentioned the need to be clear about time required to meet Board responsibilities, and that expectations of Board members be articulated and lived up to. This includes setting Board goals and following through on them, understanding and living by our policy-based governance structure, and actively participating in evaluation and approval of annual budget.

Trust

Many interviewees expressed either gratitude for the high levels of trust experienced during their time on the Board...or regret or disappointment at the low levels of trust between Board members. In either case, trust between Board members was seen as important.

Minutes

First Unitarian Church; Governance Committee February 13, 2026; 4:00 – 5:30 pm via Zoom

Committee members: Roger Tobin, Harriet Shaklee, Leslie Pohl-Kosbau, David Livermore, Linda Craig, Rev. Alison Miller, consultant Kathy Ludlow. Other Board members present: Roger Robinson, Bob Bonner.

Goals for this meeting:

Approve Right Relations Policy changes to Bylaws and Governing Policies to take to March 4 Board meeting. Approve policy on “Petition to Call a Meeting” to take to March 4 Board meeting. Update on PB Governance discussions and Evaluation of Ministries, and Executive Compensation.

1. Welcome and chalice lighting. Linda read opening words: Poem, “Concurrence,” by Denise Levertov. Meeting agenda was confirmed.
2. Right Relations Policy. Linda led the discussion. We discussed proposed Bylaws amendments and agreed that they could be taken to March 4 Board meeting with editing Article 2, Section 7 change to clarify language on “leader of the group involved.” (See attached). The following motion was approved: We move that the Board adopt four amendments to the Bylaws to incorporate the Committee on Right Relations into processes for resolving conflicts within the church, as recommended by the Governance Committee. Bylaws to be amended include Article 2, Sections 6 and 7; Article 3, Section 6; and Article 4, Section 10.

We discussed changes to Governing Policies and agreed to defer decisions on Personnel Policies Section 3.2.2 until they can be discussed with the HR Advisory Committee and referenced to the church’s Personnel Policies which are currently under revision.

Changes to Governing Policies Sections 3.2.6, 4.11.6, 4.13, 5.4, and 5.5 were approved. We were not able to complete review of Sections 3.2.5 and 5.6 and the related Whistleblower and Safe Church Policies in the time we had available. They will be reviewed at the March Governance Committee meeting. Because we weren’t able to complete discussion of Governing Policy changes, we decided to wait before forwarding these changes to the Board.

3. Policy on Petition to Call a Meeting. Roger T. led discussion of this comprehensive policy on how congregants can petition to call a special meeting. Questions remain, and we decided not to advance this policy to the March Board meeting. Questions/comments are as follows:
 - a) What length of time is appropriate for members to become Qualified Voting Members for circulating or signing a petition? (Our proposal was 180 days; some preferred one year.)
 - b) Should there be steps taken by those who want to call a meeting before they can start the petition process, e.g., refer concern to the Board or to the Committee on Right Relations?
 - c) Should the number of signatures collected be disclosed?
 - d) Use of capital and lowercase letters are inconsistent.
 - e) Does the Board want to propose a Bylaw amendment to change the number of signatures required to call a meeting or the number that constitutes a quorum at the meeting?
4. Evaluation of the Ministries. Harriet and Rev. Alison reported that they decided to focus the Evaluation on Ends Policies. Because we have eight Ends Policies in our Governing Policies,

focus can be on a couple of these at a time. Alison will include evaluation of progress toward one or more Ends Policies in her monthly report to the Board. Linda asked how a record will be kept of these reports so that they can be compiled at year end.

5. Policy Based Governance. Rev. Alison will suggest training for the Board before our next discussion at the March Board meeting.
6. Closing words, Linda quoting from the Toronto Globe & Mail newspaper, "Am I lost, depressed or quietly content? Do I need to name what I feel or can I simply flow through these shifting states of emptiness and ease, confusion and calm, and call it life?" Adjourn 5:40 pm

See below for Amendments to Bylaws for March 4, 2026, Board meeting.

AMENDMENTS PROPOSED BY THE GOVERNANCE COMMITTEE TO THE BYLAWS OF FIRST UNITARIAN CHURCH TO INCORPORATE THE COMMITTEE ON RIGHT RELATIONS, ITS POLICIES AND PROCESSES.

MARCH 4, 2026

MOTION: That the Board adopt four amendments to the Bylaws to incorporate the Committee on Right Relations into processes for resolving conflicts within the church, as recommended by the Governance Committee. Bylaws to be amended include Article 2, Sections 6 and 7; Article 3, Section 6; and Article 4, Section 10.

Amend Article 2, Membership Section 6 Member expulsion or denial of membership by adding italicized language:

*If, after use of the process proposed by the Committee on Right Relations for conflict resolution, any person whom the Board has determined to expel from membership or deny membership shall be given 30 days advanced written notice by certified mail and the reasons for the proposed action together with an opportunity to be heard by the Board orally or in writing not less than five days before the effective date of the expulsion or denial. A two-thirds affirmative vote of the Board members then in office shall, for cause as defined in the *Committee on Right Relations process or governing policies*, expel any member or deny any person's membership. The decision of the Board shall be written, final and not reviewable by any court.*

Amend Article 2, Membership Section 7 Immediate exclusion by adding italicized language: The Executive Team, their delegates, *or a leader of a church group or meeting* may immediately exclude any person from church property or events, without notice or opportunity to be heard, for dangerous or disruptive behavior. *Guidance is provided in the Committee on Right Relations Policy and Process.*

Amend Article 3 Organization and Powers Section 6. Conflict resolution by adding italicized sentences:

The Board of Trustees shall establish or cause to be established policies for the resolution of conflict within the church. *To this end, the Board has established an independent Committee on Right Relations by its adopting its charter and document on*

Policy and Process. Conflicts not addressed in other governing documents shall be referred to this Committee for resolution.

Amend Article 4 Board of Trustees Section 10 Removal of a member of the Board of trustees by deleting the sentence in red and substituting the italicized sentences. The second paragraph is not changed.

Delete: A member of the Board of Trustees may be removed from office by a two-thirds vote of the Board members then in office for failure to fulfill the duties of a Board member as described in the Governing Policies.

When conflicts arise within the Board, or it appears that a Board member is failing to fulfill the duties of a Board member as described in the governing policies, the Board is encouraged to first apply the Right Relations Policy and Process to attempt to find resolution. If, after this Process is applied, the Board determines that removal of a member of the Board is in the best interest of the congregation, they may be removed from office by a 2/3 vote of the Board members then in office.

The Board officers committee shall determine to bring such a vote before the full Board. The Board officers committee shall then give the Board member in question written notice by certified mail of the opportunity to be heard along with the reasons for the proposed removal. The notice shall be given not less than two weeks before the special Board meeting held for the purpose of hearing the member and voting on the issue of removal. The Board member in question may respond orally at the special meeting or in writing at least three days prior to the special meeting. If the Board member is dissatisfied with the decision of the Board, the Board member may appeal and request a decision by the voting members of the church. The Board member must file a written appeal within 30 days of the date of the Board decision with the Board moderator or secretary. The Board shall call a special meeting of the voting members within a reasonable time to consider the appeal the voting member shall determine whether to approve the Board's decision by a majority of vote of the voting members present and voting the decision of the voting members shall be written final and not reviewable by any court.

BLT February 2026 meeting agenda

Opening words

Check in

Review how the 6-7 hour went at this month's board meeting

We talked about how that went and how we could use the 6-7 hour to do something more work as a board around the eighth principle. Saranna has a couple ideas for March's 6-7 hour for the board to do if they like to do the deeper work.

Talk about getting the social justice groups together to do the SWOC.

Everyone at the meeting liked the idea of working with the Transformation team, ARJAG and immigrant justice to have those groups take the SWOC with an eighth principle leans. This would be lead by the BLT and Rev. Alison

My concerns about how the transitions team and the right relations team are almost the same group of folks and either group wants to have to be accountable to the leadership of the congregation.

Saranna shared her concerns which others shared as well but no plan as of yet has been implemented regarding how to address this.

Talk about the attachment Roger shared.

We all thought that the tool Roger found was great and that the UUA website had some other good tools but we have not created a plan on how to use them yet. Roger did shared that he would like the board next church year to address the eighth principle with a deeper dive lead by the BLT

After the meeting we reviewed the charge that was given to transformation team by the 8X team. Julia is going to follow up with Theo Harper to get an understanding of why this charge has not been addressed by the transformation team.

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**Proposed Charge for First Unitarian Portland Transformation Team
February 1, 2022**

Transforming our congregation into one which does not only enthusiastically adopt the 8th 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 8th Principle. The TT will comprise 8-10 church members who are committed to the implementation of the 8th Principle and to a vision of Beloved Community, as well as being currently engaged with ministries/communities that they can represent and to whom they will remain accountable. Formation of the team begins in Spring of 2022. An assessment and recommendation for ongoing ways to live into the 8th Principle should be made to the congregation by June 2025.

First Unitarian Church

Finance Committee Minutes

February 10, 2026, 5:00 pm

Attending: Bob Bonner, Roger Robinson, Linda Craig, Leslie Pohl-Kosbau, Ed McClaran, Dave Hoffman, Jo Ann Foor, Dev Dion. Staff: Alison Miller, Kathryn Estey, Erin Tafuri

Goals for this Meeting:

- Discuss current status of the FY 2027 Annual Church Budget and how to implement a multi-year perspective.
- Discuss our best guess year end FY 2026 projections and how to spread out ERTC reserve funds as we move to a sustainable budget.
- Review UUA salary guidelines.

1. Bob Bonner, Treasurer, welcomed the group and called the meeting to order.
2. Determined Linda would take notes. The Minutes from January meeting were approved as sent. Agenda for this evening approved.
3. **Current status of the budget process.** Kathryn reported that the ET received the December financial statements from SMJ, and that the budget process begins now by asking Program Directors to estimate how much money they need between now and June and what they would like for their programs next year. Because of timing of receipt of December numbers, Kathryn thinks it will be difficult to get a good draft of the budget by the end of February. We talked about needing an extra meeting, perhaps for a subgroup from Finance, before the March Board meeting. Rev. Alison suggested that the March Board meeting could discuss the broad picture and assumptions for 2027 budget. Linda said that Governance, too, would like to request a larger block of time at the March Board meeting, and that might conflict with having an extensive budget discussion. The budget must be approved by Board at the April Board meeting so that it can be sent to the printer in early April.

Rev. Alison said that they would like to earmark ERTC money to support staff. This might include new positions that would help the church to grow. She suggests working with Bob and Linda as a subgroup to look at how the ERTC money could be spread across the next few years with staff support for growth the goal. Bob expressed concern that the ERTC money might also be needed if revenue is not adequate to meet expenses for the next couple of years. Are we going to be spending it twice?

4. **Multi-year perspective on budgeting.** We discussed how to implement the requirement per Governing Policy that we budget with a multi-year perspective. After last meeting, Ed asked ChatGPT for help with multi-year projections for a not-for-profit and got back a template that

looks useful. The expectation is that the next budget year is quite solid, that good estimates can be made for the second year, and that the third year will involve quite a lot of guessing. Bob pulled statistics from previous Annual reports and requested help with filling in the blanks on attendance, pledges, and receipts. We discussed the need for stating assumptions to project revenue and expense. Alison said that demographic information and qualitative comments are needed as well as strictly numerical projections based on prior years' experience.

Ed said that a good source of pledging trends would come from pledging history that Erin supplied through 2022. Could this record be updated?

5. **AFD.** Alison said that the AFD will likely end at \$1.35 million. Now we have closer to \$1.3 million pledged, but some donors are being asked to help. Board members signed up at the last meeting to help with calls to recent donors.
6. **December financial statements.** In the Operating Fund, the YTD revenue exceeded expenses by \$27K. After adjustments for generally accepted accounting principles, revenue exceeded expenses by about \$80K. The GAAP number includes depreciation expense of \$135K and receipt of ERTC money in the amount of \$171K. Year to date total receipts from all contributions is less than last year's receipts by \$26K, but total expenses are down from prior year by about \$35K.
7. **Compensation for "insiders."** Bob looked up UUA guidelines for salaries for ministers and church administrators. The Board has a task, per law and Governing Policy, of checking the reasonableness of our staff's compensation. To complete it, we need the salary amounts from the ET. We have no expectation that anyone is unreasonably compensated! Alison said that salary review should be broader to include questions of pay equity and balance for the entire staff. The HR Advisory Committee should be asked to help. Bob will follow up.
8. **Review and approve new Reserve Accounts.** Erin showed us the forms she has filled out to describe two new Reserve Accounts—ERTC and Trans-support. We talked about the level of detail needed in these descriptions, and approval for both were postponed until more agreement could be reached. The accounts have been set up; we just need to complete the descriptions to comply with Governing Policies. Then Board approval is needed for the accounts.

Meeting adjourned close to 7 pm.

Notes by Linda

First Unitarian Church of Portland

Preliminary Statement of Financial Position as of 01.31.2026 / pg. 1 of 3

Prepared by Susan Matlack Jones & Associates (unaudited)

	1/31/2026	6/30/2025	Change
Assets:			
Petty Cash	500	500	-
BSB Checking 4673	196,865	752,711	(555,846)
BSB Checking 5591	9	23,945	(23,937)
BSB Checking 5601	4,663	22,591	(17,928)
BSB Checking 5614	39	104,798	(104,759)
OnPoint	19,016	18,310	706
CDARS	1,605,522	913,526	691,995
ICS Money Market 601	221,639	120,614	101,025
Franklin Investments	16,786	16,374	412
Charles Schwab Investments	237,031	217,581	19,450
Federated Investments	9,904	9,698	206
UBS Investments	0	0	(0)
Accounts Receivable	1,963	3,651	(1,688)
Pledges Receivable - Operating Pledges	515,849	515,849	-
Pledges Receivable Allowance Uncollectable	(75,000)	(75,000)	-
Prepaid Expenses	12,129	13,206	(1,076)
Prepaid Insurance	7,461	0	7,461
Prepaid Power Purchase Agreement	15,500	15,500	-
Bookstore Inventory	10,847	10,847	-
Land	613,424	613,424	-
Buildings & Improvements	9,241,993	9,241,993	-
Furniture & Equipment	288,273	288,273	-
Accumulated Depreciation	(5,263,343)	(5,105,347)	(157,997)
Lease Origination Costs	15,000	15,000	-
Accumulated Amortization	(6,646)	(6,646)	-
Total Assets	7,689,421	7,731,399	(41,978)
Liabilities:			
Accounts Payable	2,904	37,462	(34,557)
Credit Card Payable	(0)	15,658	(15,658)
Accrued Wages	1,815	4,230	(2,415)
Accrued Vacation	84,825	84,825	-
Deferred Lease Revenue	319,932	319,932	0
Oregon Clean Power Note	17,688	17,688	-
Total Liabilities	427,164	479,795	(52,631)
(Cont'd on next page)			

First Unitarian Church of Portland

Preliminary Statement of Financial Position as of 01.31.2026 / pg. 2 of 3

Prepared by Susan Matlack Jones & Associates (unaudited)

	1/31/2026	6/30/2025	Change
Net Assets:			
Net Assets Without Donor Restrictions:			
Undesignated and Unrestricted Net Assets	6,115,029	6,119,429	(4,400)
Operating Fund	(487,526)	(298,754)	(188,773)
Annual Operating (Contingency) Reserve*	56,921	43,887	13,034
Safety Reserve*	140,235	140,235	-
Major Repair & Equipment Reserve*	165,855	165,855	-
Rental Income Reserve	-	-	-
Sabbatical Reserve	-	1,000	(1,000)
Major Donor Reserve	163,440	163,440	-
Commemoration Fund	-	12,212	(12,212)
Sewell Lecture Series	229,741	210,851	18,890
Fund 49 - Adult Programs Scholarships	4,672	4,672	-
Fund 49 - Anti-Racism Curriculum	720	720	-
Fund 49 - Auction	61,609	60,826	782
Fund 49 - Campus Ministry	1,266	1,266	-
Fund 49 - Contingency Minister - Disrud	2,598	2,598	-
Fund 49 - Contingency Minister - Miller	3,070	2,020	1,050
Fund 49 - Executive Team Contingency	1	1	-
Fund 49 - Family Ministries	19,711	19,711	-
Fund 49 - Family Ministries - Coming of Age	3,467	3,467	-
Fund 49 - Family Ministries - YRUU	38,626	36,626	2,000
Fund 49 - Lay Ministry	910	910	-
Fund 49 - Men's Group	2,108	2,108	-
Fund 49 - Social Justice	4,127	4,127	-
(Cont'd on next page)			

First Unitarian Church of Portland

Preliminary Statement of Financial Position as of 01.31.2026 / pg. 3 of 3

Prepared by Susan Matlack Jones & Associates (unaudited)

	1/31/2026	6/30/2025	Change
Fund 49 - UU-UNO	-	1,477	(1,477)
Fund 49 - Young Adults	1,923	1,923	-
Fund 49 - Trans Support	4,400	-	4,400
Idaho Interfaith Fund	0	0	0
Employee Retention Tax Credit (ERTC)	507,364	336,047	171,317
Total Net Assets Without Donor Restrictions	7,040,267	7,036,654	3,613
Net Assets With Donor Restrictions:			
Chesney-Deale Intern Minister Fund	39,459	38,275	1,183
Hessler-Deale Women in Ministry Fund	17,245	16,770	475
Hollingsworth Anniversary Fund - G.A.	22,112	21,412	700
Slegers Music Ministry Fund	31,517	30,817	700
Fund 49 - 13 Shower Project	51,349	69,293	(17,944)
Fund 49 - Alliance	15,999	2,913	13,086
Fund 49 - Congregant Care	23,401	18,565	4,836
Fund 49 - Mosaic Wall Maintenance	1,421	1,421	-
Fund 49 - Music	14,125	14,125	-
Fund 49 - Quilts of Love	961	1,358	(397)
Fund 49 - Trans Support	4,400	-	4,400
Total Net Assets With Donor Restrictions	221,989	214,950	7,040
Total Net Assets	7,262,257	7,251,604	10,653
Total Liabilities and Net Assets	7,689,421	7,731,399	(41,978)

First Unitarian Church of Portland

Preliminary Statement of Financial Position - Summary as of 01.31.2026

Prepared by Susan Matlack Jones & Associates (unaudited)

	1/31/2026	6/30/2025	Change
Assets:			
Cash and Cash Equivalents	442,730	1,043,470	(600,740)
Investments	1,869,242	1,157,179	712,063
Receivables	442,812	444,500	(1,688)
Prepaid Expenses	45,937	39,553	6,384
Total Current Assets	2,800,720	2,684,702	116,019
Fixed Assets	4,888,701	5,046,697	(157,997)
Total Assets	7,689,421	7,731,399	(41,978)
Liabilities:			
Accounts Payable	2,904	53,120	(50,216)
Accrued Wages & Vacation	86,640	89,055	(2,415)
Total Current Liabilities	89,544	142,175	(52,631)
Deferred Lease Revenue	319,932	319,932	0
Oregon Clean Power Note	17,688	17,688	-
Total Liabilities	427,164	479,795	(52,631)
Net Assets:			
Total Net Assets Without Donor Restrictions	7,040,267	7,036,654	3,613
Total Net Assets With Donor Restrictions	221,989	214,950	7,040
Total Net Assets	7,262,257	7,251,604	10,653
Total Liabilities and Net Assets	7,689,421	7,731,399	(41,978)

First Unitarian Church of Portland

Preliminary Actual vs. Budget / pg. 1 of 2 / as of 01.31.2026

Prepared by Susan Matlack Jones & Associates (unaudited)

	YTD Actual	Annual Budget	Remaining Budget	% of Bdgt Realized/ Expected: 58%
Revenue:				
Pledge Contributions	806,317	1,450,000	643,683	56%
Non-Pledge Contribution	33,056	75,000	41,944	44%
Foundation Gift to the Church	-	100,000	100,000	0%
Plate Contributions	41,899	68,000	26,101	62%
Program Contributions (charitable)	7,850	13,000	5,150	60%
Program Income (non-charitable)	8,345	3,500	(4,845)	238%
Tenants Rental Income	113,212	355,000	241,788	32%
Deferred Lease Income	-	-	-	
Event Rental Income	17,206	15,000	(2,206)	115%
Interest Income	21,624	25,000	3,376	86%
Merchandise Income	10,046	10,000	(46)	100%
Miscellaneous Income	-	-	-	
Reserve & Fund 49 Income	-	-	-	
Total Revenue	1,059,555	2,114,500	1,054,945	50%
Expenses:				
Payroll	828,307	1,520,205	691,898	54%
HR Expenses	17,132	25,500	8,368	67%
Professional & Contract Services	63,426	118,500	55,075	54%
Professional Expenses	6,532	13,750	7,218	48%
Professional Expenses - Sr. Minister	4,983	8,500	3,517	59%
Professional Expenses - Associate Minister	2,158	6,000	3,842	36%
Professional Expenses - Intern	-	-	-	
Guest Ministers, Musicians, & Speakers	4,300	11,700	7,400	37%
Interest Expense	-	-	-	
Program or Office Expense	11,655	61,795	50,140	19%
Retreat/Workshop/Conference Expenses	1,205	13,500	12,295	9%
Event Expense	7,413	14,500	7,087	51%
Parking	15,239	26,300	11,061	58%
Utilities	52,211	123,050	70,839	42%
Custodial Supplies	4,979	10,000	5,021	50%
Software/Web/Comp. Program	9,281	33,000	23,719	28%
Computers, Furniture & Equipment	3,545	15,100	11,555	23%
(Cont'd on next page)				

First Unitarian Church of Portland

Preliminary Actual vs. Budget / pg. 2 of 2 / as of 01.31.2026

Prepared by Susan Matlack Jones & Associates (unaudited)

	YTD Actual	Annual Budget	Remaining Budget	% of Bdgt Realized/ Expected: 58%
Equipment Rental/Lease	8,687	18,300	9,613	47%
Bldg Repairs & Maintenance	7,811	40,000	32,189	20%
Equip Repairs & Maintenance	770	6,150	5,380	13%
Landscaping	-	1,500	1,500	0%
Outside Printing & Copying	4,987	13,150	8,163	38%
Postage & Shipping	1,968	7,800	5,832	25%
Bank Charges & Merchant Fees	7,787	15,000	7,213	52%
Cost of Goods Sold	5,537	3,500	(2,037)	158%
Licenses & Fees	1,678	6,000	4,322	28%
UUA Dues	22,458	38,500	16,042	58%
Insurance	12,987	50,000	37,013	26%
Credit Card Rebates	(413)	-	413	
Donations/Plate Share	16,526	32,200	15,674	51%
Miscellaneous Expenses	14	1,000	986	1%
Total Expenses	1,123,161	2,234,500	1,111,340	50%
Transfers				
Transfers from Other Sources	32,212	(120,000)	(152,212)	
Transfer to Other Sources	-	-	-	
Total Transfers	32,212	(120,000)	(152,212)	
Change in Net Assets - Operating Fund	(31,394)	(0)		
GAAP Adjustments				
Depreciation Expense	(157,997)			
Amortization Expense	0			
Adjstmnt to Accrual Pledge Contributions	0			
Uncollectibles	0			
Gain (Loss) on Investments	17,121			
Other Fund Revenue	(16,457)			
Fund Transfers from Other Sources Offset	33,212			
Other Fund Expense	(294)			
Fund Transfers to Other Sources Offset	(33,212)			
Reserve & Fund 49 Income	225,762			
Reserve & Fund 49 Expenses	(26,089)			
Change in Net Assets GAAP	10,653			