Annual Report 2010-2011
First Unitarian Church, Portland
Established 1866

Living Our Liberal Faith
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EXECUTIVE REPORT TO BOARD OF TRUSTEES

April 25, 2011

MISSION OF THE CHURCH AND ENDS STATEMENTS

Given our long and distinguished history in Portland, we covenant together:

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.

The mission of First Unitarian Church of Portland, Oregon 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.

Accordingly, First Unitarian Church:

- Is a welcoming and loving community that provides a safe haven where a diverse people of various ages and cultures may gather to build nurturing relationships.
- Offers lifespan religious education consistent with Unitarian Universalist values, and provides a forum for exploring diverse points of view.
- Provides worship that is inspiring and affirming, as well as a variety of experiences that invite congregants to deepen their spiritual lives.
- Uses transparent democratic processes that maintain shared governance and ensure that all voices are heard and respected, and that clearly define the roles and responsibilities of congregants, the Board, staff, and ministers.
- Cultivates and nurtures leaders who serve and inspire the church community.
- Is a sustainable church community in which congregants, Board, staff and ministers share stewardship of both our tangible and our human resources.
- Takes a leadership role in the larger Unitarian Universalist movement, maintaining connections with other Unitarian Universalist congregations and institutions as well as the local interfaith community.
- Witnesses as a voice of conscience in our community and beyond, collaborating with other justice-seeking institutions, encouraging congregants to join others in building a more equitable, sustainable, and peaceful future for all.
Executive Summary Report for year 2010-11 from Revs. Bill Sinkford and Thomas Disrud

This has been a significant—and very successful—year in the life of First Unitarian Church with the arrival of Rev. Bill Sinkford as senior minister and a renewed sense of energy and enthusiasm that has marked this new ministry. The church has experienced significant growth in attendance and in enthusiasm as it begins to chart a course for a new chapter in its history.

Five themes emerged as part of the search for a new senior minister and those themes have offered a framework for the congregation, board and staff to explore what the future might look like. They also provide a framework for this summary report.

Greater spiritual depth

This is listed as one of the things people most value about First Unitarian Church and in the search process there was also a call for more—more engagement with the spiritual, chances to go deeper. This has been explored in many ways this year including with the introduction of monthly spiritual themes. The themes have been intended to provide conversation throughout the congregation from month to month. They have been present in preaching, in educational programming for all ages, the basis for reflection in groups in the church. The themes have been very well received and have helped deepen the program offerings in the congregation. They have been a simple way to help connect the many offerings of the church program. Themes for this year have been forgiveness, community, gratitude, hope, justice, joy, truth, resurrection and peace. Themes have been chosen for next year and we hope to engage them even more fully as we plan the worship and programmatic life of the church. We also have experimented this year with alternate forms of worship. Cathy Rion, our intern minister, has led a series of evening services in a variety of styles that has been well received by the congregation.

Public witness

The search process made it clear that public witness is central to how the congregation sees itself and its role in the larger community. This year has seen a continued focus in this area. Rev. Sinkford has begun to establish himself in Portland and has spoken on a number of justice issues. The social justice program under Rev. Kate Lore has continued to grow. Kate’s report is contained in the program section of this report. Some of the key initiatives this year include:

--Purple light campaign against violence in our community
--Worship reaffirming stand for marriage equality
--Participation in multi-faith habitat house
--Hosting Rev. Mark Kiymbia from Uganda

Intergenerational engagement

The congregation called for more opportunities for different generations to be together in the life of the community. With the building of our new facilities in 2007, it has been noted that increasingly the congregation can look like two congregations: one in the sanctuary building and another in the Buchan and Eliot complex where the Learning Community is centered on Sundays. This issue has been addressed in a number of ways. The monthly themes have offered
opportunities for people of all ages to explore religious ideas together. If adults in worship and classes are talking about some of the same things that children and youth are learning in their classrooms, there is an opportunity to explore together. Since January we have enlarged social hour on Sundays to include both Fuller Hall and the Buchan building. This has provided more space to socialize and has also brought a mix of all ages together. There have been more opportunities for multi-generational worship including the Earth Day Music and Worship program and Easter services. The Board of Trustees is exploring this topic with the congregation through its listening project.

Diversity

It has been noted that the congregation is of two minds on this issue. For some it has been a call to honor the diversity that already exists in our congregation. For others it is a call for us to be more intentional about increased diversity—racial, class, sexual orientation, among others. This spring a program called Beloved Conversations has been started. It has been designed by Mark Hicks, on the faculty of Meadville Lombard Theological School. It has brought together a selected group to explore race and racism that in the fall might be expanded to more groups in the church. The hope is that this might allow a significant number of congregants to develop shared understandings and begin a process to point the way forward. So far the program has been very well received and the hope is that some more groups might be started in the fall.

Growth

Again, the congregation seems to be of two minds on this issue. Should our focus be on serving those already here or on creating a welcoming place for those who want to be a part of our community? This year we have seen a significant rise in Sunday worship attendance, often seen as the most significant indicator of church health. While attendance dropped some during the transition year, it has been up about 20 percent this year. Especially at the 11:15 worship service the norm is now that the sanctuary is full. There is not room for many more people in the sanctuary.

To address this issue plans are underway for a concurrent service that will be offered in Eliot Chapel at 11:15 next year. Here is some of the current thinking about what that service will look like:

--will have the sermon preached at 9:15 broadcast in Eliot Chapel

--the rest of the service will be led by a worship leader and will be more contemplative in nature.

--music will be a combination or choir and soloists and include piano, organ and instrumentals.

--the 9:15 service will continue to have a similar feel to what we already have.

--11:15 service might sometimes be more “up” in its music, how the service begins (perhaps with a hymn sing).
Sustainability

Undergirding all of these themes is the need for increased financial sustainability for the church. The congregation has seen a significant strain for resources with the major downturn in the economy and following a successful capital campaign that stretched the congregation’s giving. The overarching goal in this area has been to make a shift from a sense of scarcity to a sense of abundance. This will take some time to accomplish but this year we have made a good start. This year the Annual Fund Drive was a big success with a 16 percent increase in giving. The number of households pledging increased from 921 to 1005 with the average pledge remaining about the same as it has the past four years. Thanks to Pierre Provost who chaired the campaign this year. He brought a generous spirit to his leadership and set just the right tone for the campaign.

The church Foundation is also part of this effort, particularly in the realm of planned giving. Given the success of the effort so far we have been able to make progress in three areas that have been identified as priorities:

Elimination of RE fees for pledging families

Next year’s budget will reduce the fees by half.

Return to full share dues to Unitarian Universalist Association and Northwest District

Next year’s budget brings the dues up to 50 percent of fair share.

Increased compensation for staff

This is in recognition that some staff salaries have fallen well below recommended levels and need to be increased. Next year’s budget includes a modest amount of money to begin addressing this issue.

In addition, a review of our membership process and communications vehicles within the church community are under review.

Some other highlights of this year at First Unitarian Church:

Installation: Rev. Sinkford was installed in a ceremony on Oct. 17 at the Portland Art Museum. Rev. Rob Hardies of All Souls in Washington, DC, spoke.

District meeting: We hosted the first one-day Pacific Northwest District Assembly meeting on Feb. 5. Dr. Ysaye Barnwell was the featured speaker.

Leisa Huyck ordination: Leisa Huyck, who served as our intern minister last year, will be ordained into the UU ministry on May 15.

New Church Administrator: Kathryn Estey joined the staff as Church Administrator in November.

Lay ministry program: Our lay ministry program welcomed eight new lay ministers to join the team this year.
In the end, a new beginning

As we mark this year in the life of First Unitarian Church it might be appropriate to once again note the three stages of a transition. Gil Rendle, our consultant on the transition, noted that before you have a new beginning you have an ending and then a period of uncertainty.

This June it will be two years since Rev. Marilyn Sewell retired. Sometime this summer we expect she will be welcomed back to the congregation as minister emerita. Part of her return will be an articulation of what her emerita role means and how it is based on the covenant she and Rev. Sinkford establish.

Indeed, much has happened in the larger life of our congregation. We celebrate the new beginnings around us.
Board of Trustees Annual Report 2010 – 2011

Submitted by Marilyn Scott, Moderator

This has been an exciting and fulfilling year for the Board, as we welcomed our new senior minister and collaborated with him and the staff on how to more fully realize our vision for First Church. We embarked together on a journey to explore with the congregation a Five Year Goal: ‘Initiate and support a process to address these major focus areas: spiritual deepening, intergenerational congregation, issues related to growth, diversity, and public witness. Increase stewardship to provide a foundation for this process.’

At our annual planning retreat, we developed our own Annual Board Goals to support the Five Year Goal, by partnering with the Executive Team on the focus areas. Here are the Board Goals with a brief summary of progress for each.

1) **With the new Sr. Minister, create processes for supportive, collaborative and professional working relationships between the Executive Team and the Board.** The Board has been in ongoing dialogue with the ministers in developing our own understanding of ‘policy governance’ based on mutual respect and open communication. We started the year with a planning retreat to review our Covenant of Leadership and recommitted to a collaborative model of leadership. As in past years, the Board’s Policy Evaluation Committee will be completing an annual ‘evaluation of the ministry of the church’ as required by our policies. We are exploring how to make this process more meaningful in the future.

2) **Play a part in articulating, from our own experience, ways to develop and deepen spirituality among congregants.**

With Rev. Sinkford’s support, the Board explored what it means to grow spiritually, and then discussed how our involvement in First Church has helped us on our own spiritual journey. This discussion provided a foundation for a similar dialogue with congregants as part of goal # 3.

3) **Develop innovative methods to engage with and listen to congregants, especially with regard to the focus areas proposed by Rev. Sinkford. Begin with spiritual deepening.**

Because one of the most important responsibilities of the Board is to stay in touch with congregants, we challenged our talented Board Communications Committee to develop alternative means of communicating with congregants. We wanted to reach out to those who might not approach a Board member on Sunday or attend a Board meeting. The committee designed a very successful small group ‘listening process’ on the topic of spiritual deepening, and that entire report is currently available online under Key Board Documents. The committee also designed an online survey and online discussion process available to all congregants on the topic of ‘strengthening our intergenerational community’. Those key findings will also be available online when that process is completed. Given the large size of our congregation, engaging a wide group of diverse congregants regarding important issues will continue to be a focus area for the Board.
4) Continue to support a spirit of generosity and enhanced fundraising, in order to move from a scarcity model to a sense of abundance.

All Board members pledge generously as they are able, being aware that members in leadership positions are expected to be role models. We also serve as advocates in the Annual Fund Drive and assist with telephone calls to congregants during the AFD.

The Board had two resignations in the course of the year, both for personal reasons. Thanks to Allison Frost and Dale Wright for their years of dedicated service on the Board. We were pleased to have the support of the Nominating Committee in considering strong candidates to fill these and our annual vacancies. We also bid fond farewell to Randy Russell, former Moderator and Vice-Moderator, and Helena Lee, former Secretary and Vice Moderator. Both of these Board members have devoted several years to Board service and added much to our Board community.

In summary, it has been an eventful and interesting year to be involved in governance. We often reflect on how Board service is our own personal opportunity for spiritual growth and development. We look forward to continued progress toward our long-range vision for First Church.

Respectfully Submitted,

Marilyn Scott, Moderator

BOARD OF TRUSTEES 2010–2011

Marilyn Scott, Moderator (2009-2012)
Shirlee Geiger, 1st Vice-Moderator (2008-2011)
Helena Lee, 2nd Vice Moderator (2008-2011)
Camille Wright, Secretary (2008-2011)
Pat Malone, Treasurer (2007-2010)
Randy Russell, Advisor (2008-2011)
Debbie Boots (2010-2013)
Alison Frost (2010)
Kevin Lawson (2009-2012)
Jim Shorr (2009-2012)
John Thompson (2010, running in 2011 to fulfill 2 years of vacated term)
Dale Wright (2010)
Ron Yoder (2009-2012)
Adult Programs – Katie Radditz, *Director*

Adult Programs offers ways for people to continue to learn, to deepen their spiritual lives, and to gather as community members by participating in the following programs:

- **Classes**
  We offered 71 classes this year, the same number as last year. Highlights, as well as most highly attended, included the three writing workshops, a discussion of Karen Armstrong’s book, *A Case for God*; Yoga and Tai Chi; Spanish classes, the Enneagram workshop, and a class taught by our intern minister, Cathy Rion, who offered a follow up Prayer Bead workshop to the Women’s Retreat. Several classes extended the religious themes each month including Forgiveness, Know Your Neighborhood on Community, Gathering in CommUUnity, Way of Hope, Ethics class on Justice, Joy as Spiritual Practice, Beauty and Truth, Death- Not the Opposite of Life (Resurrection), Walking for Peace, Self Defense for Peacelovers. Many teachers whose classes were not focused on a theme, wove themes into their curriculum in creative ways.

  We continued to offer Saturday Workshops as well as daytime classes which allow more flexibility for participation. First Church has a regular faculty of experienced, highly regarded teachers. We were lucky and grateful to welcome a few new teachers this year.

  Class participation was down, about 15% in the Fall and almost 20% this Spring. Class cancellation was about 15% compared to the 4% norm. Lower class attendance as well as several class cancellations can be attributed to a few things. Last year we saw high participation particularly in the classes facilitated by three visiting ministers and by Leisa Huyck. Also, participation was affected by the many great activities around this transition year at the church that involved days and numbers of volunteers. This particularly applies to the District Assembly. As chair of Adult Programs from July through Feb. 5 I oversaw, the amazing crew of volunteers and committee members who developed, organized, assisted, or taught the afternoon Arts, Spirit, and Social Justice workshops for the District Assembly. More than 500 people attended two workshops as well as the morning programs. Essentially we put on a sold-out extra term of Adult Programs this year, that took time and resources, benefited the district, and was a great time for all. My two teams were exceptionally devoted and hard working and loved every minute of it.

- **Retreats**
  Most Retreats filled quickly to maximum capacity and Retreat participation was higher by a small percentage compared to last year. We offered two more retreats Fall term. The Permaculture/Sustainable Community Retreat was held in Portland this time at a co-housing village with Barbara Ford facilitating. The Shakespeare Retreat in Ashland was our largest group so far with 36 participants. The Day of Mindfulness in November, our first on campus, filled to capacity with 30 participants. Our first Yoga Retreat was held in December at Alton Collins. The Spring Retreats including the Soul Retreat with Rev. Disrud and Nancy Olson; The Spirit of Life Family Retreat; the Women’s Retreat with Rev. Lore and Nicole Bowmer; the Ashland Retreat with discussions of the plays Measure for Measure and To Kill a Mockingbird with facilitator Eric Terrell; the Men’s Retreat with Rev. Sinkford, Ron Hall, and the Men’s Community facilitating various parts; and the Day of Mindfulness have all had full registration and feedback of deeply meaningful experiences.
• **Special events**

Lectures, readings, and presentations, cosponsored with other community organizations, support our mission to be a voice of conscience, to embrace diversity, to deepen our spirituality, and to seek truth and understanding. This year I helped develop the first Sewell Lecture: *Speaking of Justice* with Rebecca Solnit, our first guest speaker. Adult Programs also sponsored 13 other special events, including a reflection on Sept. 11 with a film and discussion by Bushra Azzouz, an Iraqi American filmmaker; Multnomah County Library’s annual International Storytellers Festival; a meditation program with Buddhist teacher Jason Siff organized by the UU Buddhist Covenant Group; an evening of poetry celebrating Stafford’s Birthday; Voice of Myth with Will Hornyak, Cynthia Grant Tucker speaking on the Eliot family, UU’s and Portland history; poetry reading with Paulann Peterson, Oregon’s Poet Laureate; a lecture and reading by Jodi Picoult attended by 500 people; Awakening The Dreamer environmental spiritual program; Ann Crittenden speaking on Motherhood; a live telecast conversation with Ram Dass on Love and Aging; a poetry reading with congregant Emily Newberry about her transgendered experience; and finally the annual celebration of First Church writing, Pie & Poetry in June.

• **Good Times**

The Good Times program is designed to create a welcoming community especially for newcomers, helping congregants deepen friendships through social get-togethers. The Good Times committee met once a month to assess offerings and procedures. As well as offering weekly and monthly get-togethers, a few special gatherings this year included Thanksgiving dinners in congregant homes, and an annual Christmas brunch, circle suppers, and a new book club. The committee has worked hard this spring to revitalize and ensure open positions on the committee.

Participation has increased this year at Good Times gatherings by about 10%. Participants are often returning to activities that are held on a regular basis. Many newcomers find their way into our big church by meeting people and getting to know them personally at Good Times events, particularly at the holiday gatherings or at dinners out.

**Weekly:**
Friday afternoon/evening gatherings average 10 attending each week: 500 participants

**Bi-Weekly events at people’s houses:** 75 participants

**Monthly events:**
*From* Book Discussion to Dining Out Events – about 270 participants

**Annual events:**
From Music in the Park to Games – about 80
Holiday Gatherings: 4th of July potluck – 52, Thanksgiving Fellowship Dinners - 20
Christmas Day Brunch - 35

**Recurring events:**
Including Circle Suppers, Hikes, Bike Rides, Theatre events – 150

**Unique Events From tours to Services:** about 75

The Good Times Committee has been chaired this year by Nancy Hugg.
• **Bookstore** (submitted by Donna Deacon)

With two months yet to go, the bookstore is enjoying a good year. We have 20+ dedicated volunteers, 5 of whom volunteer every Sunday.

We see our mission as four-fold:

? be a welcoming place for newcomers to comfortably browse and see the types of books of interest to our congregation, have a conversation with a volunteer, and perhaps select a book;

? be a service to our congregants by carrying relevant books for their religious, and social justice pursuits, as well as class books;

? provide some revenue for the church;

? sell and distribute materials for many other committees and groups in the church.

Last fiscal year's gross revenue:

For 10 months ending April 30, 2010 - $26,048

Full fiscal year ending June 30, 2010 - $29,771

This fiscal year's gross revenue:

For 10 months ending April 30, 2011 - $32,625 *

Bookstore revenues include printed and CD sermon sales, and income from Alliance, Music, Adult Programs, and UU Community for Earth fundraisers.

*This includes almost $3,000 of revenue from the District Assembly (D.A.) meeting held at First Church in February. Subtracting the DA revenue, our 10-month revenue this year is already equal to the full year's revenue last year, with two months still to go.

We are very pleased by the services we provide to our congregants and the revenue it generates for the church. There is a developing question that we are trying to assess: what will be the impact of having a second social hour in the Buchan Building? Many congregants no longer visit Fuller Hall on Sundays, and our sales sometimes seem to be affected. Example: Easter services 2010 - revenue $800+. Easter Sunday 2011 - $400+.

• **The Sewell Lecture**: *Speaking of Justice*.

A small committee organized and produced the first annual Sewell Lecture: *Speaking of Justice*. Our guest Rebecca Solnit spoke on caring communities that arise in disaster with about 350 people in attendance. One goal of the Lecture was to involve diverse segments of the church and the larger Portland community.

• **Writing Groups**

This Leaping Frogs writer’s collective, open to all on a drop in basis, gathers every Tuesday from noon to 1:30 p.m. to share stories of spiritual growth and transitioning lives. After starting the group last Spring, along with Leisa Huyck, and modeling the process of writing in response
to a prompt, deep listening and positive feedback, the collective is now led and supported by Patty Clement and Rev. Marcia Schekel. New members have joined in this year and a few have moved on as their circumstances and stability has evolved.

The **Writing Circle** meets one night a month to read and respond to one another’s work.

The **Poetry Group** meets two nights a week every month, an open group of about ten people. Barry Green who chairs the group, helps organize our annual Pie & Poetry celebration of writing that’s been generated this year in church writing groups. This is a celebratory event with an audience of usually 75 in the appreciate audience. This year there will be 14 readers and at least 14 pies.

- **First Share**
  I have served as the staff director for the year, participating in the First Share committee meetings. Through sharing projects that promote learning, social action and mutual aid, First Share is now an established First Church program encouraging community resilience. **Produce Share** - a garden produce-sharing program during the summer and fall resulted in nearly a ton of fruits, vegetables, herbs and flowers that were given away in Fuller Hall during after-service social hours. **Toy Share** - an exchange of hundreds of used books, games and toys was appreciated by children, parents, grandparents and all who found a toy for someone this Christmas. **Resilience Circles** – Five covenant type groups of 10-20 people from various sections of the city, met this fall to discuss, imagine and practice essentials of a resilient community. People from these groups still meet in various ways – from neighborhood potlucks and activities to economic support groups. **Seeds and Starts Share** concludes the year’s cycle until produce is available once again this summer. It was a pleasure to work with committee members Henry Amick, Amanda Trujillo, Ralph and Linda Schmoldt, Jared Gardner, Helena Hessle, Ethan Scarl, and Nicole Bowmer.
Finance and Administration - Kathryn Estey, Church Administrator

Kathryn Estey was pleased to join the staff as Church Administrator in late 2010, overseeing our Finance, Front Office, House & Grounds, and Stewardship efforts. Here are items of note for this year:

Budget/Finance. Zaida Cooper has continued in her key role as Controller. At the end of March 2011, we were operating with a net cash surplus. Both operating income and operating expenses were running somewhat higher than budgeted; and our investment income – mostly income from our properties – was greater than budgeted. The budget for Fiscal Year 2012 and the projections for the years beyond build on the positive momentum of many factors set in motion during our current fiscal year – a new Senior Minister, compelling new church-wide initiatives, a successful annual fund drive, and significantly increased attendance. Pauly, Rogers once again conducted our annual church audit, which identified no significant deficiencies.

Front Office. Jinine Ramirez joined our staff as Front Office Administrative Associate early in the church year. She brings a strong professionalism to our office as she manages the day-to-day administrative details, supervises our front desk volunteers, and serves as our Senior Minister’s administrative assistant. We have recently added a computer to our volunteer work station, and volunteers have been taking on a variety of substantial tasks to assist staff members.

House & Grounds. Gardner Grice continues as our Facilities Manager, Jason Chapman assumed the position of Lead Sexton in late 2010, and Holli Nicknair continues as our Event Coordinator. We continue proactive efforts to maintain our buildings, and have completed our first 5-year maintenance cycle. It’s exciting to see our facilities used more extensively than ever, as we host and co-host an increasing number of community events.

Stewardship. The 2011 Annual Fund Drive was our most successful annual fund campaign ever. For the first time in four years we met our pledge goal ($1,325,000); and with a conservative forecast for the pledges of new members who will join First Church during the balance of this year, we have not only reached this goal but will surpass it.

In dollars, pledges increased by 16% compared to last year, and the number of pledges increased by nearly that percentage as well. Over a thousand individuals and families made pledges to support the mission and ministry of our church. Coordinated by Development Officer Mary McFarland and Annual Fund Chair Pierre Provost, over a hundred congregants including 80 Advocates volunteered their time and talents to achieve this success.

Departing from the past few years’ custom of a second spring “ask”, we celebrated our annual fund drive victory at the end of January. This presented an opportunity to focus stewardship efforts on the long-term financial stability of our church provided by the First Unitarian Church Foundation through special events and projects. We hope to make this an annual spring focus.
Membership – Craig Towers, Coordinator

Goals:

As a team, the Membership Committee, in conjunction with Membership Volunteer Hosts, and Membership Staff work to:

• Identify and welcome first-time visitors, newcomers and seekers;

• Help newcomers better understand Unitarian/Universalism and First Church, Portland;

• Help newcomers and new members understand that generosity is a fundamental spiritual practice;

• Answer newcomer questions, and/or provide relevant information about the church;

• Encourage all congregants to deepen their connections to the church via the wide variety of adult program opportunities and small group ministries that are offered;

• Welcome those who are prepared to become members during the Enrollment Ceremony;

• Recognize and celebrate these new members.

To accomplish these goals, Membership provides the following volunteer programs:

• Host Hospitality Training – Membership Committee offers “hospitality training” to all information table host volunteers, ushers and greeters. This informative evening emphasizes the important role that each “front line” volunteer plays on Sunday morning, particularly in establishing a positive “first impression” for visitors and newcomers.

• Newcomer Table – staffed with friendly and informed volunteer hosts. At the table, visitors may complete our guest questionnaire, subscribe to Front Steps or e-news, receive a nametag, and pick up informative literature, etc. Table operates every Sunday throughout the year during each social hour. Photos of recent new members are displayed on the nearby bulletin board.

• Narthex Welcome Desk –before and after each Sunday service, year-round. Desk volunteers help visitors by answering immediate questions, distributing literature, inviting them to coffee hour, encouraging them to complete our guest questionnaire, making a visitor nametag, etc.

• Coffee Hosts—after each service. These friendly individuals are ready to greet first-time visitors in the Narthex, and ease their transition into the coffee hour scene in Fuller Hall or in the Buchan Reception area.

Membership also facilitates the following educational classes:

• Introduction to Unitarian Universalism for Newcomers – Facilitated by one of our ministerial staff, Intro to UU offers newcomers an opportunity to gain a basic understanding of our faith and history, ask questions, and take a tour of the church campus. The class is offered every other month throughout the program year.
• Path to Membership – A class designed for potential new members. The curriculum features discussions with one of our ministerial team about issues of spirituality, covenant and how they relate to church membership. Representatives from the Board of Trustees and other lay leaders share information on generosity, pledging and church finances, as well as how committed members are the foundation of this church. All potential new members are encouraged to take this class, prior to “signing the Membership Book” on Enrollment Sunday. The class has been very well attended, and the majority of participants have elected to join the church at the conclusion of the class.

• UU Core Curriculum – expands and deepens the newcomer’s initial educational experience. A variety of classes are offered throughout the program year, and are coordinated through the Adult Programs department.

Other events/activities coordinated by Membership include:

• Enrollment Ceremony – the first Sunday, each month. Active participants may become full voting members by signing the Membership Book and making an annual financial pledge that is “generous within her or his means”, as established in the church by-laws.

• New Member Recognition Sundays/Reception – A ceremony of welcome held during worship service, normally in October and April, followed by a reception. This year, the service was held only once, on Sunday, April 10, and 89 new members were eligible to participate.

• New Member Holiday Party/Potluck – This was the third year for this successful event, designed primarily for newer members to meet other newer members and to socialize. Our guest speaker was intern minister Cathy Rion, who spoke about her call to UU ministry, and also played the cello for us!

• Church Campus Tours – Walking orientations for newcomers hosted by volunteer docents, offered Sundays from late spring through early fall, and during each Intro to UU class;

• New Member Follow Up—Four months after enrollment, each new member is contacted to determine her or his success in deepening connections through church programs. Guidance is offered to those who need or seek it.

• Exit Interview—The committee has developed a phone questionnaire that it uses from time to time to interview congregants who are no longer active in First Church (based on “inactive” information pulled from the data base), in an effort to learn more about why individuals leave our community.

• Membership Committee—This hard working and vibrant group of congregant volunteers meets during the year to develop and oversee programs and activities which impact hundreds of visitors and newcomers annually. Each committee members belongs to one of the following teams: Outreach (phone), Welcome, Education, Enrollment and Hospitality. Adjunct Committee members include Newcomer Table hosts, Welcome Desk Hosts, Coffee Hosts and Tour Guides. Membership programs involve the volunteer efforts of over 60 congregants, and offer critically important connections with seekers, month after month, throughout the church year.
New Members from May, 2010 through April, 2011

Charlie Ahlquist
Jay Armstrong
Pat Barry
Janiene Beauchene
Stacey Benson
Chris Casey
Ellen Chapman
Frank Chestnut
Jason Collins
Lisa Collins
Pam Davis
Peter Davis
Karen Diller
Erin Duncan
Phillip Duncan
Ann Eames
Bill Eames
Jessie Eller-Isaacs
Richard England
Danny Forbes
Julie Forbes
Kristen Funk-Tracy
Steve Funk-Tracy
Andy Anderson Furgeson
Jared Gardner
Christy Goe
Joyce Gotsch
Tom Hampson
Woeshia Hampson
Susie Hansen
Jae Heidenreich
Anna Herbert
William Herbert
Katherine Hill
Nancy Hugg
Christine Carney Kidwell
Paul Kidwell
Karen Landey
Zelda Langdale
Margot Lavoie
David Leventhal
Jennifer List
Peter List
Karen Lyman
Kathleen Masarie
Anna McGee
Preston McKinley
Marta Mellinger
Rachel Meredith
Audrey Milner
Dawn Montgomery
Flavia Moshofsky
Michael Nomina
Petra Nomina
John Paget
Dan Pence
Audrey Potter
Meredith Price
Susann Ragsdale
Carla Rajnus
Brian Ramsay
Krista Reynolds
Joanne Reynolds
Kamarin Riese
Rose
Mary Rosenberg
David Schroeder
Rebecca Schroeder
Erin Schwartz
Heather Schwartz
Jacqueline Scoggin
Kathryn Scotten
Dale Shetler
Ruthann Shetler
Maria Sinkford
William Sinkford
Jason Stafford
Marcus Stepaniak
Rebecca Stepaniak
Karen Stratton
Daryl Summers
Rachael Sykes
Smorm John Symons
Katie May Tucker
Michael Viera
Shawn Vorrath
Adam White
Lawrence Williams
Rebecca Withrow


**Music and Arts Program** – Mark Slegers, *Minister of Music*

The music program has coped quite well in this year of change and excitement. I particularly enjoy Bill Sinkford’s monthly theme idea and find it a creative framework around which to structure our musical presentations in worship.

Our adult choir program (around 200 singers on rosters) was filled to capacity by Homecoming Sunday in September with 80+ in both the Unitarian and Chalice Choirs, and 45 singing in Chamber Choir. I believe the choirs would join me in saying it is a privilege to serve our worship experiences with the spiritual food of music.

**Adult choirs participated in three major events:**

1. In October, our “Beatitudes for the Homeless” not only hosted the very progressive 1st Baptist Church of Seattle’s choir, but also the choirs of Portland neighbors, 1st Baptist and First Methodist Churches. Working together with Rev. Kate Lore we raised $10,000 for the homeless ministries of the three churches.

2. We joined 1st Methodist and Westminster Presbyterian Church choirs in an evening concert, singing the music of the prominent composer Morton Lauridsen. He was present and spoke of his very spiritual music to the audience. It was a highlight of the year for the Chamber and Unitarian Choir. The concert at 1st Methodist drew some 700 people and with ticket sales we broke even on orchestral and rental costs.

3. *The Web of Life*: On April 17, to celebrate Earth Day, our youth and children’s singing and bell choirs joined the Unitarian choir and Orchestra for a true intergenerational experience. With the help of Cynthia Boelling, Mona Warner, Carol Slegers and Ellie Hodder we were able to involve all these ages in a very creative and spiritual presentation.

**Children’s and Youth Music** (45 singers on rosters): MusicTree has experienced steady growth with a very fine group of singers enjoying and improving in singing under the guidance of Mona Warner. Both Sophia and Nova Choirs were down in enrollment this year.

**The Handbell Program** (about 65 on rosters): Handbells thrive under Ellie Hodder’s leadership. Parker Bells (adult ringers) continues to present challenging music and enjoy a fine community. The Chalice Bells (adult ringers) is quite large and is for those interested in learning bell ringing. The children’s bell ensembles enjoy steady strengthening. Chime Choir (grades 3-5) has had much success rehearsing between Sunday services. The high school aged Marguerite and the middle school aged Beacon Bells remain at about the same membership level.
Religious Education for Children – Cathy Cartwright, Director

Registration and other numbers

510 – 390 infants/children and 117 youth registered to date (April 2011).

72 staff/volunteers support the programs for children and youth – 7 paid staff and 4 volunteer in childcare;

44 Children’s RE teachers and 12 Youth RE teachers/advisors; 5 weekday volunteers

Registration increased 4% (up from 487, June 2010) with a slight increase in Sunday attendance.

Programs

Programs for Children are curricula driven and, though we take into consideration the monthly congregational themes, it is not always possible to incorporate them into developed sessions. Instead, we bring themes into the “sharing circles” that are a part of the tradition in each class, or into Children’s Chapel. The curricula come from a number of resources; some from the Unitarian Universalist Association (UUA), others have been developed by professional religious educators. This past year we offered brand new program, from an online resource called Tapestry of Faith, a new outreach program from the UUA. Entitled Amazing Grace and Riddle and Mystery, they were used for the 5th/6th program with good feedback.

Multicultural appreciation

Two programs that we offer every other year are Treasure Hunting for 1st/2nd graders and Holidays and Holy Days for 3rd/4th graders. Both of these include the celebration of cultures other then Anglo-Saxon or traditional christian. Sessions may focus on specific Native American traditions or eastern religious celebrations. As we continue to learn and grow, we need to
reexamine our approach. For example: One of the challenges this year was a lesson on “Africa”, as though it is one country. The teachers and I looked at this closely and rewrote it to better reflect the country. All classes have individual sessions where cultural appreciation is inherent.

Social Justice

This year our families were noticeably involved with Social Justice programs through the Family Shelter. Our 6th graders made lunch (using locally grown products) and the younger classes made Christmas cards. All our families brought in items for “hospitality bags”. They then handed these out to folks who do not have a home. It was appreciated that we have projects that was “hands-on” instead of being in the abstract.

I seem to report each year that our Mitten Tree is a very successful program. It grows and grows, allowing us to distribute items to more organizations each year. It is my goal to have as many families as possible involved, from setting up the trees, to decorating, to sorting items, to delivery. I even have families remove the trees to be recycled instead of relying on sexton staff. This year 16 families helped with our Mitten Trees.

These are just a few examples.

Community Building

I continue to add small group social events every year. Our New Family Potlucks were appreciated and a great way for new folks to get to know each other. We also had a Teacher Potluck as a social event (not a training). It is through small group experiences that we strengthen our connection.

The Learning Community retreat (April at Menucha Conference Center) has become a highlight. Folks are attracted to teach in large part because they are seeking small-group community. This retreat is a celebration of that and is an extraordinary example of multi-generational work. Youth (16- to 18-years) are included. We play together, eat together, worship together and plan together.
Religious Education for Youth – Dana Regan, Director

Registration (see Religious Education for Children, above)
Registration for Youth Programs decreased from 130 last year to 117 this year. Attendance was strong in the 11:15 service classes. Attendance at the 9:15 class (for 7th grade) dwindled to 0 (out of 4 registered) by February. Youth numbers at 9:15 have been low for the past three years; youth programs are no longer offered at 11:15.

Programs
The goal of First Unitarian Church’s youth program is to involve all youth in the total life of the church. The balanced program includes the major components of a strong youth program: learning, worship, and social action, ministry within the congregation, leadership and fellowship. All youth classes at the second service were well attended.

- **7th Grade** – focused on Eastern World Religions: Hinduism, Chinese Spiritual Traditions and Buddhism.
- **8th/9th Grade** – focused on the sexuality education curriculum, Our Whole Lives.
- **Young Religious Unitarian Universalists (YRUU)** – the program in these grades is not based on curriculum but rather on the interests of the youth. Programs have included many discussions about religion, current events, speakers from within the church as well as outside and planning the Annual Youth Service.
- **Campus Ministry** – The campus ministry program is up and running at Reed College and Lewis & Clark. Students from both colleges will host a luncheon for our graduating seniors in May talking to them about continuing their involvement with Unitarian Universalism during their college years.

Multi-cultural appreciation
All youth programs areas have a multi-cultural approach to them from Day of the Dead to LGBTQQ awareness to learning about Cuba in YRUU from the mother/daughter visitors in April. Campus students are quite involved with Interfaith movements.

Social Justice
All youth have participated in social justice or social action this year. 7th graders toured 13 Salmon Shelter with Kate Lore early in the year and then volunteered with their families to help in the shelter. 8th/9th graders have worked at the Food Bank and the ReBuilding center this year. YRUU prepared and delivered a complete Thanksgiving meal to 7 new immigrant families this past fall. In April they wrote cards of condolence to people in Japan after the many quakes that rocked that country.

Community Building and Fellowship
As is our custom, all classes participated in Creative Combustion for the month of September to learn how to get along and work together. Sociologists are becoming more and more aware that we must actually teach our students how to be civil and experience what trust feels like. We must value each other’s worth and dignity in a meaningful way.

There were many opportunities for play and fellowship this past year with overnights and movie watching and white elephant gift giving. Due to my sabbatical there have been fewer socials this spring.
Report from Social Justice Program from Rev. Kate Lore

It has been a fast-paced and interesting year--both in terms of the number and the array of events associated with the Social Justice Program. Some of this can be attributed to the natural growth of a vital program. The rest, however, can be explained by:

1) Our high priority placed on becoming a multicultural congregation (e.g., the “Beloved Conversations” classes, the increased interest in police accountability and gang violence);

2) The quickly changing and challenging times (e.g., the disasters in Japan, the Tucson Tragedy, the death threats to the members of Rev. Mark Kiyimba’s church in Uganda, record-breaking unemployment);

3) The expansion of our shelter for homeless families (i.e., we are now year-round);

4) A remarkable renewal of interest in addressing issues we’ve worked on previously (the Habitat for Humanity House, the Single Payer Healthcare Conference, Marriage Equity, etc); and

5) The emergence of new groups (Prison Ministry, the Cross-Cultural Committee, Palestinian Human Rights Group).

When one considers all these factors PLUS the extra energy associated with the District Assembly and Bill Sinkford’s Installation, one can grasp why the year has seemed so extraordinary. We have done more press events and started more new efforts than at any other time in my 13 years on the job.

One of the consequences of all this activity has meant more conflict than usual in the program. Some of the it has been between people within an action group (e.g., Peace Action); some of the conflict has been between action groups and church members at large (e.g., the Palestine/Israel conflict). There has also been tension around limits of resources to support the work of the program.

It is time to restructure the program so that it can be more sustainable. The Social Justice Council (SJC) and I will devote our Fall Retreat to exploring ways to restructure policies and procedures to support the growing program within available resources.
Sermons 2010-2011

May 2, 2010
The Church That is To Be

May 9, 2010
Can We Talk? Mother's Day

May 16, 2010
In Remembrance: Gabriel Fauré: Requiem

May 23, 2010
From Then Until Now

May 30, 2010
Remember Me

June 6, 2010
A Good Stretch

June 13, 2010
How to be an Adult

June 20, 2010
Afoot the Light-Hearted

June 27, 2010
Conflict-Avoiders Anonymous

July 4, 2010
Declaration of Interdependence

July 11, 2010
The Way of the Chalice

July 18, 2010
Casting Out Fear

July 25, 2010
Return to Pooh Corner: A Music and Worship Service for All Ages of Songs, Stories, Wisdom and Wonder.

August 1, 2010
The Sum is Greater: Nurturing Our Collective Wisdom

August 8, 2010
The Problem of Evil

August 15, 2010
Life Abundant

August 22, 2010
A House for Hope: The Promise We Bring to the 21st Century

September 5, 2010
No Guarantees: A group Reflection on the Current labor Market

September 12, 2010
To Forgive is Human, Too

September 19, 2010
Finding the Blessing

September 26, 2010
Giving Thanks for the Journey

October 3, 2010
The Saints Are In the Pews

October 10, 2010
One Brick At A Time

October 17, 2010
As Love Show U s How Miracles

October 24, 2010
Wells We Did Not Dig

October 31, 2010
LGBT Rights in Uganda

November 7, 2010
The Fullness of Life

November 14, 2010
Thanks and Praise

November 21, 2010
From You I Receive, to You I Give

November 28, 2010

Rev. Bill Sinkford,
Candidate for Senior Minister

Leisa Huyck, Intern Minister

Rev. Thomas Disrud,
Acting Senior Minister

Rev. Marcia Schekel

Leisa Huyck, Intern Minister

Rev. Kate Lore

Rev. Thomas Disrud,
Acting Senior Minister

Leisa Huyck, Intern Minister

Leisa Huyck, Intern Minister

Rev. Thomas Disrud

Music and Worship

Rev. Kate Lore

Leisa Huyck, Intern Minister

Rev. Kate Lore

Rev. Kate Lore

Rev. Bill Sinkford

Cathy Rion, Intern Minister

Rev. Thomas Disrud

Rev. Bill Sinkford

Rev. Bill Sinkford

Rev. Kate Lore &
Rev. Mark Kiyimba

Music and Worship

Rev. Bill Sinkford

Cathy Rion, Intern Minister
December 5, 2010  A House of Hope  Rev. Bill Sinkford
December 12, 2010  Christmas Peace  Music and Worship
December 19, 2010  In Need of Prayer  Rev. Bill Sinkford
December 24, 2010  Christmas  Rev. Bill Sinkford
December 26, 2010  Beyond Reason: New Hope for a World in Crisis  Rev. Kate Lore
January 2, 2011  The Arc of the Moral Universe...Bends Toward Justice  Rev. Bill Sinkford
January 9, 2011  The Times of Our Lives  Rev. Thomas Disrud
January 16, 2011  Can't We All Just Get Along?  Rev. Bill Sinkford
January 23, 2011  Blessed Unrest  Rev. Kate Lore
January 30, 2011  Love is the Doctrine of This Church  Rev. Bill Sinkford
February 6, 2011  Make a Joyful Noise  Rev. Bill Sinkford
February 13, 2011  Finding a Family  Cathy Rion, Intern Minister
February 20, 2011  We Need Not Think Alike to Love Alike  Rev. Bill Sinkford
February 27, 2011  Answering the Call to Joy  Rev. Thomas Disrud
March 6, 2011  How Can We Find Truth and Meaning in Our Lives  Annual Youth Service
March 13, 2011  Faith Without Certainty  Rev. Bill Sinkford
March 20, 2011  Grappling with Grace  Cathy Rion, Intern Minister
March 27, 2011  Standing on the Side of Love  Rev. Bill Sinkford & Rev. Thomas Disrud
April 3, 2011  Born Again...and Again...and Again  Rev. Bill Sinkford
April 10, 2011  America the Beautiful  Rev. Bill Sinkford
April 17, 2011  The Web of Life—John Biggs  Music and Worship
April 24, 2011  Rolling Away the Stone  Rev. Bill Sinkford
Child Dedications – 2010-2011

Aceline Casas de Morhardt
Beatrice Dearborn
Zane Hemphill
Ethan Letourneau
Katelyn Letourneau
Maxwell List
Abay Milner
Griffin Pinit
Charlotte Springsteen
Ari Trahan
Francesca Trahan

Passages – 2010-2011

Larry Arpan
Florence Baldwin
Peter Davis
Howard Glazer
James “Jim” Gronsand
Theodore “Ted” Hollingsworth
Millicent "Millie" Mathews
Helen Nahstoll
Helen Running
Garrett “Gary” Starr
2010-2011 Church Statistics:

Total Members: 1,664
Voting Members: 1,146
Pledging Households: 1,005
RE Enrollment: 510
Average weekly Attendance: 824

MINISTERS

Rev. Bill Sinkford, Senior Minister
Rev. Thomas Disrud, Associate Minister
Rev. Kate Lore, Social Justice Minister
Mark Slegers, Minister of Music
Cathy Rion, Intern Minister
Rev. Alan G. Deale, Minister Emeritus
Rev. Dr. Marilyn Sewell, Minister Emerita

CHURCH OFFICE AND PROGRAM STAFF

Nicole Bowmer, Assistant to the D.R.E.s for Children & Youth
Cathy Cartwright, Credentialed Director of Religious Education for Children
Jason Chapman, Lead Sexton
Zaida Cooper, Controller
Kathryn Estey, Church Administrator
Gardner Grice, Facilities Manager
Helena Hessle, Adult Programs Assistant

(Church Staff, continued)
Ellie Hodder, Director of Handbell Choirs
Signe Lusk, Pianist, Director of Nova Choir
Mary McFarland, Development Officer
Holli Nicknair, Events Coordinator
Joseph O’Donnell, Organist
Katie Radditz, Director of Adult Programs
Jinine Ramirez Cortez, Front Office Administrative Associate
Dana Regan, Credentialed Director of Religious Education for Youth
Barbara Robertson, Database Specialist
Mark Slegers, Minister of Music
Craig Towers, Membership Coordinator & Publications Editor
## First Unitarian Church of Portland, OR
### Fiscal 2012 Budget and Five-year Operating Fund Financial Plan

<table>
<thead>
<tr>
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</thead>
<tbody>
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<td>Pledge Income</td>
<td>1,364,744</td>
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<td>1,526,154</td>
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<td>Contributions</td>
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<td>189,486</td>
<td>200,735</td>
<td>212,652</td>
<td>225,278</td>
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<td>Program Revenue</td>
<td>191,679</td>
<td>200,346</td>
<td>209,360</td>
<td>218,734</td>
<td>228,484</td>
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<td>Special Fundraisers</td>
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<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
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<td>Total Other Revenue</td>
<td>18,700</td>
<td>19,168</td>
<td>19,647</td>
<td>20,138</td>
<td>20,641</td>
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<td>Tfr Foundation</td>
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<td>48,750</td>
<td>52,500</td>
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<td>60,000</td>
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<td>Tfr Operating Reserve</td>
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<td>25,000</td>
<td>25,000</td>
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<tr>
<td>Tfr Safety</td>
<td>83,000</td>
<td>--</td>
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<tr>
<td>Total Operating Revenue</td>
<td>1,931,992</td>
<td>1,950,944</td>
<td>2,058,396</td>
<td>2,171,660</td>
<td>2,291,064</td>
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<tbody>
<tr>
<td>Payroll Expenses</td>
<td>1,405,087</td>
<td>1,420,137</td>
<td>1,448,540</td>
<td>1,477,511</td>
<td>1,507,061</td>
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<tr>
<td>Occupancy Costs</td>
<td>243,599</td>
<td>260,651</td>
<td>278,896</td>
<td>298,419</td>
<td>319,309</td>
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<td>Program Expenses</td>
<td>359,025</td>
<td>323,994</td>
<td>336,954</td>
<td>350,432</td>
<td>364,449</td>
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<td>Administration &amp; Other</td>
<td>63,000</td>
<td>65,520</td>
<td>68,141</td>
<td>70,866</td>
<td>73,701</td>
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<td>Total Growth/Mission-Related Priorities</td>
<td>33,000</td>
<td>53,324</td>
<td>54,660</td>
<td>113,349</td>
<td>176,250</td>
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<td>Total Operating Costs</td>
<td>2,103,711</td>
<td>2,123,626</td>
<td>2,187,191</td>
<td>2,310,578</td>
<td>2,440,770</td>
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<tr>
<td>(171,719)</td>
<td>(172,682)</td>
<td>(128,795)</td>
<td>(138,918)</td>
<td>(149,706)</td>
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<tr>
<th>TRANSFERS TO RESERVES</th>
<th>FY 2012 BUDGET</th>
<th>FY 2013 Forecast</th>
<th>FY 2014 Forecast</th>
<th>FY 2015 Forecast</th>
<th>FY 2016 Forecast</th>
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<tbody>
<tr>
<td>Contingency Reserve</td>
<td>36,980</td>
<td>39,019</td>
<td>41,168</td>
<td>43,433</td>
<td>45,821</td>
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<td>Major Repairs Reserve</td>
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<td>10,000</td>
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<td>Equipment Reserve</td>
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<td>Sabbatical Reserve</td>
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<tr>
<td>Total Tfrs to Reserves</td>
<td>44,980</td>
<td>57,019</td>
<td>59,168</td>
<td>61,433</td>
<td>63,821</td>
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<td>216,700</td>
<td>229,702</td>
<td>243,484</td>
<td>258,093</td>
<td>273,579</td>
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<tr>
<th>CASH SURPLUS (DEFICIT)</th>
<th>FY 2012 BUDGET</th>
<th>FY 2013 Forecast</th>
<th>FY 2014 Forecast</th>
<th>FY 2015 Forecast</th>
<th>FY 2016 Forecast</th>
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<tbody>
<tr>
<td>--</td>
<td>--</td>
<td>55,520</td>
<td>57,741</td>
<td>60,051</td>
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**NOTES:** Forecast assumes 50% Full Fair Share UUA/PNWD Dues in FY12 and Full Fair Share by FY14; elimination of RE fees for pledging families in FY13.
Income through 3/31/2011

<table>
<thead>
<tr>
<th>Income Category</th>
<th>Amount</th>
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<tr>
<td>Pledge Income, Contributions</td>
<td>1,150,817</td>
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<tr>
<td>Program Income, Fundraisers</td>
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<tr>
<td>Facilities Rental, Investment</td>
<td>123,725</td>
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<tr>
<td>Other Funds</td>
<td>152,574</td>
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Expenses through 3/31/2011

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<th>Expense Category</th>
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<tr>
<td>Ministry</td>
<td>269,491</td>
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<tr>
<td>Music</td>
<td>159,542</td>
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<td>Children's Religious Education</td>
<td>148,291</td>
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<td>Adult Programs</td>
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<td>Membership &amp; Publications</td>
<td>68,470</td>
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<td>Stewardship</td>
<td>64,831</td>
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<td>Social Justice</td>
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<td>General</td>
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<td>Administration</td>
<td>473,860</td>
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<td>House and Grounds</td>
<td>49,286</td>
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### First Unitarian Church

**Funds Budget**

**July 1, 2011 - June 30, 2012**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Total Budget</th>
<th>Buchan Bldg.</th>
<th>Capital (Main)</th>
<th>Eliot Chapel</th>
<th>Commemoration</th>
<th>Chesney Intern</th>
<th>Hessler Deale</th>
<th>Steiner Fund</th>
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<td>Estimated Beginning Balance July 1, 2011</td>
<td>$ 311,925</td>
<td>$ 324,870</td>
<td>$ 1,453</td>
<td>$(43,796)</td>
<td>$ 11,540</td>
<td>$ 39,656</td>
<td>$ 34,982</td>
<td>$(56,780)</td>
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<td><strong>Receipts</strong></td>
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<tr>
<td>Interest/ Appreciation</td>
<td>$ 1,343</td>
<td>$ 40</td>
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<td>$ 291</td>
<td>$ 1,012</td>
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<td>Contributions</td>
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<td>Transfer from Operating Capital Reserve</td>
<td>$ 15,499</td>
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<td><strong>Total Receipts</strong></td>
<td>$ 204,181</td>
<td>$ 202,778</td>
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<td><strong>Disbursements</strong></td>
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<td>Facilities Upgrade</td>
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<td>Loan Payments</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Intern Subsidy</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Ordinations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$ 1,000</td>
</tr>
<tr>
<td>Grants and Stipends</td>
<td>$ 14,200</td>
<td>$ 14,200</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$ 13,200</td>
</tr>
<tr>
<td><strong>Total Disbursements</strong></td>
<td>$ 216,978</td>
<td>$ 202,778</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$ 1,000</td>
</tr>
<tr>
<td><strong>Surplus (Deficit)</strong></td>
<td>$(12,797)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100</td>
<td>291</td>
<td>12</td>
</tr>
<tr>
<td>Estimated Ending Balances June 30, 2011</td>
<td>$ 299,128</td>
<td>$ 324,870</td>
<td>$ 1,453</td>
<td>$(43,796)</td>
<td>$ 11,640</td>
<td>$ 39,947</td>
<td>$ 34,994</td>
<td>$(69,980)</td>
</tr>
</tbody>
</table>
Pauly, Rogers and Co., P.C. – Certified Public Accountants

FIRST UNITARIAN CHURCH
PORTLAND, OREGON

STATEMENTS OF FINANCIAL POSITION
June 30, 2010 and 2009 (Restated)

<table>
<thead>
<tr>
<th>ASSETS:</th>
<th>2010</th>
<th>2009 (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$1,402,419</td>
<td>$549,570</td>
</tr>
<tr>
<td>Investments</td>
<td>81,223</td>
<td>25,823</td>
</tr>
<tr>
<td>Assets - Amount Held For Others</td>
<td>0</td>
<td>38,867</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>7,695</td>
<td>6,788</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>5,746</td>
<td>2,961</td>
</tr>
<tr>
<td>Operating Pledges Receivable, net of allowance of $75,976 and $76,260</td>
<td>614,719</td>
<td>665,844</td>
</tr>
<tr>
<td>Capital Pledges Receivable, net of allowance of $47,271 and $69,206</td>
<td>898,149</td>
<td>1,314,928</td>
</tr>
<tr>
<td>Bookstore Inventory</td>
<td>16,315</td>
<td>20,566</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>3,026,266</td>
<td>2,624,647</td>
</tr>
<tr>
<td>Fixed Assets, net of depreciation of $2,340,809 and $2,004,138</td>
<td>9,491,397</td>
<td>9,772,570</td>
</tr>
<tr>
<td>Lease Origination Costs, net of amortization of $1,646 and $1,646</td>
<td>13,334</td>
<td>13,334</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$12,531,017</td>
<td>$12,410,571</td>
</tr>
</tbody>
</table>

LIABILITIES AND NET ASSETS

| Current Liabilities: |           |                |
| Accounts Payable     | $18,136   | $30,103        |
| Liability - Amount Held For Others | 0         | 38,867         |
| Commercial Loan, current portion | 166,658 | 179,990 |
| Unearned Revenue     | 20,461    | 5,850          |
| Unearned Lease Revenue | 459,956  | 469,456        |
| Total Current Liabilities | 665,211  | 724,366        |

Noncurrent Liabilities

| Commercial Loan   | 2,375,576 | 2,565,622 |

Total Liabilities | 3,040,787 | 3,289,988 |

Net Assets:

| Unrestricted       | 7,579,100 | 7,291,307 |
| Temporarily Restricted | 1,855,667 | 1,775,191 |
| Permanently Restricted | 55,463   | 54,085   |

Total Net Assets | 9,490,230 | 9,120,583 |

Total Liabilities and Net Assets | $12,531,017 | $12,410,571 |

Accompanying notes which are a part of these audited financial statements are available in the Church Office.
Pauly, Rogers and Co., P.C. – Certified Public Accountants

FIRST UNITARIAN CHURCH
PORTLAND, OREGON

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2010

<table>
<thead>
<tr>
<th>REVENUES, GAINS AND OTHER SUPPORT:</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>PERMANENTLY RESTRICTED</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Pledge</td>
<td>$ 729,795</td>
<td>$</td>
<td>0</td>
<td>$ 729,795</td>
</tr>
<tr>
<td>Capital Pledge</td>
<td>439,594</td>
<td>0</td>
<td>0</td>
<td>439,594</td>
</tr>
<tr>
<td>Contributions Non-Pledge</td>
<td>1,053,929</td>
<td>0</td>
<td>0</td>
<td>1,053,929</td>
</tr>
<tr>
<td>Transfer from First Unitarian Church Foundation</td>
<td>40,000</td>
<td>0</td>
<td>0</td>
<td>40,000</td>
</tr>
<tr>
<td>Rental Income</td>
<td>186,470</td>
<td>0</td>
<td>0</td>
<td>186,470</td>
</tr>
<tr>
<td>Program Receipts</td>
<td>180,874</td>
<td>0</td>
<td>0</td>
<td>180,874</td>
</tr>
<tr>
<td>Bookstore Receipts</td>
<td>26,127</td>
<td>0</td>
<td>0</td>
<td>26,127</td>
</tr>
<tr>
<td>Sunday Tapes, Flowers, Sermons etc</td>
<td>7,809</td>
<td>0</td>
<td>0</td>
<td>7,809</td>
</tr>
<tr>
<td>Interest Income</td>
<td>1,497</td>
<td>0</td>
<td>0</td>
<td>1,497</td>
</tr>
<tr>
<td>Program Designated Revenue</td>
<td>0</td>
<td>152,745</td>
<td>0</td>
<td>152,745</td>
</tr>
<tr>
<td>Net Gain (Loss) on Investments</td>
<td>0</td>
<td>12</td>
<td>1,378</td>
<td>1,390</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>29,986</td>
<td>0</td>
<td>0</td>
<td>29,986</td>
</tr>
<tr>
<td><strong>Total Revenues and Other Support</strong></td>
<td>2,596,081</td>
<td>152,757</td>
<td>1,378</td>
<td>2,850,216</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS RELEASED FROM RESTRICTION:</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>PERMANENTLY RESTRICTED</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction of Donor Restriction</td>
<td>72,281</td>
<td>(72,281)</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES:</th>
<th>UNRESTRICTED</th>
<th>TEMPORARILY RESTRICTED</th>
<th>PERMANENTLY RESTRICTED</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>General and Administration</td>
<td>231,758</td>
<td>0</td>
<td>0</td>
<td>231,758</td>
</tr>
<tr>
<td>Housing and Grounds</td>
<td>513,602</td>
<td>0</td>
<td>0</td>
<td>513,602</td>
</tr>
<tr>
<td>Religious Education</td>
<td>186,069</td>
<td>0</td>
<td>0</td>
<td>186,069</td>
</tr>
<tr>
<td>Membership</td>
<td>79,515</td>
<td>0</td>
<td>0</td>
<td>79,515</td>
</tr>
<tr>
<td>Ministry</td>
<td>271,022</td>
<td>0</td>
<td>0</td>
<td>271,022</td>
</tr>
<tr>
<td>Music</td>
<td>198,631</td>
<td>0</td>
<td>0</td>
<td>198,631</td>
</tr>
<tr>
<td>Adult Programs</td>
<td>77,135</td>
<td>0</td>
<td>0</td>
<td>77,135</td>
</tr>
<tr>
<td>Social and Economic Justice</td>
<td>91,635</td>
<td>0</td>
<td>0</td>
<td>91,635</td>
</tr>
<tr>
<td>Stewardship</td>
<td>73,028</td>
<td>0</td>
<td>0</td>
<td>73,028</td>
</tr>
<tr>
<td>Other Operating</td>
<td>204,599</td>
<td>0</td>
<td>0</td>
<td>204,599</td>
</tr>
<tr>
<td>Capital Funds</td>
<td>553,575</td>
<td>0</td>
<td>0</td>
<td>553,575</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>2,480,569</td>
<td>0</td>
<td>0</td>
<td>2,480,569</td>
</tr>
</tbody>
</table>

| Change in Net Assets                 | 287,793      | 88,476                 | 1,378                  | 369,647 |
| Net Assets at Beginning of Year, Restated | 7,291,307 | 1,775,191              | 54,085                 | 9,120,583 |
| Net Assets at End of Year            | $ 7,579,100  | $ 1,855,667            | $ 55,463               | $ 9,490,230 |

Accompanying notes which are a part of these audited financial statements are available in the Church Office.
Your Foundation continues in good health.

Many of you have received invitations to join the Legacy Society. Membership is composed of people who have named the Church in their wills or other retirement or estate planning documents. *There are many ways the Church can help you meet your retirement income goals, as well as other important financial goals; and at the same time you help provide for the long-term health of the church.* Think about it!

As this report goes to press, we are currently in the search process for a new Investment Advisor. This is always a major challenge for your Board of Stewards. We anticipate having this transition completed before the end of this calendar year.

This June marks the close of nine years of service on your Board of Stewards by **Barbara Miller**. Actually she has served much longer, having been one of the core group of long term members who brought our Foundation from dream to reality. **Thank you, Barbara.** You are an acknowledged expert in the field of philanthropy, and your expertise, experience and good guidance have been indispensable to us.

The nominee to replace Barbara is **Linda Noah Aso**. A member since 1973, Linda has been a mainstay in the music program for many years. She’s now ready to bring her creativity and commitment to a different role in the life of the church. We look forward to working with her in coming years.

Stewards are elected by the congregation (one each year) to serve five year terms. These five are joined by two Stewards appointed by the church Board of Trustees. This board of seven is charged with overseeing the Foundation, which exists to assure the long term financial health of the church.

**AND - DON’T FORGET TO INCLUDE THE FOUNDATION IN YOUR ESTATE PLAN!**

Respectfully submitted,

**Beverly Fogle**

Chairman

Members of the Board of Stewards for 2010-2011 are Beverly Fogle, Pat Malone, Barbara Miller, Martha Richards, Ruth Robinson, Evans Van Buren and Camille Wright