First Unitarian Church of Portland  
~ Board of Trustees ~

AGENDA  
November 5, 2015

6:00 Board Dinner  
6:25 Informal Check-in  
6:40 Deepening  
6:55 Break  
**Board Meeting**  
7:00 Convene Meeting  
7:01 Opening Words: Maryann  
Process Observer: Randy  
Review Agenda  
Announcements  
- Please upload documents into dropbox. Ask Ameena if you need assistance.  
- Board Holiday Party: December 17 from 6pm-8pm  
- AFD kick-off: November 1  
- Celebration Sunday: November 22  
- Please continue to send names of possible candidates to the Nominating Committee.  
- Candidates’ meeting with the Nominating Committee and ET is on December 1  
7:03 Timekeeper: Randy  
Approve previous meeting’s minutes  
7:05 Open mic for congregants (2-3 minutes per congregant)  
**Updates**  
7:15 ET Update  
7:20 Finance Committee Update  
7:25 Communications Committee Update  
7:30 Policy Evaluation Committee Update  
7:35 **Consent Agenda**  
Approve HVAC controller contract with Kite and Lightening  
7:36 Break  
**Action Items**  
7:45 Stewardship  
- Information about the current Annual Fund Drive and Stewardship  
  o Update on the Annual Fund Drive and Stewardship (Laura)  
  o Questions about the current AFD  
- Discussion on the guiding question, “How do we ensure the financial well-being of the church?”  
  o This is an initial discussion, which we will continue in a future Board meeting.  
  o This portion of the discussion is future focused, rather than focusing on the current AFD.  
8:15 Discussion of the ET Monitoring Report
• Please read the entirety of the ET Monitoring Report and be prepared to discuss the following
  o What are your reactions to the ET Monitoring Report?
  o In the introduction, the ET notes that it has been a complicated year that can be viewed through several lenses. How has this affected our ability to live out the elements of our mission?
  o The congregant ratings for the elements of our mission declined in the 2015 survey. What conclusions are drawn in the report and how can we interpret this change?
  o Our attendance has shifted to being partially virtual over the last year and our number of new members was greater than any year in the last decade. However, there is a reduction in adult, in-person attendance. What does this tell us?
  o The ET’s assessment of element 4 is that we are out of compliance. What does this mean for the collaborative relationship between the Board and ET?
  o Please feel free to bring additional questions and topics for discussion.

8:55 Communications Check
8:58 Process Observer: Randy
8:59 Closing Words: Maryann
9:00 Adjourn

Vision Statement

First Unitarian Church 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.
Ameena Amdahl-Mason convene the meeting at 7:00pm.


We lit the chalice and read our new vision statement.

Opening Words: Randy

Review Agenda - Removed PEC Compliance Report from Consent Agenda

Announcements
- Send website updates to Kathy. If you do not want a webpage for your committee, let Kathy know and it can be deleted.
- Please upload documents into dropbox. Ask Ameena if you need assistance.
- Please sign the conflict of interest form (in the Board packet). The related policy is on pages 28-32 of our policies.

Change: The last BOC meeting went into closed session. In checking policy, it was not necessary.

Timekeeper: Evie

Approve September meeting’s minutes with changes: Andy, not Randy read the opening words; include Wendy Rankin in our thanks to the 150th Anniversary Committee.

Randy moved; John H seconded; None opposed.

Open mic for congregants (2-3 minutes per congregant) - No congregants attended.

Updates

**ET Update**
Tom & Bill
- The church year has started and is going well;
- Eliot Chapel was open tonight for a prayer vigil response to the shooting in Roseburg;
- Kate Lore is representing First Unitarian at a City Hall vigil for the same;
- Changes in the RE and Music program fee structure has brought a lot of opinions, especially in the music program. Staff is addressing concerns. Most are happy with change;
- This Saturday is Kevin Lawson’s ordination - an important part of our tradition. All are encouraged to attend.
- The union discussions are ongoing and an e-news update will be posted;
- The Annual Fund Drive kick-off is November 1, Linda Hunter is chair;
• We had protestors a couple weeks ago who wanted confrontation, but Kate Lore gathered congregants who sang to them. It was a great response.
  • Staff was debriefed on protocol for children, and staff will create a procedure for handling events like this;
  • This incident led to parents having positive discussions with their children;
  • We posted about the incident and we had 4000 responses on social media;
  • Andy congratulated the staff on their response.
• Bill has been asked to give the “Service of the Living Tradition” sermon at the next GA. A well deserved honor.

Finance Committee - Michael
In addition to the attached reports on financial operations Michael thanked Maryann and Laura for their help, and shared highlights from the congregational meetings -
• Justice Begins at Home drive, salary, union issues, the auction and why it is not part of the budget were big topics,
• Congregants would like more information on reserves, income, etc.
• More notice on future scheduling
• Lack of trust between congregation and the board & ET - we need to continue to work on;
Specifics will be sent out to congregants next week.

Communications Committee - Evie
In addition to the attached report, Evie thanked the board for passing out book marks with our vision statement.

Policy Evaluation Committee - John T
In addition to notes attached, the next meeting is on the 8th and they will be reviewing governing policies to revise this year.

Consent Agenda - No consent agenda items.

Suggestion to have the BOC minutes be part of the consent agenda or another more appropriate spot. Some would like the BOC more visible. BOC will discuss and bring back to the board.

**Action Items:**

**Discussion of a motion to waive policy 3.2.1**

Motion - table this discussion and move it back to PEC, John H moved, Andy seconded; Discussion:
• Eliminating the policy because it is not in compliance.
• No need to waive policy that expects the ET to not be in compliance.
• Board can waive any policy for good reason - this has been discussed before.
Vote: 2 in favor, 8 opposed, 1 abstention, motion failed.

3.2.1 Staff Retention and Compensation. *The Executive Team is expected to hire, train, compensate and terminate staff in a professional and respectful manner. The Executive Team shall compensate full-time staff at a rate at least equal to the current Portland living wage and basic benefits. Compensation shall not exceed market rates. The Executive Team may only create obligations to staff over a term for which revenues can be*
safely projected and such obligations shall be within the church’s ability to pay, given current budget constraints. The Executive Team shall not promise or imply permanent or guaranteed employment. The Executive Team may not establish deferred or long-term compensation and benefits, including those that cause unfunded liabilities to occur or in any way commit First Unitarian Church to benefits that result in unpredictable future costs.

The Executive Team cannot allow any employee to lose benefits already accrued from any foregoing plan. The Executive Team shall not change any employee’s compensation, benefits or allocated professional expenses established by the Board. Any minister employed by First Unitarian Church shall be permitted to take the maximum amount legally allowable, up to the amount of 100% of the compensation of each minister, as a ministerial housing allowance as described in 26 USC §107 of the Internal Revenue Code (or any corresponding future sections). This policy shall continue to be in effect from year to year until it is revoked by the Board of Trustees.

Motion - Suspend the bold portions of the above policy until either an agreement is reached with the Union or the Board approves a new policy 3.2.1, whichever comes first.
Randy moved, Maryann seconded. Discussion:

• Two pay requirements are inconsistent and don’t provide guidance to ET in deciding compensation;
• Mistake for the church to operate without language on unpredictable costs and unfunded liabilities;
• The board would be abdicating its responsibilities;
• Ultimately the contract being negotiated will become before the board for vote;
• The ET is working as our agents for the employees and the board must provide guidance;
• The ET has shown great leadership dealing with this issue;

• We don’t know what is being discussed, we need to relax and allow them come up with a contract we can approve;
• No reason to come up with policy now;
• What is the time frame to write a new policy? This church year (PEC policy work)
• Most union contracts extend beyond one year;
• It is the nature of the church to raise money for one year;

Call the question -
Vote: 10 in favor, 1 opposed. Motion passed.

Generative discussion of the ET Monitoring Report and our revised elements

The original elements

1.1 Mission. 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. To realize this mission, First Unitarian Church:
1. 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.
2. Offers lifespan religious education consistent with Unitarian Universalist values, and provides a forum for exploring diverse points of view.
3. Provides worship that is inspiring and affirming, as well as a variety of experiences that invite congregants to deepen their spiritual lives.
4. 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.
5. Cultivates and nurtures leaders who serve and inspire the church community.
6. Is a sustainable church community in which congregants, Board, staff and ministers share stewardship of both our tangible and our human resources.
7. 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.
8. 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.

We’ve been living the proposed revisions for this past church year. Discussion to examine the merits of these and return to PEC for recommendation.

Elements 1, 2 and 4 need revisions to the revisions;

Motion - Accept changes in revision language for elements 3, 5, 7, 8 supported by congregation. John H moved, Evie seconded. Vote - All in favor.

Discussion of elements 1, 2 & 4 -
• Concern that goal was to make these outcome focused and unmeasurable. Doesn’t see new statements as measurable.
• Hard to have aspirational as well as measures. ET interpretation is the measurable understanding.
• Are there measures to the revised elements that weren’t provided regarding the past elements;

Element 1:
• Safety as a goal is a difficult one for Bill. We will be troubling some souls even within a safe place to be/work.

Element 2:
• Language is not aspirational or a high enough bar.;
• We are moving in the right direction and are making good progress;
• What could be included to make it more aspirational - Send kids off with lives of authenticity.
• We should stay in contact with those in the learning community and see how we’ve prepared them for the real world;
• We are quick to say what we reject, but our teenagers are expected to make a statement of faith articulating what they stand for and believe;
• Capacity to engage in deeply divided issues while preserving covenant.
• Capacity to utilize knowledge of self to make change in the world;
• Self respect and act for right;
• We should follow up with the young adults;
• How do we service the entire community (element 1 speaks to part of it);
• We need to be aware of various ages and cultures;
• Should we move away from the language of life-long education;
• Separate the youth RE and life-long RE;
• Maybe our goal should be lifelong spiritual development with different strategies for different age groups.

Element 4:
• What would be the core issue that would speak to the mission of our church;
• Take the word transparency and describe open and available;
• This element should discuss open communication up and down;
• We need more openness and communication;
• This element had the largest reduction in the ratings;
• High on our list is the reestablishment of trust in the system;
• PBG is not the right language, yet is the right concept, representative form of government;
• The congregants wants more transparency - access to all the information we have;
• We would like to know what more they want so that we can provide it;
• Possible Listening Session - ask what transparency means to the congregants.

Communications Check -
Complete calendaring committee/board meetings.

Process Observer –Randy shared we had a very interesting discussions on difficult topics. Everyone contributed with good hearts and the well-being of our church.
Ameena - We handled animated discussions well.

Closing Words - reading from Micah

Adjourn 9:00pm

Respectfully submitted,
Kathy Ludlow, Secretary

Board Calendar

October

1. Board:
   - Schedule November/December meeting with Nominating Committee
   - AFD status report
2. Finance Committee:
   - Receive/review draft of ET’s Annual Maintenance Report/Planning document.
• Receive/review annual audit report with outside auditor, if available.
• Forward to Board audit report and recommendations if audit received

November

1. Board Meeting:

• Monitoring Report – Receive/review annual audit report, if not received in October
• Receive/review ET’s Annual Maintenance Report/Planning document
• AFD status
• Candidates Meeting (Joint NomCom/Board/ET meeting) regarding potential nominations for spring election.

2. Finance Committee:

• Receive/review annual audit report with outside auditor if not received in October
• Receive/review ET’s Final Annual Maintenance Report/Planning document
• Forward recommendations on Audit and Maintenance Plan to Board

Board Goals 2015-2016

• In order to make policy-based governance more accessible, the Board will continue working on a document describing and delineating norms, roles, and processes.
• The Policy Evaluation Committee and the Board will perform a comprehensive review of policies and by-laws, and make recommendations for policy revision.
• The Finance Committee and Board will present a meaningful budget, which allows congregants to understand the programmatic results of their giving and cultivate a culture of deeper generosity.
• The Board will use the vision statement to develop five year goals.
ATTENDANCE:

Attending: Ameena Amdahl-Mason, Maryann Roulier, Michael Cunningham, John Hutzler, Rev Tom Disrud, Rev Bill Sinkford, Kathy Ludlow
Absent: Randy Russell

A quorum is present.

**ET Updates:**

- Music Program transition as move closer to Mark’s retirement. Working to stay in relationship with music staff and beginning planning advisory search committee this fall/winter.
- Annual Fund Drive materials go out tomorrow. Kick-off is November 1st, for four weeks. We’ll be asking those who stepped up for Justice Begins at Home to sustain their pledge, and those who didn’t step up to do so now. Budget is approximately 2-1/2% increase over last year’s pledges.
- Excitement around moving ahead on third service work with Church of the Larger Fellowship and Terri Burnor. Ten week experiment beginning this winter. Target time is 5pm on Sundays. Combination of brick and mortar and virtual.
- Response to protesters - had additional security the week following. Have created mass text process between staff, RE community, ushers. Sextons will have security guard training and become state certified. Have linked in with neighbors to create a safe zone for NW Academy students as well. The two incidents may not have been connected. The ability to be in a world un-anxious is a privileged position.
- Special service on our history this Sunday - should be fun.

**Mentors for new board members** - Michael is working with Darin. We will appoint someone for Alan after he chooses a committee to join.

**Board Composition** - who’s running for re-election?

- Add to Alan’s board term on webpage - “filling vacated term - will stand for election in 2016 to complete it”.

**Candidate’s Meeting** - to be held December 1. Bill will attend. There may not be any openings to fill if all existing want to run again.

Kathy will work more closely with Ameena to help keep records in order in Dropbox.

**Board Holiday Party** - proposing December 17, 6pm. Catered meal, at church, white elephant gift exchange. Kathy and Evie will organize catered food and cost/person.

**November Board Meeting Agenda:**

- Add to November agenda opportunity for board members to pledge. Laura will give an update on Stewardship.

- Consent Agenda - no items so far except for board committee reports.
• Action Items -

Generative discussion topics -
1. How do we ensure financial well-being of the church? With changing pledging practices of various age groups. What do board members need in terms of information to have a substantial conversation on this topic? Bill will look for some articles that may help our thinking process. Ameena will ask the board members for sources information to share as well.

2. ET Monitoring Report did not elicit a substantive discussion at last board meeting. ET provided three big chunks of material that they expected might have created deeper discussion. Ameena will create some questions to stimulate some further discussion in November. BOC to give her feedback on areas of focus. i.e.: lower responses in survey, attendance and governance.

Planning for next months’ board meetings -
PEC timeline - John H impression is that PEC won’t address all policies by the proposed date, just the higher risk items. Ameena will check with John T.

Maintenance Plan - draft coming from Kathryn E at next meeting. Will be on December agenda(?)

The Annual Financial Report from Kathryn E, usually done in spring, will be to board in next month or so - prior to the April meeting.

Meeting adjourned at 5:50pm.

Respectfully submitted,

Kathy Ludlow, Secretary
First Unitarian Church  
Communications Committee Meeting  
October 20, 2015  
Draft Minutes

Attending: Ameena Amdahl-Mason, Kathy Ludlow, Maryann Roulier, Evie Zaic, Alan Comnes

Last year's work of the Communication Committee was summarized for Alan’s information.

Discussion about Listening Project success and future use of approach.

Possible topics: What do congregants mean by “transparency”?  
Communications should work on the congregant survey with PEC this year.

Committee could possibly request that Corbin put information out on Facebook, e.g. possibly request responses to the new vision statement.

Agenda items:

Update church web page: Kathy and Evie will make the changes and give Ameena access for emergency changes. Issues: Inconsistent font. Ask Corbin how to get back to the default. Need to know what colors are appropriate. Reorganize contents. If items are listed in index, they can be eliminated from the Board page.

Where is Leadership Development? Take off of Board page? Put all questions in Q&A.

Click here to see our policies and by-laws” Board goals first. New 5 year goals are under construction”  
Important church documents – remove Executive Reports

Move Visioning history to Drop Box. Keep the vision statement on the website.

Policy Evaluation Committee page needs contents. Will use committee description for placeholder.

Let’s ask Corbin when Order of Service is posted.

Survey results:

Members of committee should look at the content and determine what should be posted. We will share thoughts via e-mail in interim.

Meeting adjourned at 5:50 p.m.
Sept. 22, 2015

From: Executive Team

To: Board of Trustees

September, 2015, Executive Team “Monitoring Report”

2014-15 was a complicated year for the ET, for the Board and for our congregational leaders generally. It is a year that can be viewed through several important lenses.

One lens would see the year framed by “Hands Up, Don’t Shoot” in Ferguson last August and “Black Lives Matter” at Emanuel AME in Charleston. This justice-focused lens includes national Marriage Equality and gathering strength to address climate change.

Another might center on the kick-off of our 150th Anniversary, Cindy Cumfer’s new history, the Oregon Historical Society exhibit, and the Celebration of Ministry on June 21, with dozens of ministers with ties to First Church lined across the Chancel.

A third lens might focus on the UUA General Assembly: the thousands of volunteer hours, Kate Lore’s leadership in public witness, our popular booth, the SRO Choir Concert.

Streaming worship, which we began in September, quickly became “standard operating procedure.” 5% of our attendance for the year was “virtual.”

We announced an even greater number of deaths than the record number of the previous year. Concerns about congregational demographics are deepening for many of us. Also, at a less existential level, the number of deaths may require reshaping of our priorities for ministerial time and energy.

Theology? Rebecca Parker’s Seminary for a Day address and her sermon struck a resonant chord for many. She affirmed the importance of the “no’s” we have said to theologies and ideas about the holy, making space for the “yes” we are yearning to find.

“Not Your Same Old Fund Drive” signaled a significant shift in how we do annual fundraising. Despite positive energy, overall giving remained flat, as it has for years. Yet, “Justice Begins At Home,” in response to the need to increase staff compensation, especially at the lower levels, was the most successful additional “ask” in recent history.

We also navigated complicated territory as some of our employees demanded a union. There was real divisiveness as the ET finally agreed to voluntary recognition of a union and the bargaining process to create a first contract began. That process is not yet complete.

The year ended on the positive notes of General Assembly and the kick-off events for our Anniversary. But questions linger on the minds of the ET and, no doubt, Board leadership:

Will agreement be found to conclude an employment contract with the “union” employees? How much time and energy will be required of the ET (and the union) to reach that agreement?
Will the “Justice Begins At Home” pledges be continued at levels that will support the higher wages we must begin paying? To Stewardship end.

Will we regain the ability to focus on our future, finding the energy to manage significant staff transitions, explore the role technology can play in our ministry and increase our financial health?

Board progress toward both a congregational vision and revised mission language was delayed, superceded by the need to respond to the union, staff compensation, and policy review issues. Board culture and partnership with the ET also shifted. (See Element 4)

Overall, the ET believes we delivered a quality worship, pastoral, prophetic and program year. However, the additional demands of the year meant that some priorities did not receive as much attention as planned. Leadership development is one example. Next steps to develop the “paths” toward spiritual deepening is another. Our ability to dream and plan forward was severely limited by the press of urgent demands. We ended the year with personal resources depleted.

This report continues to use the “elements” of our mission as a framework. Both the original descriptions of the elements and the PEC recommended revisions are included. No further revisions to our “interpretations” were made nor are any planned until new language for the elements is approved. ET commentary on “element” language from the prior reports is not repeated here.

Central metrics for almost all elements of our ministry are scores from the Congregational Survey. There were 194 responses (vs 201 in 2014 and over 330 in the first two years). It is our view that the survey received too little publicity, especially from the pulpit, in a spring dominated by the “Justice Begins at Home” ask, labor negotiations, the Anniversary launch, GA, “Black Lives Matter,” and the on-going high level of pastoral need.

Ratings, across all elements of ministry, were reduced, ranging from a 3% reduction for the rating of worship to an 11% reduction for “transparent democratic process/shared governance and a 16% reduction in the “sustainable community” element. It is hard to believe that satisfaction with what we offer has declined…in every area. It seems more likely that those motivated to complete the survey were more inclined to rate our ministries more critically. These results seem related to the concerns raised by the unionization and authority issues, witness the largest reduction for the “transparent democracy” element. These scores indicate both a need to expand the number of congregants who respond, and continued attention to the justice and transparency issues raised during the last year. Even the reduced levels of these scores this year, it should be noted, described a ministry that is very much appreciated.

As we said, this report covers a complicated year.

ET

**Mission.** 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. To realize this mission, First Unitarian Church:

1) Original: 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 relations.
Revised: People who participate in the church community feel safe, experience nurturing relationships and diversity, and are challenged to grow spiritually.

ET Interpretation: We interpret this element to mean that the church, through its worship life, programs, institutional goals and policies, models radical hospitality to welcome the diversity of people who come through its doors and offer them opportunities to grow spiritually once they are here. It will strive to support people on their life journey through pastoral care and through one-on-one and group interactions. It will strive to build the Beloved Community through a variety of group experiences and will be intentional in its work to be anti-racist and multi-cultural. It will establish policies to insure that the church is a safe place for everyone, and particularly those who are the most vulnerable.

ET Assessment: We believe we are in reasonable compliance with this aspirational Element of our Mission.

Measures/Indicators:

This element received an average rating of 3.92 (5 point scale), down from 2014 and comparable to the rating in the 2012 survey. Ratings for all elements were reduced from the prior year.

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See “Worship” Element for data on attendance.

The number of new members increased to 84 (5% increase), higher than any year in the last decade.

New Members **Annual Enrollment**

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Pastoral Support:

Pastoral care is provided to congregants by all First Church ministers and an active team of lay ministers. In the last two years we have seen a significant increase in the number of memorial services at the church. This has been a trend for several year but especially so the last two years. It appears to reflect the reality an aging demographic in the congregation. As the pastoral load increases, the ministerial time needed for pastoral care may well increase.
From January through June, 2015, 24 lay ministers supported 58 congregants, including an estimated 289 visits, some by phone. That compares to the same period in 2014, when 20 lay ministers supported 48 congregants, including an estimated 404 meetings.

Eight new lay ministers were trained in the spring and have now joined the lay ministry team.

Welcoming:

New members and visitors, generally, report feeling welcomed. In January we initiated a visitors circle after each service in one of the side galleries of the church. The numbers have varied quite a bit but generally this has been a welcome addition to our process. We seem to be catching folks who wouldn’t necessarily go down to the social hour. The Membership Committee last year instituted a mentoring program for new members. Members of the Committee check in with folks in the months following their joining and that has been positively received.

Racial and Cultural Diversity:

Racial/cultural diversity continued to emerge as a priority issue in the Visioning Process.

Demographics from the Congregational Survey reveal a congregation with more than 70% of its adult members over the age of 55.

The survey also continues to describe a congregation that is overwhelmingly white, though the percentage of adults who identify as other than white is “drifting” upward, now at 7%. The numerical change is far from significant, but there are now, consistently, a few more darker faces in the sanctuary on Sunday mornings. We continue to offer programs and trainings on racism, and “Black Lives Matter” has become a central element of our internal reflection, public witness and outreach. At least one visitor recently cited our “Black Lives Matter” banner as what drew him to attend worship.

Young Adults

Young adult programming lost some minimal momentum with the departure of staff member Kate Fagerholm in January. Young adults continue to meet informally but they are not getting the support they need from church staff. This reflects other demands on institutional resources and time. Should we prioritize investment in this ministry or allow it to remain the easiest ministry to cut?

“Safety” Policies:

Policies are in place that articulate the vision of First Church as a safe place for a diverse community (Congregational Covenant, Grievance Procedures, Safe Congregation).

2) Participants in lifelong religious education explore diverse points of view and gain a deeper understanding of themselves.

Interpretation: First Church offers opportunities, across the lifespan, for learning and understanding grounded in UU values. We also provide forums for exploring difficult contemporary religious issues.
ET Assessment: We are in compliance with this Element, as written. We continue to believe that this Element should focus more on outcomes than on what we offer.

Measures/Indicators:

In the Congregational Survey, this element received one of the highest ratings (4.26).

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The range of programming offered is reflected in both the Learning Community and Adult Education Program Guides.

Learning Community for Children and Youth

Learning Community registration at 465 children and youth was down just slightly from the prior year. A number of new elements will be introduced this year:

On Together Time Sundays parents will be invited to a Round Table discussion during service. This will give an opportunity for new parents to hear more about programming and ask questions. It will also be a place for parents to offer support to each other.

We are not offering 5th/6th Our Whole Lives sexuality curriculum this year. Instead we will offer this on the years we include 7th/8th OWL.

We’ve extended the 5th/6th programming to include a half dozen movie nights. These are movies that will be incorporated into their lesson the next Sunday, when brief clips will be shown.

We are planning a trip to Boston this year for Coming of Age and postponing the Civil Rights Social Justice tour until 2017. These two pilgrimage trips will continue to alternate.

Learning Community Registration

September-June 2009-2015

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<td>Total</td>
<td>465</td>
<td>475</td>
<td>490</td>
<td>495</td>
<td>524</td>
<td>494</td>
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*In 2012 the Learning Community discontinued the breakout of children and youth, instead measuring total registrations.

Adult Programs Registration Trends:

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<tbody>
<tr>
<td><strong>Total Registrations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Classes &amp; Retreats)</td>
<td>1,027</td>
<td>998</td>
<td>1,001</td>
<td>1,315</td>
<td>984</td>
<td>1,157</td>
</tr>
<tr>
<td><strong>Fall Registrations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Classes + Retreats)</td>
<td>385</td>
<td>439</td>
<td>399</td>
<td>460</td>
<td>425</td>
<td>487</td>
</tr>
</tbody>
</table>

3) Original: Provides worship that is inspiring and affirming, as well as a variety of experiences that invite congregants to deepen their spiritual lives.

Revised: Participation in Sunday worship is inspiring and affirming, and deepens the spiritual lives of the participants.

ET Interpretation: First Church offers excellent quality worship that not only nurtures/affirms, but also inspires/challenges congregants to spiritual depth.

ET Assessment: We believe we are in compliance.

Measures/Indicators:

In the Congregational Survey “Provides worship that is inspiring and affirming” received the highest rating among the highest ratings, (4.26 out of 5.0), and the rating least reduced from the prior year.

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<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
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<tbody>
<tr>
<td></td>
<td>4.26</td>
<td>4.39</td>
<td>4.53</td>
<td>4.47</td>
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</table>

Sunday worship attendance remains the most important numerical indicator of congregational vitality, although as church-going culture continues to shift it is no longer the sole indicator.

Sunday Attendance
Overall, attendance was almost unchanged (+1%) vs the prior year. Please note, however, that we had a snow day during the previous winter (so one fewer Sunday’s worth of attendance). And, critically, note that it was only including attendance via streaming worship this year that allowed that positive result. “In person” Sunday attendance was down 4% from the prior year, the 4th year in a row of reduction following the all-time high of Rev. Sinkford’s first year.

What is the reduction in adult, in-person attendance telling us?

Is the “narrative of decline” for Unitarian Universalism, the story that is currently so popular among our national leadership, becoming a reality at First Church?

A firm answer is hard to come by. Evaluated by number of new members (more than doubled from 2009 and 2010, see Element # 1), number of pledges (+2% vs 2014, see Element # 6), participation in Children’s and Adult RE, Music and SJ programs, First Church is far from a trajectory of decline. Participation remains robust.

Energy is difficult to measure, but the “buzz” and activity on Sunday morning continue to be positive and strong.

Are the unusual number of deaths we have memorialized in the last two years a new normal? Will our older and aging demographic dictate a declining numerical size for First Church?

Does the institutional priority become attracting younger members (50-somethings, young families or young adults)? Is the desire for younger members a mission priority or just a concern for institutional survival?

Does the reduction in “in person” worship attendance signal a change in church attendance patterns, with more people/families moving to less frequent attendance? Will such a change shift how generosity is expressed, and how it is invited?

This is the pattern broadly reported in the rest of the “mainline” faith traditions. Whereas “regular attendance” once meant “almost every” Sunday, 2-3 times/month is becoming the norm.

Our robust attendance on Christmas Eve and Easter (Xmas Eve larger even than Rev. Sinkford’s first year) suggests that more of us may be becoming “Christmas and Easter” UU’s, as ironic as that may be, given our theology.

Is what we offer on Sunday morning becoming less attractive to younger potential members and to seekers more generally? Do we need to change our worship experience to attract more/younger members? Or add another service with a different “vibe.”

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</thead>
<tbody>
<tr>
<td>Sanctuary</td>
<td>34,838</td>
<td>(4)%</td>
<td>36,345</td>
<td>37,981</td>
<td>38955</td>
<td>42,129</td>
<td>38,024</td>
</tr>
<tr>
<td>Streaming</td>
<td>1708</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>36,546</td>
<td>+.5%</td>
<td>36,516</td>
<td>38,682</td>
<td>41,254</td>
<td>42,129</td>
<td>38,024</td>
</tr>
<tr>
<td>#Sundays</td>
<td>52</td>
<td></td>
<td>51</td>
<td>52</td>
<td>52</td>
<td>52</td>
<td>52</td>
</tr>
<tr>
<td>Av/Sun</td>
<td>702</td>
<td></td>
<td>712</td>
<td>730</td>
<td>749</td>
<td>810</td>
<td>731</td>
</tr>
<tr>
<td>Christmas</td>
<td>2201</td>
<td></td>
<td>2035</td>
<td>2025</td>
<td>1864</td>
<td>2163</td>
<td>1670</td>
</tr>
<tr>
<td>Total</td>
<td>38,747</td>
<td>+1%</td>
<td>38,380</td>
<td>40,006</td>
<td>40,819</td>
<td>44,292</td>
<td>39,694</td>
</tr>
</tbody>
</table>
This has been an open question since at least 2006, probably before. Consultant Gil Rendle, in his 2006 analysis: “If the present developmental goal at First Church is to support continued growth, a third worship service should provide an alternative format of worship at a time other than Sunday morning.” “It is recommended that major responsibility for the development and leadership of a third worship service be assigned to the third minister who will join staff.”

The Rendle report identified single young adults or young families as potential target groups for an additional service. Both would be consistent with the desire expressed in our recent Visioning work to shift emphasis toward a younger demographic.

Clearly the decision was made to focus our third minister on Social Justice, rather than growth and expansion of our worship offerings. The need/opportunity for an alternative worship offering did not, however, end. That may be the most important “take away” from our attendance trends.

Rendle stressed that an additional worship offering must be adequately staffed. That means not only the minister, but music leadership as well. Adding a service would allow us to preserve the excellence of the performance-oriented music we enjoy now, while adding a less formal, less performance-oriented, more participatory alternative. N.B. “Adding” will require additional resources. These questions move to the forefront as we celebrate Mark Slegers’ retirement next year and move to hire for our future.

We already have plans and resources in place to move forward in exploring virtual ministry (Both our Intern Minister next year and our new half-time Communications Director have that investigation on their to-do lists). We need to insure that we have the resources, including the ET bandwidth, to determine what direction, if any, we will pursue in terms of additional worship experiences in our community.

Music Program

Although the ministry of music is not mentioned in the Elements our music program is regularly and appropriately praised. Music is a central part of the worship experience we offer.

Music Program Registration 2011-15

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<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Chamber Choir</td>
<td>46</td>
<td>43</td>
<td>40</td>
<td>38</td>
</tr>
<tr>
<td>Unitarian Choir</td>
<td>85</td>
<td>80</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Chalice Choir</td>
<td>82</td>
<td>80</td>
<td>83</td>
<td>75</td>
</tr>
<tr>
<td>UU Women’s Choir</td>
<td>30</td>
<td>30</td>
<td>29</td>
<td>28</td>
</tr>
<tr>
<td>Bell Choirs</td>
<td>72</td>
<td>65</td>
<td>65</td>
<td>60</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>315</td>
<td>298</td>
<td>297</td>
<td>281</td>
</tr>
</tbody>
</table>

4) Transparent Democratic Process

Original: Uses transparent democratic processes to 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.
Revised: Employing the principles of policy-based governance and the Unitarian Universalist Association, ensure that all voices are heard and respected.

Revised Interpretation: Responsibilities and authority of ET, Board, Staff and Ministers, within the governance system, are clearly delineated and understood by interested and concerned parties. Efforts to make information available are on-going. Multiple ways to have concerns heard by decision-makers are provided and promoted. ET, ministers and staff all function with robust accountabilities to lay program and support committees in virtually every ministry area.

ET Assessment: We believe that we have moved out of compliance. The former Board culture of religious discernment and consensus decision-making was often replaced with argument and decision-by-majority-vote. Disagreement about the authority of the ET (and ministers) and challenges to prior practices of monitoring and review have been frequent. There has been significantly reduced Board time and energy for generative discussion and discernment. The shift to a more confrontational normative culture has changed the experience of Board service for many.

We are all part of this system and the ET claims no privileged position for our experience over that of others. However, it is our experience that the change in Board culture has altered the character of the Board/ET leadership collaboration, leaving the Board less engaged at the level of mission and vision.

Positive new agreement were reached at the June Board retreat which we hope will allow the Board greater focus on the mission and vision questions from which operational decisions should flow.

In this difficult year, the Board did take care to make opportunities to hear congregants a priority, not only at Board meetings but via Listening Circles and open budget hearings as well.

Measures/Indicators:

The reduction in the rating for “Provides information needed to understand church decisions and opportunities to discuss them,” fell further than the rating for any other element, save “Sustainability.” The low rating here requires monitoring and concerted effort to maximize the frequency with which information reaches the largest number of congregants.

<table>
<thead>
<tr>
<th>Year</th>
<th>Rating</th>
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<tbody>
<tr>
<td>2015</td>
<td>3.42</td>
</tr>
<tr>
<td>2014</td>
<td>3.87</td>
</tr>
<tr>
<td>2013</td>
<td>3.82</td>
</tr>
<tr>
<td>2012</td>
<td>3.58</td>
</tr>
</tbody>
</table>

5) Ensures the continuity of leadership in the church by developing, supporting, and providing a meaningful experience for a succession of new leaders.

6) Interpretation: First Church provides a variety of easily accessible pathways for congregants to deepen their spiritual lives through leadership service to the church and supports those who offer leadership in the wider community.

20
ET Assessment: We believe we are largely in compliance.

Measures/Indicators:

<table>
<thead>
<tr>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
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<tbody>
<tr>
<td>3.64</td>
<td>3.92</td>
<td>3.82</td>
<td>3.58</td>
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6. Is a sustainable church community in which congregants, Board, staff and ministers share stewardship of both our tangible and human resources.

E.T. Interpretation: First Church is supported, financially, by congregants at a level that sustains our existing, multi-faceted ministry, and allows the church to build toward a vibrant future. Monitoring of our financial health is shared among Board, staff, ministers and lay leaders. Annual fund-raising is the responsibility of E.T. and staff with the critical support and collaboration of lay leaders/volunteers.

T. Assessment: Last year saw significant progress made toward achievement of this vision of sustainability.

Measure:

Congregant ratings for this Element of our mission dropped more sharply than any other (16%).

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<th>2015</th>
<th>2014</th>
<th>2013</th>
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<tr>
<td>3.42</td>
<td>4.05</td>
<td>4.32</td>
<td>4.10</td>
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There was, however, some good stewardship news by year end. In fact, we feel this reduced rating is a positive sign of heightened awareness within the congregation. We have highlighted our overdue need to adjust staff salaries (among other priorities) each year in the Annual Fund Drive. Yet increases in pledging levels have not even covered cost-of-living increases. The demand by staff members to form a union and the “Justice Begins at Home” supplemental AFD “ask,” seemed finally to motivate congregants to significantly increase their giving. “Justice Begins at Home” generated $115,000 in contributions—most of which are in the form of ongoing pledges to fund compensation increases for staff, focusing on our lowest paid, hourly workers.

Financial Results:

Signs of financial stability and responsible financial management abound. We operated “in the black” for the sixth consecutive year. The Major Repairs Reserve is now funded above its $150,000 goal. We continue to make progress in addressing deferred maintenance issues, moving at least as rapidly as called for in the Long Term Maintenance Plan. Proceeds from the annual Auction are allowing improvements in our “face to the world.” The Board has authorized reserves that will allow us to move forward in exploration of “virtual” ministry and alternative worship expressions. We are operating within the covenants of the Wells Fargo mortgage. In fact, Wells Fargo has just released the hold on the cash reserve requirement associated with this mortgage. We have not had to use our line-of-credit in more than two years.
Total pledge income grew 11% thanks to “Justice Begins at Home.” This is the first significant increase in pledge income since 2010, Rev. Sinkford’s first year. These increases will need to be sustained to continue higher staff compensation. We know that some of the “Justice” pledges were one-time gifts, rather than recurring pledges. We believe we are estimating the on-going level of pledge support in an appropriately realistic/conservative manner. There is however uncertainty in our future financial planning. We will know much more after this year’s Fund Drive.

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<tbody>
<tr>
<td>Pledge $ (000’s)</td>
<td>$1,400</td>
<td>$1,367</td>
<td>$1320</td>
<td>$1,351</td>
<td>$1,328</td>
<td>$1,155</td>
<td>$1,244</td>
</tr>
<tr>
<td>2nd “Ask”</td>
<td>115</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
<td>78</td>
<td>92</td>
</tr>
<tr>
<td>Total $ (000’s)</td>
<td>$1,515</td>
<td>$1,367</td>
<td>$1320</td>
<td>$1,351</td>
<td>$1,328</td>
<td>$1,233</td>
<td>$1,336</td>
</tr>
<tr>
<td># Pledges</td>
<td>1,016</td>
<td>998</td>
<td>989</td>
<td>970</td>
<td>1013</td>
<td>921</td>
<td>986</td>
</tr>
<tr>
<td>Av Pledge</td>
<td>$1,491</td>
<td>$1,370</td>
<td>$1,335</td>
<td>$1,393</td>
<td>$1,310</td>
<td>$1,338</td>
<td>$1,355</td>
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*In 2012, our data base records do not allow us to accurately distinguish between initial pledges and the 2nd “ask.”

Pledge Express:

Though “Justice Begins at Home” was critical in our fund-raising results, the shift in our approach to the Annual Fund Drive, begun last year, was equally important. “The Pledge Express” shortened the time we spend asking for money, dramatically reduced the volunteer time and energy required and set a welcome high standard for clarity, transparency and fun.

We will build on these changes in 2015-16, adding encouragement for automatic withdrawal of pledge payments. The request to maintain the “Justice Begins at Home” pledge levels will be the most important priority.

RE/Music Fees:

We have also made the decision to eliminate fees in both our Religious Education and Music programs for those who pledge at a threshold level ($600/year). This will be the most important financial news of the new church year for many of our families. The new policy has generated considerable positive reaction and negative reaction, especially among our singers and ringers.

In the past we have had, in theory, a two tier fee structure: A larger fee for non-pledgers and a much more modest fee for pledging families. These fees had to be paid at the beginning of the church year and functioned like a “bill” from the church, just before the pledge drive kicked off. For the majority of our families, it made the fall feel like one “ask” after another. The two-tier structure may well have encouraged folks to promise to pledge, but we did not have the capacity to follow up. As many as 1/3 of the families participating pledged less than $100/year. We are not sure what fees, if any, they ultimately paid.

Our new structure makes participation in RE and Music free for families/individuals pledging at the threshold amount. Fees for non-pledging families have been raised to more closely (though not completely) reflect actual costs ($450/person, with a maximum of $900/family).
This change is consistent with our mission. Fees were imposed (and then increased) for budgetary, not mission reasons. We also hope that the new structure will encourage higher levels of pledging, though it is possible that enrollments may decline. We will monitor the impact of these changes closely. Our best judgment is that this change will have a net positive impact on income.

Stewardship Committee:

The more compact Annual Fund Drive model permits staff to “do the work” while key volunteers function at the strategic level. The Stewardship Committee is therefore shifting from a group that regularly meets around a table, into a group of individuals whose particular talents can be called upon as needed.

Pledge-Base “Churn:”

One additional note is appropriate. We were not able to complete the planned outreach to non-but-formerly pledging families last year, due to the demands of the labor issues which dominated E.T. attention through the winter and spring. The issues here are both pastoral and financial. We will complete the outreach to former pledgers this year, hoping both to offer them support and learn more about what we described as the “churn” in our pledge base.

7. Original: 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.

Revised: The ministers and congregation develop and maintain relationships with other Unitarian Universalist congregations and institutions and the local interfaith community, helping to provide leadership in the larger Unitarian Universalist movement and community.

ET Interpretation: Individual leaders, both ordained and lay, will continue to offer their gifts of leadership to our larger family of faith and the local religious community. That leadership grows out of the vibrancy of our ministry and the caliber of our leaders. Relationships will be maintained with the neighboring congregations, area UU ministers and the interfaith community.

ET Assessment: We believe we are in compliance.

Measures: Monitoring is to be done by report of involvement by ministers and others in the community, district and national levels.

General Assembly provided myriad opportunities for “servant-leadership.” Ken Wheeler served as Volunteer Coordinator for GA, supported by the entire Outreach Committee and the Cluster organization. First Church provided 50 core volunteers who, along with members of other local congregations, welcomed more than 5000 of our fellow UU’s to Portland. In addition, several from our congregation led the social justice witness that was part of GA and close to 20 people hosted guests as part of our Bed and Breakfast program. And finally over 100 of our musicians offers a program for GA attendees.

The group of ministers present the Sunday before General Assembly here was a reminder of the role First Church plays in nurturing and calling forth ministerial leadership for our movement.
Rev. Kate Lore was a prime organizer of the GA Public Witness in partnership with and support of the Lummi People. Kate has also accepted the Presidency of the PNWD Chapter of the Minister’s Association and continues to serve on the Steering Committee for the Albina Ministerial Alliance Coalition on Justice and Police Reform.

Rev. Sinkford continues his service as President of the Meadville/Lombard Board of Trustees through the fall. He also welcomed 35 UU ministers of color to a retreat at First Church following the GA, and continues his mentoring role with those colleagues. He continues to accept selected writing and speaking opportunities both within and outside Unitarian Universalism. Most recently, he has agreed to serve on the National Board of the Religious Coalition for Reproductive Choice.

We sustain ministerial relationships by, among other things, hosting the gathering of the UU cluster ministers monthly. The UU Ministers’ Association held their vespers service at First Church prior to GA.

Our participation in Ecumenical Ministries of Oregon is faithful, as is Rev. Sinkford’s participation in the Downtown Clergy Group.

8) 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.

ET Assessment: We believe we are in compliance as indicated by the extensive involvement of congregants in our justice work and the on-going witness of our ministers.

Responses in the Congregational Survey rated “Witnesses as a voice of conscience in our community, collaborating with other justice-seeking institutions, encouraging congregants to promote social justice in the Portland community and beyond”.

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<tr>
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<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
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<tbody>
<tr>
<td></td>
<td>4.24</td>
<td>4.47</td>
<td>4.61</td>
<td>4.51</td>
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As many as 750 congregants are active in our social justice ministry in some way.

Highlights:

- Restructured Social Justice Council to reinvigorate a sense of shared mission and increase collaboration between individual social justice action groups
- Launched three new initiatives within the Social Justice Program to: 1) deepen our understanding about and practice non-violent activism; 2) to explore more fully the ethics of food choices; and 3) to create a comprehensive guide to our program (i.e., produce a Social Justice Program booklet).
• Took major roles at General Assembly: offering 4 workshops, shaping and helping to conduct the public witness action, and providing the winning proposal for the G.A. offering recipient: the Re-entry Transition Center for folks coming out of prison.
• Continued to offer forums, lectures, classes and all-church dialogues to engage the congregation on important social justice issues.

Notes from the PEC Meeting 10/8/15

1. **Discussion of the Relationship between the Board, Executive Team, and our Policies:** We started the meeting with a long discussion on the relationship between the Board, Executive Team, and our policies. Cindy Cumfer initiated the discussion by reviewing the theoretical basis for Policy Based Governance. By proceeding in “round robin” fashion, we had the chance to explore the views of each committee member. While there remained obvious differences of opinion, we agreed to move on to looking at Part 3 of the Governing Policies to see if we could agree on how these might be revised.

2. **Process for Revising the Governing Policies and Getting Input from Other Committees, the Board, and the Executive Committee:** In order to minimize the impact on the Finance and Communications Committees, the Board, and the Executive Team, we elected to put together a draft of our recommendations for revising the policies so that these groups would have specific suggestions to use for providing feedback.

3. **Work on crafting revised Governing Policies for Part 3:** We spent the remainder of our time looking at alternative revisions of policy 3.2.1. After much discussion, we agreed that the policies could be framed in simpler broader terms if the interpretation of the policies made by the executive team provided assurance that specific details in the current policies were being met. John Thompson agreed to meet with the Executive Team to see if this approach would work for them. If so, we will use this format for revising the remaining policies in Part 3.

4. **Follow up on the 2015 Compliance Report:** Randy agreed to incorporate the concerns raised by John Hutzler into the 2015 Compliance Report, and bring it back to the committee.
For November 2015 Board Packet

To: Board Members

From: Bill

Ameena has scheduled the "generative conversation" for the upcoming Board meeting to focus on stewardship and the changing landscape of religious generosity. It is a complicated issue involving generational changes from “Boomers” who tend to be “institutional” supporters toward Millenials who are not (at least as the narrative is told), the impact of social media and “virtual community” vs face-to-face gathering, and the increasing lack of identification with religious institutions as the “nones” continue to increase in number. I am including here a few articles that may help ground that conversation.

The page below entitled “ERA OF RELIGIOUS GIVING” tries to lay out the shift to an "emerging" paradigm in religious fund-raising. It is from the Lilly funded Indiana University School of Philanthropy. I am struck by how the new paradigm really reflects values that have always characterized good fund-raising, even in the pledging model we know so well.

The linked articles are varied, reflecting the reality that there is not yet any reliable "scripture" on this issue. Many people are trying to figure this out. The articles take about 30 minutes to read, all together. The first may be the most important. It debunks some of the mythology about the Millenial Generation which is at the heart of anxiety in the mainline religious world as the faithful pledgers age "out."

Mary Katherine Morn, Director of Stewardship and Development at the UUA, forwarded the selection of articles that is attached. Here is her response to some of the conversation among UU leaders about the "end" of pledging as a fund-raising approach:

"It is a great frustration to me when people in authority (but often without much experience) proclaim the end of a fundraising program that continues to perform better than anything else.[She is referring to annual pledging.] I am not saying we shouldn’t be watching for ways to adapt to the changing climate. And to watch for signs of the End. :) But our proclamations are not neutral in terms of impact...

I think her point is that we need to avoid this becoming a self-fulfilling prophesy... Still, there is something happening in the world of religious generosity.

I will not be with you for this Board meeting, but chairing my final Board Meeting for Meadville/Lombard Theological School in Chicago. The shift of our monthly meeting to the first Thursday made this conflict inevitable for me.

See you in church for the kick-off of our Fund Drive this Sunday.

Blessings,

Bill
ERA OF RELIGIOUS GIVING: The Paradigm Shift in Religious Giving

The Old Paradigm

- Moral Obligation
- Theology of Duty
- Institution Centered
- Institutions are to be Trusted
- Institutions are Autonomous
- Budgets are Need-Driven
- Financial Focus is Insular
- Giving is a Contribution
- Fundraising is Raising Money
- Income Sources are Limited
- The Gift as an End to Philanthropy
- Different from Business

The Emerging Paradigm

- Donor Cultivation
- Theology of Grace
- Donor Centered
- Institutional Trust must be Earned
- Donors are collaborative Partners
- Giving is Value Driven
- Financial Focus is Global
- Giving is Creating Change
- Fundraising is Nurturing Generosity
- Income Sources are Diverse
- The Gift as a Means to Philanthropy
- Embraces Business Principles & Practices
Software Point Count

UNITY Control Points:

124

Official Count: 09/15/2015
Count to be verified post installation

You have been issued a perpetual UNITY site license good for 115 points of control at the following location:

First Unitarian Church of Portland
1011 SW 12th Avenue
Portland, OR 97205

This license has been assigned to the site controller and is non-transferable. This site will be audited monthly and any new control points will be billed accordingly.

Thank you for your purchase!

-K&L Team

Kite & Lightning
9737 Coppertop Loop NE STE 204
Bainbridge Island, WA 98110
Installed System Cost: $41,677.68
See expanded estimate on page 5-6

Support Fee: $4,212.00
60-month support contract required by Energy Trust of Oregon
First 6 months included at no cost.

Project Total: $45,889.68
50% cash deposit at time of contracting signing: $22,944.84
50% upon project completion: $22,944.84

Energy Grant Offering: $19,597.00
To be issued to First Unitarian Church of Portland within 60 days of final project inspection

Final Project Cost: $26,291.68

Return of Investment
Projected Annual Gas Savings: $883.00
344.0 Therms
Projected Annual Electrical Savings: $5,299.00
68,996.0 kWh
Total Annual Savings: $6,182.00

Combined Gas and Electric Project Savings

Total Project Cost: $45,889.68
Post Grant Return of Investment: 3.5 Years or 48.8 Months

Approved and Accepted By:
Kite & Lightning, LLC

[Signature]
[Date]

Client

[Signature]
[Date]

This agreement is contingent on "ETO" issuing final official approval of the UNITY project grants for the amount of $19,597.00.

If for any reason the grant is not approved within 30 days, this agreement will be null and void.
Steps to completion:
1. Sign and submit this Custom Incentive Offer by the Submittal Deadline (see Section F) to reserve incentives.
2. Install your Measure(s) before the Incentive Reservation Expiration Date.
3. Complete and submit the Project Completion Certification (Form 146C) along with all required documentation.

What you need to know:
To help avoid delays at project completion, we recommend that you notify equipment supplier(s) and contractor(s) up-front that they will need to provide you with itemized invoices and receipts clearly documenting Measure equipment purchases, energy efficiency specifications, labor and installation costs. Keep copies of the required cost documentation.

<table>
<thead>
<tr>
<th>Energy Efficiency Measure</th>
<th>Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buchen Only: Replace the current EMS system so it provides proper dual temperature economizer control, DCV damper control, optimum start and stop, and control of the variable speed supply and return fans. (BEQUESTOCONT)</td>
<td></td>
</tr>
<tr>
<td>Combination of Buchen and Office: Repair DSA Damper, Add CO2 Sensor for DCV, Add 5 HP VFD on Fan, And Integrate with BAS (<strong>EMS for Buchen must be installed for integration</strong>) (BEQUESTOCONT)</td>
<td></td>
</tr>
<tr>
<td>EEM Cost 70,659.00 939.00</td>
<td></td>
</tr>
<tr>
<td>$18,645.17  $1,366.83  $20,012.00</td>
<td></td>
</tr>
<tr>
<td>$45,869.88  939.00</td>
<td></td>
</tr>
<tr>
<td>$20,012.00</td>
<td></td>
</tr>
</tbody>
</table>

C. Anticipated Completion Date
Participant will take actions to complete timely installation of the Measure(s) and has indicated that it anticipates that the Measures listed above will be completed by the date below. Participant agrees to notify Energy Trust of any delays that would impact this date, change orders affecting Measure costs or energy savings, or of any decision to abandon the project or any individual Measure listed.

Anticipated Completion Date: 12/01/2015
D. Incentive Reservation Expiration Date

If Participant signs and submits this agreement to Energy Trust by the Submittal Deadline listed (see Section F), Energy Trust will reserve the estimated incentive amount for Participant’s identified Measure(s) until the Incentive Reservation Expiration Date indicated below, so long as Participant complies with the terms and conditions of this agreement and continues to make progress to complete timely installation of the Measure(s).

Incentive Reservation Expiration Date: 2/29/2016

Any request for an extension beyond this date must be submitted to the Program in writing and in advance for review and consideration. Energy Trust retains the right to withdraw an incentive reservation at any point during the reservation period if we determine that Participant is not progressing appropriately and in good faith to perform timely completion of project work.

Changes during the incentive reservation period that affect Measure eligibility, costs or energy savings may result in a revised incentive estimate. Funds that have been reserved are not transferable to other projects or properties.

E. Additional Terms and Conditions

1. APPLICATION: This Custom Incentive Offer (Form 120C) must be filled out completely, truthfully and accurately. The Program may require Participant to submit additional application documentation for certain Measures. Participants are advised to retain a copy of this Incentive Agreement and any accompanying documentation submitted to Energy Trust of Oregon, Inc. under this Existing Buildings program (Program). The Program Management Contractor (PMC) provides services for the Program on behalf of Energy Trust. Neither Energy Trust nor the PMC will be responsible for any lost documentation pertaining to this application, or any lost or misdirected mail.

2. ELIGIBILITY: Existing commercial, municipal and institutional properties located in Oregon and served by one of the following Oregon electric or natural gas utilities can submit this form to apply for incentives for qualifying Measures. Electric customers of Portland General Electric or Pacific Power are eligible to apply for incentives for qualifying electric Measures, and natural gas customers of NW Natural or Cascade Natural Gas (on qualifying rate schedules) are eligible to apply for incentives for qualifying natural gas Measures. NW Natural industrial firm sales customers served on rate schedule 3, 31 or 32; and commercial interruptible sales customers served on rate schedule 31 or 32, and commercial customers served on rate schedule 32 must also sign and submit a Natural Gas Non-Transportation Agreement (Form 112W) in addition to this Form 120C. Transportation service customers are not eligible for Energy Trust natural gas incentives. Energy efficiency measures funded through the SB 1149 Schools Program public purpose charge funding administered by Oregon Department of Energy (ODOE) or seeking conservation self-direct credit through ODOE are not eligible for Energy Trust incentives. If the subject property is a PGE or Pacific Power large electric customer eligible for self-direction of the conservation public purpose charge through the Oregon Department of Energy (sites using more than 1 MWe of electricity in a year) and Participant wishes to select OPTION 2 (as described in the IMPACT OF SELF-DIRECTION section below), then Participant must notify Energy Trust in writing prior to submitting this Form 120C so that Energy Trust can reduce the incentive reservation amount accordingly. Providing false representations to Energy Trust constitutes an act of fraud. If any information is found to be false, Energy Trust reserves the right to require reimbursement of any incentives provided. Program services and incentive offerings may vary by territory. Additional eligibility restrictions may apply and final determination of eligibility rests solely with Energy Trust.

3. INCENTIVES: Funds for incentives are limited and subject to budget availability. Details of the Program, including incentive levels, are subject to change. Estimated incentives listed have been calculated in accordance with current incentive levels and program requirements. Actual incentive amounts paid may differ from estimated amounts herein depending on the actual Measures installed and final project cost documentation; however, in no event would Energy Trust pay more under this agreement than the estimated amounts set forth herein. Energy Trust incentives will never exceed the documented total final project costs or a maximum of $499,999. The Program also limits the total amount of incentives that any Participant can receive on a per site, per year basis to a maximum total of $500,000. If any bonus amounts are available for qualifying equipment, the base incentive plus the bonus incentives will never exceed the total documented project cost.

4. MEASURE INSTALLATION: Participant represents that it has the right to perform the Measures at the site identified and that any necessary consents have been obtained. Participant is solely responsible for implementing the Measures and for ensuring that it is in compliance with all laws, regulations and safety, building, environmental and permitting codes and any manufacturer instructions.

5. VERIFICATION: Reviews of technical work before, during, and after Measure installation are a critical part of Energy Trust’s verification process. A site visit may be required to further analyze proposed Measures, evaluate calculations, assumptions, facility descriptions, and savings estimates. Participant agrees to provide Energy Trust and its representatives with reasonable access to (i) the project site(s), and (ii) all technical documentation related to the Measures necessary to verify compliance with Program requirements and the accuracy of project documentation. Measures may be selected for a post-installation review and verification, and satisfactory completion of that verification must occur before any incentive payment will be issued. Any verification conducted by the Program is conducted for Program purposes only and no warranty is implied.

6. PAYMENT: Incentives will be paid following Participant’s (i) completion of qualifying Measure(s), (ii) completion of a satisfactory post-installation inspection (if required), (iii) Participant’s submission of a completed Project Completion Certification (Form 144C) and all required Project Completion Documentation (see below), including an IRS Form W-9 (Request for Taxpayer Identification Number and Certification) for the payee. Please allow 60 to 90 days from Energy Trust’s receipt of all information for delivery of payment. Failure to deliver all required documentation may result in a delay or withholding of payment. Participant agrees and acknowledges that its acceptance of any Energy Trust incentive funding for Measures identified in this application constitutes representation and warranty to Energy Trust that Participant needed and used such funding for the purpose of implementing the Measures as described herein.

EES-ES Workbook 2016.3 100817 615 SW Alder Street, #200 • Portland, OR 97236 (503) 626-1017 • Fax (503) 626-0160 existingbuildings@energ信托.org
7. PROJECT COMPLETION DOCUMENTATION: Participant agrees to provide Energy Trust with all project completion documentation necessary for Energy Trust to determine whether certain measure(s) qualify for incentive funding and/or to calculate Participant's actual incentive amount. Project completion documentation must itemize the equipment purchased and/or work performed for each Measure(s) by site and may include without limitation the following: (1) sales slips, invoices, purchase orders, or contracts for equipment or services ordered, (2) size, type, make, and model of equipment purchased and the date of the equipment purchase and installed price paid, (3) a detailed description of installation or other labor charges for the Measures showing the date the work was performed, name of the worker, hours worked, Measures installed and labor rate. If Participant is leveraging external funding sources to directly reduce all or a portion of the final project costs incurred by Participant for the purchase and installation of the specified energy-efficiency equipment (for example, state/federal funding, grants, discounts, rebates, incentives or other similar types of consideration) then Participant is required to notify Energy Trust in writing when submitting the project completion documentation and Energy Trust's Incentive will not exceed an amount equal to the total project costs minus such external funds. Energy Trust reserves the right to request additional documentation as necessary for it to determine incentive eligibility and payment amount. Participant agrees to retain, and Energy Trust reserves the right to review, any project completion documentation related to the Measures for a period of 18 months following payment of any incentive funds.

8. INFORMATION ABOUT SELF-DIRECTION: Energy Trust receives and invests some of the funds generated by the public purpose charge collected from the customers of Portland General Electric and Pacific Power. Although payment of the public purpose charge is generally mandatory, certain large customers - those that use more than one average megawatt of electricity (8,760,000 kilowatt hours) at one certified site in one year - may "self-direct" their conservation program. Self-directed participants are typically large industrial, commercial, or governmental organizations that are able to direct their conservation expenditures at their own facilities. Over time, a customer may change its self-direction status. Self-direction status affects eligibility for Energy Trust services and incentives. Energy Trust's self-direction policy and a copy of our Frequently Asked Questions Regarding Self Direction can be found on our website at www.energytrust.org.

9. IMPACT OF SELF-DIRECTION: If the conservation public purpose charge for the installation site account number(s) associated with the Measures may be self-directed, then Participant (i) shall not apply for or accept any self-direct credits for the Measures and (ii) must choose between the following two options to determine eligibility for Energy Trust Incentives:

OPTION 1: Participant may receive the full Energy Trust incentive for the Measures and represents to Energy Trust that the conservation portion of its public purpose charge for the account number(s) for such site will not be self-directed for a period of 36 months from the Energy Trust incentive payment date. If Participant receives incentive funding pursuant to this OPTION 1 and is determined to breach this requirement during the 36 month time period, then Participant will immediately repay to Energy Trust a pro rated refund amount according to the following formula:

\[ \text{Prorated Refund Amount} = 0.5 \times A \times B \]

where,

\[ A = \text{total amount of Energy Trust Incentives paid} \]

\[ B = \text{36 minus the number of months elapsed since Energy Trust incentive payment date} \]

OPTION 2: Participant may receive half the Energy Trust incentive for the Measures and continue self-directing its conservation public purpose charge. To request OPTION 2, Participant must notify Energy Trust prior to signing and submitting this Incentive Agreement so that Energy Trust can reduce the amount of incentive funding reserved for the Measures accordingly. If Participant does not submit the required written notice to Energy Trust to select OPTION 2 and receives the full Energy Trust incentive, then Participant understands and agrees that it shall be subject to OPTION 1 above.

10. TAX LIABILITY: Energy Trust and its representatives are not responsible for any tax liability which may be imposed on the Participant as a result of any incentive payment. Energy Trust is not providing tax advice, and any communication by Energy Trust is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties under the Internal Revenue Code.

11. NO ENDORSEMENT: Energy Trust and its representatives do not endorse any particular manufacturer, contractor or product in promoting the Program. The fact that the names of particular manufacturers, contractors, products or systems may appear on this application does not constitute an endorsement. Manufacturers, contractors, products or systems not mentioned are not implied to be unsuitable or defective in any way.

12. ACCESS AND EVALUATION: Energy Trust and its representatives may request access to the property where the measures are installed for the purpose of reviewing and evaluating Participant's project during and after completion. Participant agrees to provide reasonable access to the property for the purpose described herein and to cooperate with Energy Trust's evaluation efforts.

13. INFORMATION RELEASE: Participant agrees that Energy Trust may include some or all of the following information in reports or other documentation submitted to the Energy Trust Board of Directors, the Oregon Public Utility Commission (OPUC), Oregon Department of Energy (DOEE), Oregon Housing & Community Services, Boneville Power Administration the Oregon Legislature or other state agencies as necessary to meet Energy Trust responsibilities.

Participant's name, city or county of business, a description of any Energy Trust services or incentives provided, and resulting energy-savings or generation. Energy Trust will treat all other information gathered as confidential and report it only in the aggregate.

14. DISCLAIMER / NO LIABILITY: Participant understands and agrees that while Energy Trust may provide incentive funding to Participant, neither Energy Trust nor the PMR are supervising any work performed for Participant and neither are responsible in any way for proper completion of that work or proper performance of any equipment purchased. NEITHER ENERGY TRUST NOR ITS REPRESENTATIVES MAKE ANY WARRANTIES WHETHER EXPRESS OR IMPLIED WITH RESPECT TO ANY EQUIPMENT PURCHASED OR INSTALLED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Participant shall independently evaluate any information provided by Energy Trust or its representatives related to the Measures. Energy Trust simply provides incentive funding to assist with the implementation of energy efficiency measures. Participant assumes the risk of any loss or damage to that Participant may suffer in connection with the installation of the Measures. Energy Trust and PMR do not guarantee any particular energy savings results by approval of this application, or by any other of their respective actions. ENERGY TRUST'S LIABILITY IS LIMITED TO THE AMOUNT OF ANY INCENTIVE OWED FOR THE MEASURE(S) PURSUANT TO THIS AGREEMENT. IN NO EVENT WILL ENERGY TRUST OR ITS REPRESENTATIVES BE LIABLE, PURSUANT TO THIS AGREEMENT, TO PARTICIPANT OR ANY THIRD PARTY FOR ANY DAMAGES, WHETHER CHARACTERIZED AS GENERAL, SPECIAL, DIRECT, INDIRECT, PUNITIVE, CONSEQUENTIAL, OR OTHERWISE.

BES-ES Workbook v2015.5 150817

615 SW Alder Street, #200 • Portland, OR 97205
1.800.605.1678 • Fax 900.825.6100
energytrust@energytrust.org
15. HAZARDOUS MATERIALS: Energy Trust and its representatives shall have no responsibility for the discovery, presence, handling, removal, or disposal of or exposure of persons to hazardous materials of any kind in connection with Participant’s site or facility, including without limitation asbestos, asbestos products, PCBs, or other toxic substances.

16. GOVERNING LAW: This agreement shall be exclusively governed by and construed in accordance with the laws of the state of Oregon, without regard to any conflicts of laws rules thereof.

17. SCANNED OR FAXED DOCUMENTS: Original signed documents transmitted via fax or as a scanned attachment via electronic mail shall be the same as delivery of the original signed document. At the request of Energy Trust, Participant shall confirm documents with a facsimile or a scanned signature by providing an original document.

F. Submittal Deadline to Reserve Incentives

To reserve the estimated incentive amounts for the Measure(s) identified, Participant must complete, sign and return this agreement to the Program by the Submittal Deadline listed below. Details of this Program, including incentives, are subject to change. Applications will be processed in accordance with Program requirements and Energy Trust incentive funding is subject to budget availability.

| Submittal Deadline: | 1/14/2015 |

G. Participant Signature

By my signature below, I represent to Energy Trust that (i) I have read, understand and agree to the terms and conditions of this agreement and am authorized to enter into this Custom Incentive Offer (Form 126C) on behalf of the Participant as identified in Section A, (ii) and the information contained herein is truthful, accurate and complete to the best of my knowledge.

Authorized Representative: Kathryn Estey
Signature: [Signature]
Date: 9/24/15

FOR MORE INFORMATION: Call the Existing Buildings program at 1.800.605.1676.

Call to Order: 4:30 PM, Buchan Room B310.

Reading: Laura Milne shared a reading.

Check-in:

Minutes: The minutes of the September meeting were reviewed and approved.

Review Date and Time for Next Regular Meeting: Tuesday, November 24th, 4:30-6:00 PM, Room B310.

Board Notifications: None.

Announcements and Reports:

Michael will post draft minutes to the website to provide more timely information to congregants. Stan Jewett suggested this after the congregant budget meeting on Sept. 27th.

At the last congregant budget meeting people asked for information about reserves. Stan Jewett has been working on this and presented the committee with a proposed spreadsheet and flow chart that could be shared with congregants on a periodic basis. The committee thought this approach would be a good way to share reserves information. Stan will work with Zaida and Kathryn to refine his spreadsheet and will keep the committee appraised of his progress. He hopes to have everything up and running by the Feb. 7th budget meeting.
Another area of interest at the Sept. 27th budget meeting was the status of the Buchan Building Loan. Michael wrote a summary of the loan conditions which he will send to congregants who attended the budget meetings. He will also post it to the Financial Committee web page.

Michael revised the budget process memo to include information about the timing of quarterly budget meetings. He will replace the current memo on the Financial Committee website with the updated version.

Review Action Items from Prior Meetings: None.

Review and Discussion of Financial Statements

<table>
<thead>
<tr>
<th>September Financial Summary</th>
<th>Month</th>
<th>YTD</th>
<th>Budget Month</th>
<th>Budget YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>$148,231</td>
<td>$497,125</td>
<td>$174,771</td>
<td>$545,908</td>
</tr>
<tr>
<td>Operating Costs</td>
<td>-$169,070</td>
<td>-$476,237</td>
<td>-$194,347</td>
<td>-$522,497</td>
</tr>
<tr>
<td>Reserve Deposits</td>
<td>-$3,835</td>
<td>-$12,923</td>
<td>-$5,252</td>
<td>-$15,756</td>
</tr>
<tr>
<td>Investment</td>
<td>$102</td>
<td>$302</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus / Deficit</td>
<td>-$24,572</td>
<td>$8,267</td>
<td>-$24,828</td>
<td>$7,655</td>
</tr>
</tbody>
</table>

The Finance Committee reviewed the September financials. Highlights follow.

Through September 30th the Church has an operating surplus of $8,267. This is $612 ahead of budget.

To date pledge collections and contributions are below budget by $48,196 or about 14% of budget. Rental income and other income are above projections. Total income is $48,783 below budget, about 9% below projections.

Operating costs through September are $46,259 below budget, primarily driven by lower than expected program, salary and occupancy expenses. Overall expense control continues to be very good and operating expenses are 9% below budget. The Justice Begins at Home funds have not been tapped since the labor negotiations are still in process.

Our Cash and Securities balance stood at $1,062,493 on September 30. This figure matched the ending Cash Flow report.

The Dashboard Report shows that 8 new members enrolled this month compared to 6 last year. The average pledge for new members increased 68% to $588 when compared to September, 2014. Monthly plate contributions totaled $2,548.

Katheryn will verify whether the Audit Review bill should be allocated to administrative or program expenses.
Old Business:
Kate Birdsall shared an overview of the mission budget project. The mission budget aligns income and expenses with the Church's mission elements and presents this information in an understandable pie chart format. Although subject to ongoing refinement, this budget format will be used in the pledge drive information and next year's budget. The finance committee acknowledged Kate, her sub-committee and the office staff's good work.

Laura Milne updated us on the pledge drive. The drive will begin November 1st and finish on November 22nd, Celebration Sunday. Packets will be mailed to congregants beginning this Friday (October 30th). People who increased their pledges with the Justice Begins at Home appeal will be asked to maintain their higher pledge this coming year. Other congregants will be asked to increase their pledge within their means. People will be encouraged to use automatic transfers to pay their pledge.

The committee discussed what went well and poorly at the last congregant budget meeting.
Positive items included more people attending than previous meetings, good handouts, receiving input that could be used in the fund drive appeal and the timing of the meeting. Less positive areas were a lack of a clearly stated meeting purpose, late public notice before the meeting and no followup publicity. Michael and Kathryn will incorporate these comments when planning future meetings. The schedule for future budget meetings is Nov. 15th, Feb.7th and May 8th.

New Business:
Jason Chapman, our facilities manager, presented a contract with Kite & Lightning to update the controls on our HVAC system. The initial cost of the project is $45,889.69 with an energy credit of $19,957.00 for a final cost of $26,292.68. Projected energy savings are over $6,000 yearly with a break-even period of less than 4 years. There is a time limit to receive the energy credit which precluded getting more than two bids. Motion by Darin Stewart to recommend Board approval of the contract. 2nd by Stan Jewett. Motion approved.

Michael gave a brief overview of Pauly, Rogers, and Co. financial review. They found our financial statements to be in conformity with generally accepted accounting principles. This is the highest standard for this type of review. Kathryn will arrange for a representative from Pauly, Rogers to attend our next meeting. The committee recommended that our policies be changed to require a yearly financial audit or review, with a full audit at least every third year. Michael will draft this change to our policies and forward it to the Policy Evaluation Committee for their review and recommendation to the Board.

Darin volunteered to bring a reading to the October meeting.

Adjourned: The meeting adjourned at 6:10 PM.

Submitted by: Michael Cunningham
<table>
<thead>
<tr>
<th></th>
<th>ACTUAL OPERATIONS</th>
<th>ACTUAL OPERATIONS</th>
<th>ACTUAL VARIANCE</th>
<th>BUDGET YEAR TO DATE</th>
<th>BUDGET VARIANCE</th>
<th>ANNUAL BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Church Operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledge Income</td>
<td>249,587</td>
<td>277,656</td>
<td>(28,069)</td>
<td>285,637</td>
<td>(36,050)</td>
<td>1,348,786</td>
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<tr>
<td>Contributions</td>
<td>21,364</td>
<td>20,961</td>
<td>403</td>
<td>33,510</td>
<td>(12,146)</td>
<td>149,768</td>
</tr>
<tr>
<td>Program Income</td>
<td>31,721</td>
<td>35,228</td>
<td>(3,507)</td>
<td>33,781</td>
<td>(2,060)</td>
<td>193,391</td>
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<tr>
<td>Rental Income</td>
<td>99,939</td>
<td>95,767</td>
<td>4,171</td>
<td>96,320</td>
<td>3,618</td>
<td>354,599</td>
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<tr>
<td>Other Income</td>
<td>15,543</td>
<td>9,542</td>
<td>6,000</td>
<td>9,954</td>
<td>5,588</td>
<td>34,700</td>
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<tr>
<td>Justice Begins At Home</td>
<td>78,972</td>
<td>-</td>
<td>78,972</td>
<td>86,705</td>
<td>(7,733)</td>
<td>120,000</td>
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<tr>
<td>Total Operating Income</td>
<td>497,125</td>
<td>439,154</td>
<td>57,971</td>
<td>545,908</td>
<td>(48,783)</td>
<td>2,301,244</td>
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<tr>
<td><strong>Operating Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Payroll Expenses</td>
<td>329,413</td>
<td>339,150</td>
<td>9,737</td>
<td>333,629</td>
<td>4,216</td>
<td>1,454,512</td>
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<tr>
<td>Justice Begins At Home</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
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<tr>
<td>Occupancy Expense</td>
<td>52,066</td>
<td>52,001</td>
<td>(66)</td>
<td>61,189</td>
<td>9,123</td>
<td>264,382</td>
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<tr>
<td>Program Expense</td>
<td>49,315</td>
<td>61,133</td>
<td>11,817</td>
<td>78,202</td>
<td>28,887</td>
<td>324,096</td>
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<tr>
<td>Rental Expense</td>
<td>4,893</td>
<td>4,825</td>
<td>(68)</td>
<td>4,655</td>
<td>(238)</td>
<td>20,620</td>
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<td>Administration Expense</td>
<td>17,018</td>
<td>9,606</td>
<td>(7,412)</td>
<td>14,721</td>
<td>(2,297)</td>
<td>64,209</td>
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<td>Interest Expense</td>
<td>16,783</td>
<td>17,208</td>
<td>425</td>
<td>17,000</td>
<td>217</td>
<td>68,000</td>
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<tr>
<td>Other Expense</td>
<td>6,749</td>
<td>195</td>
<td>(6,554)</td>
<td>1,100</td>
<td>(5,649)</td>
<td>4,400</td>
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<tr>
<td>Buchan Principal Payment</td>
<td>38,000</td>
<td>-</td>
<td>-</td>
<td>38,000</td>
<td>38,000</td>
<td></td>
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<tr>
<td>Total Operating Costs</td>
<td>476,237</td>
<td>484,117</td>
<td>7,880</td>
<td>522,497</td>
<td>46,259</td>
<td>2,238,219</td>
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<tr>
<td><strong>Net Church Operations</strong></td>
<td>20,888</td>
<td>(44,963)</td>
<td>65,851</td>
<td>23,411</td>
<td>(2,523)</td>
<td>63,025</td>
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<td><strong>Reserve Account Deposits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Operating Reserve</td>
<td>11,506</td>
<td>10,857</td>
<td>(650)</td>
<td>11,506</td>
<td>-</td>
<td>46,025</td>
</tr>
<tr>
<td>Major Repair &amp; Equipment Reserve</td>
<td>1,417</td>
<td>4,250</td>
<td>2,833</td>
<td>4,250</td>
<td>2,833</td>
<td>17,000</td>
</tr>
<tr>
<td>Total Reserve Deposits</td>
<td>12,923</td>
<td>15,107</td>
<td>2,184</td>
<td>15,756</td>
<td>2,833</td>
<td>63,025</td>
</tr>
<tr>
<td><strong>Net Church Operations After Reserve Deposits</strong></td>
<td>7,965</td>
<td>(60,070)</td>
<td>68,035</td>
<td>7,655</td>
<td>310</td>
<td>0</td>
</tr>
<tr>
<td><strong>Investment Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend &amp; Interest Income</td>
<td>302</td>
<td>229</td>
<td>74</td>
<td>-</td>
<td>302</td>
<td></td>
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<tr>
<td>Realized Stock Gain (Loss)</td>
<td>-</td>
<td>(117)</td>
<td>117</td>
<td>-</td>
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<tr>
<td>Unrealized Stock Gain (Loss)</td>
<td>-</td>
<td>(118)</td>
<td>118</td>
<td>-</td>
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<tr>
<td><strong>Net Investment Income (Loss)</strong></td>
<td>302</td>
<td>(7)</td>
<td>309</td>
<td>-</td>
<td>302</td>
<td></td>
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<tr>
<td><strong>Operating Surplus (Deficit)</strong></td>
<td>8,267</td>
<td>(60,076)</td>
<td>68,344</td>
<td>7,655</td>
<td>612</td>
<td></td>
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</tbody>
</table>

Note: Justice Begins At Home Total Collections included as Income; No expense incurred yet.
<table>
<thead>
<tr>
<th>First Unitarian Church Monthly Operating Summary 9/30/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Church Operations</strong></td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
</tr>
<tr>
<td>Pledge Income</td>
</tr>
<tr>
<td>Contributions</td>
</tr>
<tr>
<td>Program Income</td>
</tr>
<tr>
<td>Rental Income</td>
</tr>
<tr>
<td>Other Income</td>
</tr>
<tr>
<td>Justice Begins At Home</td>
</tr>
<tr>
<td><strong>Total Operating Income</strong></td>
</tr>
<tr>
<td><strong>Operating Costs</strong></td>
</tr>
<tr>
<td>Payroll Expenses</td>
</tr>
<tr>
<td>Justice Begins At Home</td>
</tr>
<tr>
<td>Occupancy Expense</td>
</tr>
<tr>
<td>Program Expense</td>
</tr>
<tr>
<td>Rental Expense</td>
</tr>
<tr>
<td>Administration Expense</td>
</tr>
<tr>
<td>Interest Expense</td>
</tr>
<tr>
<td>Buchan Principal Payment</td>
</tr>
<tr>
<td><strong>Total Operating Costs</strong></td>
</tr>
<tr>
<td><strong>Net Church Operations</strong></td>
</tr>
<tr>
<td><strong>Reserve Account Deposits</strong></td>
</tr>
<tr>
<td>Annual Operating Reserve</td>
</tr>
<tr>
<td>Major Repair &amp; Equipment Reserve</td>
</tr>
<tr>
<td><strong>Total Reserve Deposits</strong></td>
</tr>
<tr>
<td><strong>Net Church Operations After Reserve Deposits</strong></td>
</tr>
<tr>
<td><strong>Investment Income</strong></td>
</tr>
<tr>
<td>Dividend &amp; Interest Income</td>
</tr>
<tr>
<td><strong>Net Investment Income (Loss)</strong></td>
</tr>
<tr>
<td><strong>Operating Surplus (Deficit)</strong></td>
</tr>
</tbody>
</table>
First Unitarian Church Dashboard Report September 2015

CAMPAIGN MONTHLY TRACKING

Pledge Drive Statistics

<table>
<thead>
<tr>
<th></th>
<th>2016 Campaign</th>
<th>2015 Campaign</th>
<th>2014 Campaign</th>
<th>2013 Campaign</th>
</tr>
</thead>
<tbody>
<tr>
<td>As Of</td>
<td>09/30/15</td>
<td>09/30/14</td>
<td>09/30/13</td>
<td>09/30/12</td>
</tr>
<tr>
<td><strong>All Members--</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledge Goal</td>
<td>-</td>
<td>1,425,000</td>
<td>1,430,532</td>
<td>1,419,000</td>
</tr>
<tr>
<td>Pledges Received</td>
<td></td>
<td>53,640</td>
<td>41,950</td>
<td></td>
</tr>
<tr>
<td>Justice Begins At Home</td>
<td>500</td>
<td></td>
<td></td>
<td>Match Challenge</td>
</tr>
<tr>
<td>Percent of Goal</td>
<td></td>
<td>0.04%</td>
<td>3.75%</td>
<td>2.96%</td>
</tr>
<tr>
<td>Pledging Households</td>
<td></td>
<td></td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>Average Pledge Received</td>
<td>500</td>
<td></td>
<td>4,126</td>
<td>6,992</td>
</tr>
<tr>
<td>Payments Received</td>
<td></td>
<td>10,330</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Match Payments Received</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent of Pledge</td>
<td></td>
<td>0.0%</td>
<td></td>
<td>24.6%</td>
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</table>

Attendance

<table>
<thead>
<tr>
<th></th>
<th>' September 2015</th>
<th>' September 2014</th>
<th>**' September 2013'</th>
<th>**' September 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the month</td>
<td>2,890</td>
<td>3,206</td>
<td>-9.86%</td>
<td>4,283</td>
</tr>
<tr>
<td>Total for the Church Year</td>
<td>2,890</td>
<td>3,206</td>
<td>-9.86%</td>
<td>4,283</td>
</tr>
<tr>
<td>Average per Sunday for month</td>
<td>723</td>
<td>802</td>
<td>-9.86%</td>
<td>857</td>
</tr>
<tr>
<td>Average per Sunday YTD</td>
<td>723</td>
<td>802</td>
<td>-9.86%</td>
<td>857</td>
</tr>
</tbody>
</table>

** = 5-Sunday month
*2/9 = snow day
*Easter

Christmas Eve

New Members

<table>
<thead>
<tr>
<th></th>
<th>9/15</th>
<th>9/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrolled</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Number of Pledges Received</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Total Amount of Pledges Received</td>
<td>3,530</td>
<td>151.96%</td>
</tr>
<tr>
<td>Average Pledge</td>
<td>588</td>
<td>67.98%</td>
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Plate Contributions

<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>Recipient(s)</th>
<th></th>
<th>FY15</th>
<th>Recipient(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun</td>
<td>3,401</td>
<td>Reentry Trans Proj; Rebuild Church</td>
<td>Jan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug</td>
<td>2,880</td>
<td>LUMMI Tribe</td>
<td>Feb</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep</td>
<td>2,548</td>
<td>Northstar Clubhouse</td>
<td>Mar</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oct</td>
<td></td>
<td></td>
<td>Apr</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td></td>
<td></td>
<td>May</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td></td>
<td></td>
<td>Jun</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fiscal YTD</td>
<td>8,829</td>
<td></td>
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40
### First Unitarian Church of Portland

**Cash/Securities Balances**

<table>
<thead>
<tr>
<th>Dept</th>
<th>Fund Name</th>
<th>General Ledger Fund Balance</th>
<th>Change from Prior Month</th>
<th>General Ledger Fund Balance</th>
<th>1010 WF Business Checking</th>
<th>1011 WF Money Market</th>
<th>1020 UBS Investment</th>
<th>1035-10 WF SUI Deposit</th>
<th>1060 Federated &amp; Franklin</th>
<th>1012-10 Wells Fargo HYS</th>
<th>1060-42 Chas Schwab (MJS Lecture)</th>
<th>1014-10 Wells Fargo Tax Rebate</th>
<th>On Point Anniversary</th>
<th>1015-10 Justice Begins At Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Cash for Operation</td>
<td>15,121.55</td>
<td>(2,111.63)</td>
<td>17,233.18</td>
<td>1,194.03</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3412</td>
<td>Annual Operating Reserve</td>
<td>7,670.84</td>
<td>3,835.42</td>
<td>11,506.26</td>
<td>11,506.26</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>3414</td>
<td>Major Donor Reserve Fund</td>
<td>40,000.00</td>
<td>-</td>
<td>40,000.00</td>
<td>40,000.00</td>
<td>-</td>
<td>-</td>
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<td>-</td>
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<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>3415</td>
<td>Sabbatical Reserve</td>
<td>1,000.00</td>
<td>-</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3423</td>
<td>Special Projects Reserve</td>
<td>51,331.54</td>
<td>-</td>
<td>51,331.54</td>
<td>51,331.54</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3430</td>
<td>Major Repairs &amp; Equipment Reserve</td>
<td>159,653.63</td>
<td>-</td>
<td>159,653.63</td>
<td>159,653.63</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>3413</td>
<td>Safety Reserve</td>
<td>140,235.22</td>
<td>-</td>
<td>140,235.22</td>
<td>140,235.22</td>
<td>-</td>
<td>-</td>
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<td>-</td>
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<tr>
<td>1012-10</td>
<td>Required Loan Reserve</td>
<td>111,376.55</td>
<td>18.31</td>
<td>111,394.86</td>
<td>111,394.86</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>1015-10</td>
<td>Justice Begins at Home</td>
<td>64,510.52</td>
<td>6,961.19</td>
<td>71,471.71</td>
<td>71,471.71</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3424</td>
<td>Reserve Tax Rebate</td>
<td>48,965.95</td>
<td>2.41</td>
<td>48,968.36</td>
<td>48,968.36</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1010-49</td>
<td>Program Designated</td>
<td>223,996.74</td>
<td>(302.42)</td>
<td>223,694.32</td>
<td>223,694.32</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>34</td>
<td>Buchan Bldg Capital</td>
<td>3,518.47</td>
<td>230.00</td>
<td>3,748.47</td>
<td>3,748.47</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>3411</td>
<td>Commemoration</td>
<td>17,194.89</td>
<td>-</td>
<td>17,194.89</td>
<td>17,194.89</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>41</td>
<td>Chesney (Intern Minister)</td>
<td>39,087.66</td>
<td>(146.85)</td>
<td>38,940.81</td>
<td>22,124.81</td>
<td>16,816.00</td>
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<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>42</td>
<td>MJS Lecture Series</td>
<td>101,092.55</td>
<td>(1,622.11)</td>
<td>99,470.44</td>
<td>27.02</td>
<td>99,443.42</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>43</td>
<td>Hessler-Deale (Women in Ministry)</td>
<td>24,649.00</td>
<td>169.85</td>
<td>24,818.85</td>
<td>15,239.45</td>
<td>9,579.40</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>46</td>
<td>Anniversary</td>
<td>15,409.15</td>
<td>0.63</td>
<td>15,409.78</td>
<td>15,409.78</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1035-10</td>
<td>State Unemployment Insurance</td>
<td>20,329.62</td>
<td>3.45</td>
<td>20,333.07</td>
<td>20,333.07</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>217,762.87</td>
<td>Sub-Total Restricted Funds</td>
<td>(1,395.03)</td>
<td>-</td>
<td>216,167.84</td>
<td>54,586.17</td>
<td>-</td>
<td>20,333.07</td>
<td>26,395.40</td>
<td>99,443.42</td>
<td>-</td>
<td>15,409.78</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total All Funds</td>
<td>1,067,470.78</td>
<td>7,038.25</td>
<td>1,061,939.03</td>
<td>209,015.58</td>
<td>459,506.85</td>
<td>0.00</td>
<td>20,333.07</td>
<td>26,395.40</td>
<td>111,394.86</td>
<td>99,443.42</td>
<td>48,968.36</td>
<td>15,409.78</td>
<td>71,471.71</td>
<td>71,471.71</td>
</tr>
</tbody>
</table>

**Per Bank Rec.**

| Dept | Petty Cash | 500.00 | 500.00 | $1,067,970.78 | ($5,531.75) | $1,062,439.03 |

**Lines of Credit Operating**

<table>
<thead>
<tr>
<th>Dept</th>
<th>Wells Fargo Buchan Loan</th>
<th>Ending Balance</th>
<th>Payments</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2120-10</td>
<td>$1,541,928.94</td>
<td>($3,243.90)</td>
<td>$1,538,685.04</td>
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</tr>
</tbody>
</table>
**First Unitarian Church**

**Statement of Cash Flows**

**For the Month Ending 9/30/2015**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Cash &amp; Equivalents Balance</strong></td>
<td><strong>1,067,970.78</strong></td>
</tr>
<tr>
<td><strong>Receipts</strong></td>
<td></td>
</tr>
<tr>
<td>Pledges &amp; Contributions Received</td>
<td><strong>93,586.50</strong></td>
</tr>
<tr>
<td>Events/Weddings/Memorials</td>
<td><strong>1,608.50</strong></td>
</tr>
<tr>
<td>Rents Received</td>
<td><strong>28,276.24</strong></td>
</tr>
<tr>
<td>Program Receipts</td>
<td><strong>20,651.22</strong></td>
</tr>
<tr>
<td>Miscellaneous Receipts</td>
<td><strong>1,656.29</strong></td>
</tr>
<tr>
<td>Interest/Gain-Loss on Investments</td>
<td><strong>(1,495.71)</strong></td>
</tr>
<tr>
<td>Increase/Decrease Accounts Receivable</td>
<td><strong>(531.00)</strong></td>
</tr>
<tr>
<td>Special Fundraising</td>
<td><strong>7,507.14</strong></td>
</tr>
<tr>
<td>Restricted Fund Receipts</td>
<td><strong>325.00</strong></td>
</tr>
<tr>
<td>Operating Receipts</td>
<td><strong>151,584.18</strong></td>
</tr>
<tr>
<td>Buchan Building Receipts</td>
<td><strong>230.00</strong></td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td><strong>151,814.18</strong></td>
</tr>
<tr>
<td><strong>Payments</strong></td>
<td></td>
</tr>
<tr>
<td>Payroll/Taxes/Benefits</td>
<td><strong>(112,012.59)</strong></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td><strong>(44,098.59)</strong></td>
</tr>
<tr>
<td>Program Expenses</td>
<td><strong>(16,163.50)</strong></td>
</tr>
<tr>
<td>Increase/Decrease Prepaid Expenses</td>
<td><strong>(396.53)</strong></td>
</tr>
<tr>
<td>Acquisition of Property &amp; Equipment</td>
<td><strong>380.00</strong></td>
</tr>
<tr>
<td>Increase/Decrease Accounts Payable</td>
<td><strong>19,737.15</strong></td>
</tr>
<tr>
<td>Miscellaneous Expenses</td>
<td><strong>(1,547.97)</strong></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td><strong>(154,102.03)</strong></td>
</tr>
<tr>
<td>Wells Fargo Buchan Building Loan</td>
<td><strong>(3,243.90)</strong></td>
</tr>
<tr>
<td><strong>Total Payments</strong></td>
<td><strong>(157,345.93)</strong></td>
</tr>
<tr>
<td><strong>Net Cash In/(Out)</strong></td>
<td><strong>(5,531.75)</strong></td>
</tr>
<tr>
<td><strong>Ending Cash &amp; Equivalents Balance</strong></td>
<td><strong>1,062,439.03</strong></td>
</tr>
</tbody>
</table>
Notes to Financials

September 2015

Operating Income

1. Pledge income (YTD and month) below budget.
2. Contributions also below budget.
3. Program Income:
   a. Parking 1,502
   b. Bookstore 1,304
   c. Adult Program Classes 2,600
   d. Adult Program Retreats 1,895
   e. Scrip 6.047
4. Rental Income includes:
   - Events 3,583
   - Tenants Rent 26,302

5. Other Income –
   a. Sexton fees from rental events 1,632
6. Justice Begins At Home:
   - Sep collection 7,505
   (to be transferred to account in Oct)

Operating Costs

1. Monthly payroll a little over budget
   (based on FY15 budget; FY16 budget pending due to labor negotiation)
2. Occupancy – under budget
3. Program Expenses
   a. Audit Fee 5,900
   b. Music Expenses 3,105
   c. Social Justice 1,048
   d. Children’s Religious Education 1,238
   e. Scrip 4,510
   f. Equipment Maintenance 2,721
   g. Misc Ministry 1,095
h.

Dashboard

1. Sept New members = 8, 6 pledges received
2. Plate recipients = Northstar Clubhouse; Syrian Refugees/UUSC

Cash/Securities Balances

1. Justice Begins At Home – balance includes Aug collection; Sep collection to be transferred to account in Oct
2. Buchan Bldg Loan Payment – ($3,232) taken out from Operating account.
   Operating Summary to be updated in Nov to reflect that expense

Miscellaneous

43