First Unitarian Church of Portland, Oregon

Budget for Fiscal Year (FY) 2012
and Financial Projections through FY 2016

Your Board, ministers and staff are pleased to propose this balanced budget for the Fiscal Year ending June 30, 2012 (FY 2012) and projections through FY 2016 for approval by the voting membership of our church at the May 22, 2011 election.

This has been a notable year in the life of our church. With our new Senior Minister Rev. Bill Sinkford at the helm, significant new initiatives have been identified, more and more newcomers are being welcomed, and a wonderful sense of enthusiasm and possibility are evident everywhere. A strong spirit of collaboration exists among ministers, staff, and volunteer leadership. This year’s budget builds on the positive momentum of all of these factors, coupled with a successful Annual Fund Drive in which our goal was met for the first time in several years.

The following key assumptions are highlighted for you as an aid to studying the budget. Further details on budgeted income and costs are available in the office upon request.

• Key Revenue Assumptions:
  o FY2012 Annual Fund Drive increase 10% over prior year
  o Modest growth in Contributions, Program and Rental Income
  o 50% decrease in RE fees for pledging households in FY 2012; elimination of RE fees for pledging households in FY 2013
  o Continued contribution from Foundation

• Key Operating Expense Assumptions:
  o Personnel expenses include 1.5% COLA, small amount for salary adjustments
  o Benefit costs budgeted to increase by 4.5%
  o Increase in UUA/PNWD dues to 50% of Fair Share for FY 2012; projected full Fair Share by FY 2014
  o Investment in growth related expenses of $33,000
  o Investment in deferred maintenance of $50,000

• Reserve Assumptions:
  o Funds Contingency Reserve at 2% of revenues, excluding rentals
  o Uses a portion of Safety Reserve to fund:
    ▪ Ministerial transition expenses
    ▪ Investment in infrastructure and deferred maintenance

• Five Year Forecast:
  o Assumes 5.75% annual growth in Pledge Income
  o Invests in personnel and infrastructure to support continued growth