

Congregational Meeting  
2019-2020 Budget Review  
By  
Allie Samek, Treasurer

The 2020 Annual Congregational Meeting will take place on Sunday, June 14, 2020. In anticipation of that meeting I would like to present this report to review the 2019-2020 Budget. This review speaks to actual results through April 2020 and projections through June 30, 2020.

The budget results for 2019-2020 (19/20) is significantly different from plan due to many important factors, the largest of which is the impact of COVID-19. The highlights of this years budget vs. actuals are as follows:

- FY 19/20 had a projected budgeted surplus of \$226,867, as voted on and approved at the congregational meeting in June 2019. I project that we will end FY 19/20 with a budget deficit of approximately -\$484,779. While there are many areas that account for this difference, the primary categories are as follows:
  - \$150,000: Reduction in annual giving to plan (approx. \$150k) – we believe this was budgeted too high by approx. \$50k and \$100k fell short due to COVID 19
  - \$150,000: Overages in preschool teacher salaries due to overtime and hourly wage increases to plan
  - \$100,000: Accounting error due to the way we planned for gross vs. net preschool revenue. Our budget counted net and the preschool was planning against gross
  - \$50,000: Overages in scholarships given away, primarily to preschool parents
  - \$40,000: Overages in overhead expenses (supplies, postage, health care benefits, etc)
  - \$40,000: Shortage in contribution from summer '19 summer camp (kids 5-12)
  - \$287,000 Refund to preschool parents in the form of a credit/refunds for COVID 19. We gave refunds of \$41k for enrichment and aftercare in the preschool in the form of cash.
  - These shortfalls have been OFFSET by emergency fund donations in the amount of approximately \$125,000.
- This year also saw the successful closure of the purchase of the Jonas Building (Isaiah East) for \$2.718 Million dollars. We have taken out a mortgage for this property with the principle being \$2.54M and annual interest payments in the amount of approx. \$120k of which up to \$60k can be drawn from the endowment. The loan also came with the ability to draw against it up to \$600k.
- Finally, in May 2020 we were able to complete the new hire of Marc Granirer, our new CFO. Mark will be instrumental in managing the Temple finances as we move throughout next year and beyond. With Marc's tenure, we sadly say goodbye lovingly to our long-term Controller, Barbara Levine.

COVID Impact and financial implications: It is important to understand that there is a significant difference between our P&L budget/actuals and our cash flow. Temple Isaiah was able to secure the federal PPP loan in the amount of \$1,055,187 which enabled us to keep our staff employed during the

spring school closure as well as allow for no reductions in headcount through the end of the fiscal year. When this loan is forgiven, we will see credit for this amount on next year's budget.

As you will see in my formal presentation, I believe we should look at FY 19/20 and FY 20/21 both separately and combined in an effort to get a good idea of how the overall financial health of the temple will look once the PPP loan is forgiven.

For more detailed information by department, please see the attached two reports that project the financial results of the current fiscal year.



**Temple Isalah Budget**  
**Major Revenue Drivers and Programs Summary Detail**  
**Budget vs Actuals FY1920**

Description	Month of April		Year to Date - 04/30/2020		July 1, 2019 - June 30, 2020 Approved Budget	EST JULY 1 PARTIAL REFUND \$1000 per child
	Comparison Actual	Comparison Budget	Comparison Actual	Comparison Budget		
<b>Membership Dues Revenue, Net of Expenses</b>						
Membership Dues Revenue	30,825	75,300	1,975,795	2,091,985	2,130,000	2,021,079
Membership Expenses	8,063	92,637	185,321	287,127	334,554	240,914
<b>Net Membership Dues Revenue</b>	<b>22,762</b>	<b>(17,337)</b>	<b>1,790,474</b>	<b>1,804,858</b>	<b>1,795,446</b>	<b>1,780,165</b>
<b>Preschool, Net of Costs</b>						
Preschool Revenue	47,606	247,095	4,177,936	4,450,918	4,497,000	3,819,930
Preschool Expenses	272,315	299,881	2,983,714	2,960,795	3,673,511	3,637,209
<b>Net Preschool Revenues</b>	<b>(224,709)</b>	<b>(52,786)</b>	<b>1,194,222</b>	<b>1,490,123</b>	<b>823,489</b>	<b>182,721</b>
<b>Annual Giving, Net of Costs</b>						
Revenue	3,567	14,088	631,504	632,890	810,000	640,958
Expenses	10,773	13,606	128,272	149,560	182,914	150,553
<b>Net Annual Giving Revenue</b>	<b>(7,206)</b>	<b>482</b>	<b>503,232</b>	<b>483,330</b>	<b>627,086</b>	<b>490,405</b>
<b>Security Assessment, Net of Cost</b>						
Security Revenues	3,355	6,000	267,504	253,000	265,000	245,500
Security Expenses	(1,233)	6,463	49,810	64,625	77,550	77,550
<b>Net Security Assessment</b>	<b>4,588</b>	<b>(463)</b>	<b>217,694</b>	<b>188,375</b>	<b>187,450</b>	<b>167,950</b>
<b>Religious School, Net of Costs</b>						
Religious School Revenue	7,672	24,642	714,891	698,313	728,195	730,236
Religious School Expenses	50,412	69,670	637,569	658,739	763,517	780,156
<b>Net Religious School Revenues</b>	<b>(42,740)</b>	<b>(45,028)</b>	<b>77,322</b>	<b>39,574</b>	<b>(35,322)</b>	<b>(49,920)</b>
<b>Isalah Camp, Net of Costs</b>						
Camp Revenues	-	-	431,698	504,390	504,390	431,698
Camp Expenses	8,164	14,171	343,491	426,195	461,734	372,793
<b>Net Isalah Camp Revenues</b>	<b>(8,164)</b>	<b>(14,171)</b>	<b>88,207</b>	<b>78,195</b>	<b>42,656</b>	<b>58,905</b>
<b>Facility Rentals/Commissions, Net of C</b>						
Facility Rentals, Net of Costs	(386)	4,866	42,885	50,010	54,500	43,277
Other Revenues	-	-	3,353	-	-	3,353
Total Program Net Revenues plus othe	(263,985)	(123,237)	3,964,992	4,144,065	3,507,304	2,730,802