

Temple Sinai 2021-2022 Budget

To: Temple Sinai Members

From: Marcie Solomon, EVP, Chair, Finance Committee

Date: May 7, 2021

Re: Operating Budget and Capital and Building Budget for 2021-2022

Dear Fellow Temple Sinai Members,

On behalf of the Finance Committee, I submit for your review and approval the two budgets for 2021-2022: The Operating Budget and the Capital and Building Budget.

Before actually reviewing the budget, I'd like to thank the members of the Finance Committee and the Budget Task Force who did yeomen's work in their stewardship of our finances during this unimaginable past year. Both groups approached their taskings in a most impressive thoughtful, conservative, values-based manner. Ellen Agler, who served on both the Finance Committee and the Task Force somehow managed to keep the committee and Task Force continually updated with data even with understaffed admin support. The other people who served on both the committee and the Task Force were David Antonelli, Steve Sacks, Michael Zelin, and Niesa Halpern, who has served the committee for over 20 years. Liz Dunst, Nancy Golding, Julian Josephs, Bill Passer, Deborah Tanno, Greg Weingast served on the Finance Committee and Rabbi Roos, Cantor Robins, Tracy Mann, Julius Weiss and Rosann Wisman served on the Budget Task Force. It is their foresight and oversight during this time of immense uncertainties that has allowed us to reach the relatively strong position that we are in today.

I'd also like to thank the Building and Grounds Committee, chaired by Marta Goldsmith, for their work in continuing to ensure the health and safety of the Temple community. Members of that committee are Gerry Castillo, Bill Kominers, Asher Lipman, Bob Loesche, Kevin Mulshine, and Rick Tempchin.

First, **a word about the 2020-2021 budget:** Given that the primary purpose of the PPP loans was to retain employees and that the two PPP loans have allowed us to end the year in a better place than we had anticipated, an additional \$65,000 has been allocated in the FY 20-21 budget for a wage restoration pool for all Temple staff affected by the required November/December one-week furlough or other similar wage loss. It will restore 100% of lost wages to all furloughed employees. We believe that this accurately reflects the values of the congregation.

Now – **the 2021-2022 Budget:** You may notice that the budget is presented in a format different from that of past years. Given the continuing uncertainties concerning the impact of COVID-19 on our operations and communal recovery, the intent here is to provide greater clarity and transparency. Also different this year is the now complete merger of the Nursery School into the Temple’s financial and budgeting process.

Bottom Line = \$767

Revenue = \$6,361,733

Expense = \$6,360,966

The budget assumes full forgiveness of the Second Draw PPP loan, based on current regulations.

Assumptions used in the preparation of this budget: The Temple will continue to gradually welcome members back on-site for services, programs and meetings, with appropriate health and safety protocols in place. We will proceed carefully, informed by DC Department of Health guidelines and our COVID-19 advisory group. Since we cannot predict with certainty the rate of how quickly we will be able to accommodate increased capacity and at what level, this budget assumes a “middle case” scenario that requires us to be *flexible*. The Temple Board receives financial reports monthly and, along with the Finance Committee, closely monitors the budget and adjusts it as needed to stay on track as conditions may change during the year.

Life at Temple Sinai: As we are able to gather at the temple for services and adult programming again, we will use technology to provide simultaneous virtual connection for members and guests who elect to join from their homes. We are expecting that, over the next few months, there will be an easing of restrictions in the following manner.

- a. **Open/closed Status of the Building** - Regular business hours in addition to two evenings/week for small meetings and programs.
- b. **Friday Shabbat Services** - Begins on-site with a small number of members. Numbers to be gradually adjusted.
- c. **Saturday Services and Gatherings** - Begins with on-site Torah Study and b’neimitzvah with 30 people per family. (No food or parties). Gradually increase the numbers who can gather and possibly permit small Kiddush-type gatherings after b’nei mitzvah (no big parties).
- d. **High Holy Days** - Building open with limited capacity; no ticket sales.
- e. **Temple Sinai Nursery School** - Possibility of summer programming (estimated) and for the September-May academic year to have on-site enrollment at 45% of full capacity due to OSSE regulations.
- f. **Temple Sinai Religious School** - September-May on-site Tuesday evenings and Sundays in smaller groups than in prior years, consistent with COVID best practices. Some virtual elements such as mid-week Hebrew will be maintained. Family programs to be held on and off-site.

Revenue Assumptions:

- a. Member Commitment - Informed by current year-end projections and a detailed member-by-member review -- \$27K more than current year projection.
- b. Second Draw PPP (NEW) – 80% of total loan of \$852K, with balance allocated to the building maintenance fund.
- c. Sinai Annual Fund – Similar to 2019.
- d. Fund Transfers –
 - i. Sustaining Fund (with a portion for Davis Center for Social Justice at Temple Sinai) - \$153,503.
 - ii. Other program funds – Similar to 2019.
- e. Other income items – Informed by current year budget and year-end projections.

Expense Assumptions:

- a. Labor –
 - i. COLA – 2% cost of living increase across the board. (Employees received no increase in FY 20-21).
 - ii. Two contract increases.
 - iii. Facilities – Add 1 new employee for 9 months.
 - iv. Health insurance -- Estimate 10% increase.
- b. Other –
 - i. Contracted security (NEW) – Armed contract security on-site for Shabbat services on Fridays and Saturdays, for Religious School on Sundays and during Nursery School (TSNS) hours Monday-Friday. Expense partially offset by reductions in employed safety staff. Security expense dedicated for TSNS moved to the TSNS budget.
 - ii. Contracted AV operator (NEW) – On-site for Friday Shabbat, Saturday b'nei mitzvah, funerals, High Holy Days and large programs.
 - iii. COVID related (NEW) – Contingency expense line and additional maintenance for new filtration and additional cleaning supplies.
 - iv. Other items – Informed by current budget and year-end projections.

Religious School/Youth Education:

- a. Net Temple Investment -- \$243,340
- b. Enrollment 83% of 2019-2020.
- c. No tuition increase from current rates.

Nursery School:

- a. Net Temple investment -- \$129,450
- b. Enrollment at 45% of licensed capacity due to DC health & safety regulations.

Capital and Building Budget

The Building and Grounds Committee carefully monitors needs and sets priorities for use of the building maintenance and capital funds as required to keep the temple facilities and grounds in good repair. Reserves for anticipated and unanticipated future needs are maintained. Next fiscal year, we plan to complete a number of projects that were not completed this year due to the disruption of COVID. In addition, the HVAC system will be upgraded with enhanced filtration consistent with COVID-related best practice recommendations.