

## **From the Treasurer**

On the balance sheet as of May 31, 2020, OZ had \$132k in cash, up from \$103k at May 31 last year, mostly due to borrowing \$163k from the federal Paycheck Protection Program, which allowed us to repay the \$50k borrowing from the Line of Credit (below). The outstanding long-term loan balances were \$143k on the \$200k kitchen loan, and \$191k on the \$212k endowment loan, paid down from \$177k and \$198k, respectively, at the end of last March.

## **Covid-19 Impacts**

The board decided that we would continue to pay all staff at their regular pay rates, because we have received a PPP loan for \$163k. This will be almost if not completely forgiven, because we will spend the proceeds of this loan on payroll during the 24 weeks following receipt of the loan. We shut down the Shalom Shuk, which means roughly \$7k per month reduction in revenue, but payroll costs are covered by the PPP loan. Preschool revenue will also decrease, but the State of Vermont is sending us “stabilization funds” which partially offset this loss, and again, payroll costs are covered by the PPP loan. Costs for Preschool prevention of contagion supplies will also be partially supported by state funds. We are also looking into purchasing a \$3k package of audio-visual equipment that will make our High Holy Days virtual broadcasts more enjoyable.

## **FY 2019-2020 Eleven Month Results**

OZ’s first 11 months in 2019-20 were positive, which is surprising for this time of year: our operating revenues exceeded our operating expenses by \$98K. That is better than the initial projected deficit of \$75K by about \$173K, and was up from the operating deficit of \$7k this time last year. What accounted for this result? Primarily, the following items:

- About \$74K more in revenues were received than the 11 month year-to-date forecast, mostly dues and related income, plus Preschool and Security donations
- About \$54k in budgeted expenses have not yet been incurred, but will be in the last month of the year (insurance, dues, contract labor)
- Several year-end adjustments will also decrease our net income:
  - Half of the \$18k Facilities Fee is moved to reserve for future building needs (roof, etc.);
  - \$4k for Kiddush is moved to reserve for next year;
  - \$10k for Feen Lecture will be reserved for next year;
  - \$10k for Library will be reserved for next year;
  - \$3k for the Sara Rosenberg/Mary Ann Pels Kitchen Fund will be reserved for next year;
  - \$15k for Security Enhancements will be reserved for next year;
  - Total of \$42k will be reserved.

## **Year-End Forecast So Far**

Two hundred seventy-eight families have pledged \$345k in dues for the year 2019-20, (July 1, 2019-June 30,2020) so we are at 93% of our goal of \$372k. Those 278 families have pledged slightly more (1.1%) than their 2018-19 pledges, plus \$19k in Facilities Fees (vs. a \$20k budget) and \$11k in Security Fees (unbudgeted, but must be spent on security features; reserved as above). Thanks to everyone who has pledged so far! You keep us going! In addition, we know that we will be slightly over budget in Preschool, as we discovered that we had failed to offer Preschool faculty retirement benefits; that will cost \$10k this year, and about \$4k per year going forward. Offsetting that will be some salary and benefit savings of around \$20k this year. But several other expense areas are becoming problems in this Covid-19 shutdown, so we still need to raise \$30k to break even for the year, which is \$50k better than our last forecast.

## **Paid back the Line of Credit**

We have repaid the \$50k borrowed from a generous congregant (thanks so much!) as a short-term loan at the lowest allowable Federal Applicable Rate (2.49%).

## **Next Year's Budget**

In May, the board decided to continue the 2019-2020 budget through the end of September. This will allow us to adjust to new realities of spending and fundraising created by the Covid-19 pandemic. There will be a Congregational Meeting on September 8 to approve a "short year" budget running from October 1, 2020 through June 30, 2021. The Board of Directors, Treasurer and Finance Committee are working hard on this budget right now.

## **What You Can Do**

The board welcomes any and all suggestions regarding how we can reduce expenses or increase revenues. Also, please remember to return that membership pledge. Thank you for all your support!

If, having read the above, you wonder if OZ could use a new Treasurer, you are right – we are, indeed, still actively looking for a new Treasurer! If you love and are competent in accounting entries (or know someone who might be interested), please let us know. If you happen to *only* love accounting entries but not speaking or writing about those numbers, we even have a congregant who will team up with you for the non-bookkeeping aspects, like meetings, budget presentation—and these highly engaging articles in *The Voice*.

~ Bill Miller  
Treasurer