

Congregation Beth Shalom
Financial Sustainability Task Force Report
May 2019

Task Force Members:

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Situational Analysis

Beth Shalom has experienced persistent structural deficits and has used certain endowments to cover the shortfalls. It has substantial deferred maintenance and repairs to the building due to lack of funds to complete. We have been unable to pay our staff a living wage or offer meaningful benefits. Running these deficits is not sustainable as those available endowments will be depleted.

The last several years have been manageable due to the modestly successful Centennial campaign and several economically positive one-time events. Nevertheless, the underlying problem still exists of operating expenses exceeding demonstrated sustainable revenues. As the Centennial income winds down, deficits will return which are not sustainable as available endowments will soon be depleted.

The charge of our task force is to make recommendations and suggest potential courses of action which, when and if adopted, would move Beth Shalom to financial sustainability.

Members of the task force researched, analyzed and reported on virtually every segment of Beth Shalom's operations. The sources and uses of Beth Shalom's funds were analyzed as well. Our data was sourced from financial statements, budgets, records and interviews while keeping in mind the wish list of the strategic planning steering committee. From our analyses, reviews and discussions, the task force quickly came to consensus as to what we would recommend to the strategic planning committee. Those recommendations and our vision follow

Vision

We envision a Beth Shalom that has a culture of giving with all members participating. Our budget will be balanced, will be focused on transparency and accountability, and will be representative of our values. Each of our segments will be operated as efficiently and effectively as possible.

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Strategic Objectives and Recommendations

1. Cultivate a culture of giving

- Hire a development director
- Develop a legacy program
- Establish an annual giving campaign

2. Balance our budget while reflecting our values

- Appoint a board member to champion fundraising events
- Refine our operations to make them efficient, effective, and safe
- Develop a new dues structure
- Establish multi-year operating and capital budgets
- Maintain financial transparency and accountability
- Work toward a living wage with reasonable benefits for our employees

3. Refinance debt and seek financing for other needs

- Refinance the mortgage due in 2020
- Attempt to finance the cost of major capital repairs
- Attempt to reinstate our line of credit

4. Establish an accounting oversight and review committee

- Determine accounting and financial procedures
- Review results on a regular basis

5. Given our place in the Pittsburgh Jewish Community, be willing to consider consolidations, joint ventures, and outsourcing to make financial sustainability a priority