

## HCRJ ANNUAL MEETING - MAY 23, 2021

### FINANCE REPORT

Dear Congregational Family:

We hope you and your family have remained healthy during this challenging year and are continuing to enjoy the programming and support HCRJ has been providing. Due to the unbelievable and ongoing support of our incredible HCRJ community, as well as from a PPP loan, HCRJ will likely end the year with a surplus of \$27,854, which is an incredible accomplishment in these uncertain times. We are hoping to see more of everyone in the upcoming fiscal year, as we are hoping to be able to hold more in-person events at HCRJ.

#### Prior Years:

Our actual income less expenses for the previous five fiscal years is as follows:

Y/E 6/30/16	Y/E 6/30/17	Y/E 6/30/18	YE 6/30/2019	YE 6/30/2020
\$8,210	(\$53,912)	\$24,117	\$61,020	\$60,880

#### Fiscal Year Ending June 30, 2021:

At last year's Annual Meeting, we approved a budget projecting revenue of \$715,073, expenses of \$841,589, and a deficit of \$126,516. I am very happy to report we now expect to end this fiscal year with a surplus of \$27,854. With respect to revenues, we likely will not collect the \$425,000 in Dues we expected (~75% of Dues billed). As of April 30, 2020, we have Dues Receivable of \$240,925, of which \$129,126 is attributable to this fiscal year. However, we have been blessed with the generosity of our community on the order of \$194,147 in Annual Campaign contributions and Gifts from Others, which is \$25,000 more than we budgeted. Also, as expected, our \$70,200 PPP loan was fully forgiven, and is why we will have a surplus at the end of the fiscal year. With respect to expenses, we are coming in close to our expected rate, with the exception of lower Security fees, lower COVID cleaning fees and the decrease in Religious School expenses. Accordingly, we expect, as noted above, to have a surplus at the end of this fiscal year.

#### Fiscal Year Ending June 30, 2022:

Projecting the outcome for our upcoming fiscal year in light of the current environment continued to be challenging. This being said, the Board of Trustees approved a balanced budget projecting revenue of \$816,956 and expenses of \$816,549. While we sincerely hope to be able to collect our typical 90% of Dues/Security billed to members, we have lowered that expectation to 80% for the upcoming fiscal year. We will assess the annual 3% Board of Trustees approved Dues increase for the upcoming fiscal year, although it was waived the last two years.

We have lowered our expected revenues from other sources (i.e., Arrangements, Building Rental, Interest Income) recognizing that it is likely that the temple may be limited as to the number of in-person events it will be able to host this upcoming fiscal year and recognizing that interest rates are at an all-time low. However, we are hoping that through the continued generosity of our members and community we will still be able to generate substantial revenues from other sources. Additionally, we were lucky enough to be granted a second PPP loan for \$67,246 this year, which we expect to be forgiven in the next fiscal year. This will continue to help offset any decrease in revenues for the coming fiscal year.

We expect our budgeted expenses to remain similar to the 2019/2020 fiscal year (\$816,549 vs. \$819,447). Our contracted staff (Executive Director, Program Director and Rabbi) have small salary increases built into their current contracts and we are upgrading our database and accounting software to better meet the needs of our growing and active congregation. Other spending has been adjusted based on our expected use of the building.

Our unrestricted cash balance was \$1,261,823 as of May 5, 2021 (the April 30, 2020 balance was \$1,033,561). The balance in our two endowments is \$1,278,419 as of March 31, 2021 (the April 30, 2020 balance was \$1,203,916). We are projecting a 3% return on the endowment funds for this coming fiscal year. Along with the second PPP loan, the ongoing generosity of our members and this unrestricted cash, HCRJ will continue to be able to operate during these ever-changing and challenging times.

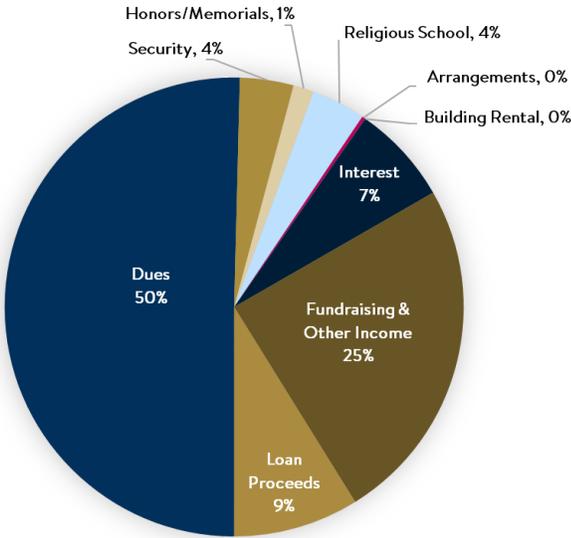
Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Deborah Barrash', with a stylized flourish at the end.

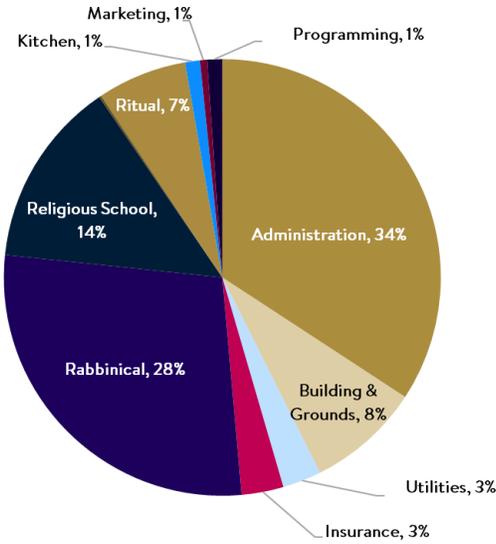
Deborah Barrash, Treasurer

# 2021 Projected Income and Expenses

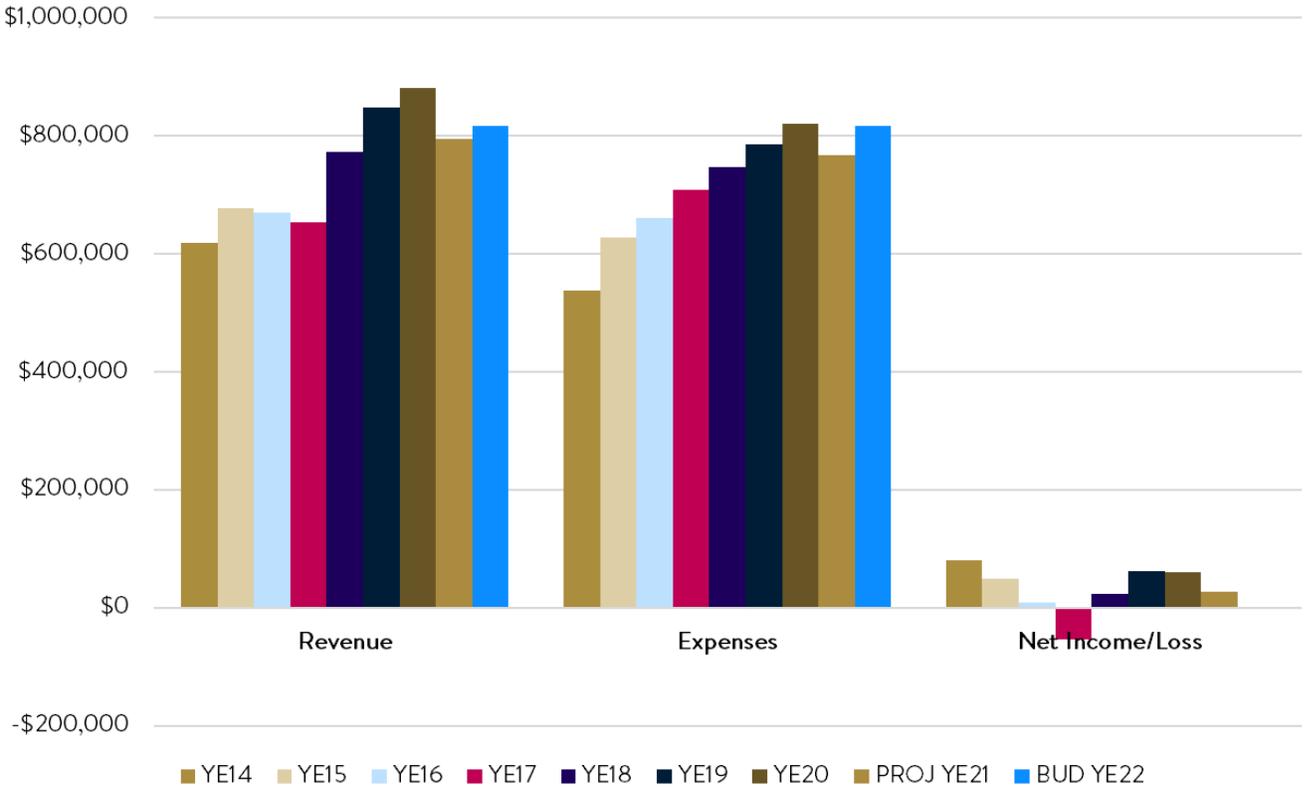
Projected 2021 Income



Projected 2021 Expenses



# Historical Income and Expenses



## Houston Congregation for Reform Judaism Budget FYE 6/30/2021 and FYE 6/30/2022

	7/1/2020-6/30/2021					7/1/2021-6/30/2022	
	Actual 7/1/2020 to 4/24/2021	Est 4/25/2020 to 6/30/2021	Estimate ***** FYE 6/30/2021 *****	Original Budget FYE 6/30/2021	Difference	Budget FYE 6/30/2022	Diff Est 6/30/2021 & Budget 6/30/2022
<b>Income</b>							
Current Member Dues	\$392,663	\$7,337	\$400,000	\$425,000	-\$25,000	\$415,000	\$15,000
Security	\$27,880	\$2,120	\$30,000	\$31,000	-\$1,000	\$30,000	\$0
Honor/Memorial Gifts	\$10,933	\$567	\$11,500	\$8,000	\$3,500	\$11,500	\$0
Religious School Fees	\$27,610	\$2,624	\$30,234	\$36,510	-\$6,276	\$59,010	\$28,776
Arrangements	\$1,761		\$1,761	\$4,000	-\$2,239	\$3,200	\$1,439
Building Rental		\$400	\$400	\$12,000	-\$11,600	\$4,500	\$4,100
Interest Income	\$52,001	\$3,464	\$55,465	\$59,363	-\$3,898	\$38,000	-\$17,465
Fund Raising and Other Income	\$173,418	\$20,729	\$194,147	\$169,000	\$25,147	\$188,500	-\$5,647
Estimated Decrease in Revenue due to COVID				-\$100,000	\$100,000		
Proceeds from Forgivable Loan	\$70,200		\$70,200	\$70,200		\$67,246	-\$2,954
<b>Total Income</b>	<b>\$756,466</b>	<b>\$37,241</b>	<b>\$793,707</b>	<b>\$715,073</b>	<b>\$78,634</b>	<b>\$816,956</b>	<b>\$23,249</b>
<b>Expense</b>							
Charity	-\$100		-\$100	\$1,000	-\$1,100	\$500	\$600
Administration	\$192,361	\$69,688	\$262,049	\$251,400	\$10,649	\$264,510	\$2,461
Building & Grounds	\$56,418	\$7,982	\$64,400	\$114,500	-\$50,100	\$69,000	\$4,600
Utilities	\$19,132	\$2,783	\$21,915	\$23,800	-\$1,885	\$24,000	\$2,085
Insurance	\$23,764		\$23,764	\$25,400	-\$1,636	\$25,600	\$1,836
Rabbinical	\$167,805	\$47,122	\$214,927	\$218,729	-\$3,802	\$222,524	\$7,597
Religious School	\$95,094	\$10,861	\$105,955	\$126,360	-\$20,405	\$119,415	\$13,460
Service to Members	\$1,113	\$137	\$1,250	\$600	\$650	\$4,000	\$2,750
Ritual	\$48,306	\$2,454	\$50,760	\$44,000	\$6,760	\$44,000	-\$6,760
Kitchen/Meals	\$7,240	\$1,168	\$8,408	\$27,000	-\$18,592	\$17,000	\$8,592
Membership Recruitment/Image Programming	\$3,629 \$7,725	\$396 \$775	\$4,025 \$8,500	\$2,700 \$6,100	\$1,325 \$2,400	\$4,000 \$15,000	-\$25 \$6,500
Development/Legacy						\$7,000	\$7,000
<b>Total Expense</b>	<b>\$622,487</b>	<b>\$143,366</b>	<b>\$765,853</b>	<b>\$841,589</b>	<b>-\$75,736</b>	<b>\$816,549</b>	<b>\$50,696</b>
<b>Net Ordinary Income</b>	<b>\$133,979</b>	<b>-\$106,125</b>	<b>\$27,854</b>	<b>-\$126,516</b>	<b>\$154,370</b>	<b>\$407</b>	<b>-\$27,447</b>

Year Ended	Member Dues	Other Gifts	Other Income	Total Revenue	Total Expenses	Net Income (Loss)
6/30/2014	\$376,402	\$117,264	\$124,709	\$618,375	\$537,841	\$80,534
6/30/2015	\$404,903	\$129,090	\$142,344	\$676,337	\$626,784	\$49,553
6/30/2016	\$413,464	\$109,007	\$146,851	\$669,322	\$661,112	\$8,210
6/30/2017	\$402,462	\$66,453	\$184,473	\$653,388	\$707,300	-\$53,912
6/30/2018	\$435,201	\$120,047	\$216,071	\$771,319	\$747,202	\$24,117
6/30/2019	\$455,800	\$101,145	\$290,039	\$846,984	\$785,964	\$61,020
6/30/2020	\$515,971	\$120,437	\$243,920	\$880,328	\$819,447	\$60,880
Projected 6/30/2021	\$400,000	\$174,000	\$219,707	\$793,707	\$765,853	\$27,854
Projected 6/30/2022	\$415,000	\$135,000	\$266,956	\$816,956	\$816,549	\$407

Balance Sheet Highlights as of 5/5/21	
Cash Balance	\$1,401,779
Less Building Fund	\$139,956
Unrestricted Cash	\$1,261,823
<b>Receivables:</b>	
Dues (current = \$129,126)	\$240,925
Building Fund	\$38,168
Other	\$20,601
Pillars Campaign	\$18,302
Total Receivables	\$317,996
Naman/Solomon Endowments	\$1,278,419
PPP Loan	\$67,246