

Temple Beth Torah

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April 14, 2014

Dear Congregants and Friends,

Please forgive this lengthy letter, but it is very important that you read the entire text. This is an invitation for you to attend the Annual Congregation Meeting scheduled for Thursday, May 29, 2014, at 7:30 p.m. In preparation for this Annual Meeting, the Board of Directors wants to ensure that you are aware of serious issues we face as a congregation.

As is the case with so many Reform Jewish organizations, Temple Beth Torah is again facing a severe budget shortfall this fiscal year. As you may know, we have been operating with budget shortfalls for the past two years. Unfortunately, the situation this year is more serious. By the end of this fiscal year on June 30, 2014 we are estimating a budget shortfall in the vicinity of \$65,000. In spite of our best efforts, several successful fund raising events and some generous donations, we have been unable to match our income to our expense.

As we plan next year's budget, the Board of Directors is working diligently, but with little success, on a plan to balance income and expense and avoid future deficits. After reducing expenses to a minimum and freezing professional and lay staff salaries, our budget projections for fiscal year 2014-2015 still show a deficit of \$66,000 (see the attached budget summary). We cannot sustain these repeated deficits and continue to exist as a Jewish community. Our expenses are generally following budget, and there are limited areas where we can further cut expenses. It is critical that we make the difficult decisions required to keep Temple Beth Torah fiscally sound and we are calling on you to help us achieve this.

Temple Beth Torah has served the Ventura Jewish Community for more than 75 years, and it is easy to assume it will continue to do so forever. However, one of the reasons that TBT has been able to fulfill its mission is because past members have been generous and visionary, especially by making a financial investment in the Jewish heritage for the next generation. It is now our turn to do the same for future generations.

There are many reasons for the reduced income flow; among them are the following:

- As has been the experience of most Reform congregations in this country, TBT has also suffered a reduction in its membership. Over the past 10 years, we have gone from being a 400 member congregation to one with no more than 300 supporting members.
- Many of the individuals who generously supported TBT throughout the years are no longer with us or are now no longer able or willing to do so. It is a common misperception that there are certain members who will underwrite our temple costs. Therefore many members feel they can pay what they want; that TBT is solid. It is time to disabuse everyone of the mindset "that someone else will underwrite their share of operating expenses."
- Offering free High Holy Day tickets and the associated shortfall in the High Holy Day appeal has also resulted in reduced income. In addition, large unexpected jumps in the utility rate structure affecting all religious institutions in Ventura have resulted in increased expenses.

Lisa Hochberg-Miller
Rabbi

Jordana Chernow-Reader
Rabbi, Director of Lifelong Learning

Michael Anatole
Cantor

Marion Levin-Wecht
Director, Early Childhood Education

- Although in the past few years we have had an influx of younger families, they are not always as able to support TBT financially.
- Appropriately, TBT has for many years underwritten the true cost of Torah school. With reduced enrolment, the amount we underwrite has grown. We believe it is essential to Jewish education to our children, regardless of the cost.

In short, we must re-tool to adapt to being a 300 family congregation. We want to continue fulfilling our mission of "inspiring people to lead meaningful Jewish Lives" and thus provide the programs and services which are so necessary to sustain a vibrant Jewish community in western Ventura County. To achieve this we require your assistance and participation.

Unfortunately, there are only two ways of balancing a budget: increase revenues or reduce expenditures, and both solutions are painful. The Board has placed a moratorium on all non-essential expenditures and has further cut costs. We will also have to defer some much needed maintenance.

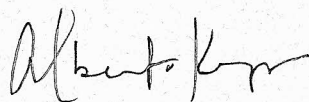
We need to address future years as well. Temple Beth Torah needs to downsize to match the reality of our reduced membership. Among the options we must consider are reducing the amount of professional staff related expenses, continue deferring Union for Reform Judaism dues and other purchased services, while at the same time ensuring that all programs and events at least break even. This may require that we increase the cost of certain events.

It is only through your support of our efforts to curtail expenses and increase revenue that we will ensure the financial viability of our congregation. You can help us find further solutions to our fiscal problems by attending the Annual congregation meeting and giving us your input. We welcome any further suggestions you may wish to make. In the interim, you can e-mail your suggestions and or questions to "president@templebethtorah.com" or to "vpfinance@templebethtorah.com".

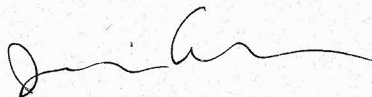
In addition to addressing our financial troubles, we will also be voting on a new slate of officers. Attached is a ballot listing those nominated for the various Board positions that will be open after June 30, 2014. Please return the ballots to the Temple on or before the congregation meeting. As always, there will be a ballot box located in the Temple lobby.

Your attendance at the upcoming Annual meeting is particularly important at this time because we will be selecting among difficult choices to put the Temple on a secure financial footing over the long-term. The members of the Board sincerely look forward to your input and support.

Respectfully,



Alberto Kywi, President



Joel Goldenberg, Vice President of Finance