

Well, it's that time of year again. This is the time when we talk about budgets, dues, and salaries. Before I get into those matters I want to first to tell you that I could not be more excited about where we are headed as a community. I'm in my third year as President of the Board, and I think this year is clearly the most exciting. We are very close to breaking ground on the first phase of the Solomon Project. We are about to sign Rabbi Ezray up for another five years as our Rabbi. The transformation of our Religious School into a "best in class" school is moving into high gear, and we continue to attract new young families to join our community. We clearly are the envy of many congregations, and we should be proud of our collective accomplishments.

Now let's dive into the fun stuff: budgets, employment contracts, and dues. I will give you the short story up front. At the April CBJ Board of Directors meeting, the Board reviewed Rabbi Ezray's new five-year compensation agreement that was negotiated on behalf of CBJ by the Pulpit Committee. In addition, the Board reviewed and approved the Fiscal 2010-11 budget that includes Rabbi Ezray's new contract along with several very exciting improvements to our Religious School. The final vote on the budget is scheduled for our May meeting. The bottom line impact to us, as members, is a six percent increase in dues and a Religious School tuition increase adjusted by grade level in the next fiscal year.

If you recall, last year the Board decided that we would not increase dues or tuition because of the severity of the economic downturn. In addition, we decided to hold off adding any funds to our building maintenance fund. To manage flat revenues while our costs were still increasing, we implemented a salary freeze for all employees, took a critical full-time employee to part-time, and reduced our office staff. Both Rabbi Ezray and Bill Futornick volunteered to defer their contracted salary increases.

While we have been able to manage our finances this year, it is not possible to continue this way. Our goal has always been to raise the quality bar in everything we do, which we believe is happening. For example, even during these lean times we have been making major improvements in our Religious School including a new curriculum, new teachers, and a new school director. We are very excited about the next school year. At the same time, we have come to expect that our outstanding Clergy team and support

staff, who have been operating under a salary freeze, will continue as usual. Many of us are members of this community because of our individual connections with the clergy team and Rabbi Ezray in particular.

I assume that for some of you a six percent increase may seem a bit alarming; however, I think it is important to understand that last year was the unusual year, not this upcoming year. To ensure that we were not heading in the wrong direction with our dues, our Finance Committee, led by our Treasurer Eric Sahn, prepared a detailed five-year forecast for income and expenses. From that forecast we believe that after next year we will likely return to annual dues increases in the 4% range (+/- 1%). Take a look at our history dating back to 2003 as it relates to dues increases.

Fiscal Year	% Increase
2003/2004	10%
2004/2005	5%
2005/2006	5%
2006/2007	5%
2007/2008	10%
2008/2009	4%
2009/2010	no increase
2010/2011	6% (next fiscal year)

Interestingly, during the time I've been in this role as President and Eric Sahn as Treasurer, the total increase over 3 years will be 10%. The average increase is 3.3%, which is in line with the financial forecast. I encourage you to look at the 6% increase for next fiscal year as a catch-up, because of there was no increase last year and because we will have a new employment contract for Rabbi Ezray, which we are very excited about.

In terms of Rabbi Ezray's contract, we are very fortunate to have an outstanding Rabbi who has been with us for 15 years and is ready to sign on for another five years. As I said in my remarks during the High Holy Days and in the January Voice, Rabbi Ezray is

our “franchise player,” the key person who is the force behind our many great programs and our ongoing efforts to raise the bar in everything we do. At our April Board meeting, the Pulpit Committee presented the contract terms for the next contract, and the Board unanimously recommended that our membership support it.

Let me give you some background on the process that we follow to negotiate a Rabbi employment contract. In January, in accordance with our by-laws, a Pulpit Committee was formed and was charged with negotiating the contract terms. Before the Pulpit Committee began the negotiation, they prepared a set of principles and guidelines that were used as the basis of the offer. They also reviewed in detail the available salary data for senior-level rabbis on both a national and local basis, and they reviewed the five-year forecast prepared by the Finance Committee to understand what we could afford as a community. The goal was to structure a compensation package that rewarded Rabbi Ezray for his outstanding performance and would be considered “fair” from a market perspective. At the same time, it had to be a compensation package that our community can afford.

I should tell you that that the Rabbi market in this local area has changed since the last time we signed Rabbi Ezray’s contract. For example, several local synagogues have hired new Rabbis, driving up the salaries. Competition for high-quality Rabbi candidates is always difficult, and in most cases it requires some housing support because of the cost of living in this area. This change in our local market impacts us because it means we need to step up Rabbi Ezray’s salary to get him back in line with the market and to properly compensate him for his performance level. This step up in salary is incorporated into our budget for next year. Rabbi Ezray’s contract does not require any special assessments or special fundraising, which in many synagogues is typical for Rabbi contracts. You will learn more about the employment contract at the Annual Meeting, which is scheduled for June 8.

For the past three years we have held open sessions to give our members a chance to learn about the budget in a smaller setting before the Annual Meeting. It is an

opportunity to ask your questions in an informal setting. We will again host these open sessions during the month of May. I will be attending those meetings to answer questions about Rabbi Ezray's new contract. The meetings are scheduled as follows: May 4th @ 6:30 pm., May 6th @ 10:30 am., May 25th @ 11:00 am., May 26th @ 5:00 pm.

Let me close by saying that I believe we will look back on this year as one of those special times in CBJ's history. We will be celebrating a new Rabbi contract, breaking ground on a major renovation of our building, and implementing a significantly improved Religious School. We have so much to look forward to as we continue to strengthen our Kehillah Kedoshah.

As always, please feel free to contact me if you have any questions or concerns. I look forward to seeing you at the Annual Meeting on June 8.

Greg