

March 1, 1993

Dear fellow members,

The need for Long Rang Planning became evident when the 1992 Appraisal of Center property and buildings was reviewed by the Board and presented to the membership at a Special Meeting. Considerations concerning the future of Beth Israel Center and the options open to us as membership continues to decrease are matters of utmost concern.

Accordingly, in July 1992, the Board established a Planning Committee to make recommendations and chart a future course of action for BIC. The Committee is chaired by First Vice President Stan Davidson and includes, alphabetically, Bob Burack, Stan Glickstein, Larry Green, Shirley Schultz, and Sid Kaufman (ad-hoc).

After months of meetings reviewing historical and statistical data, the committee published the enclosed report documenting their findings and recommendations and presented it to the Board on January 18 at a Special Meeting. After a detailed review, the Board approved the recommendation of the Planning Committee by a vote of 8 to 3. The Board then moved to distribute the report to the membership and to put a discussion of the findings on the agenda of the March 21 Election Meeting since implementation of the recommended actions requires the full support of the congregation.

Beth Israel Center has a proud past and traditions we are all in favor of continuing well into the 21st Century. This will not happen unless we are prepared to address our present situation in a positive manner while there is still time to act.

The Board looks forward to discussing these matters with you at the Election Meeting on March 21 at 11 AM. A lox and bagel coffee will be served.

Sidney Kaufman, President



BETH ISRAEL CENTER  
1992-93 LONG RANGE PLANNING COMMITTEE  
JANUARY, 1993

SUMMARY

Background:

The BIC Board of Directors appointed a Long Range Planning Committee to make recommendations and to chart a future course of action for BIC. The committee evaluated three major options:

- I. No Action Plan. Stagnation.
- II. Plan for an Orderly Shut Down.
- III. Plan for growth.

The committee considered various scenarios which could be used to implement Option III. - Plan for Growth. These scenarios along with the documentation on which this report is based are discussed in detail in the body of the report.

Major Findings:

1. Membership has been declining at the rate of 3%/year.
2. If BIC continues on its present course, the congregation will face shutdown as early as 1998, but no later than 2008.
3. All growth scenarios involve risk and effort.
4. Choosing a growth scenario does not guarantee continued existence.
5. BIC can establish a \$250,000 line of credit. (Based on the recent appraisal of BIC assets.)

Recommendation:

The Committee recommends the adoption of Option III.--Plan for Growth--as <sup>a viable option which may maintain</sup> the ~~only alternative~~ to assure the existence of BIC into the 21st century. To implement this option the Committee recommends Scenario #4, "Hire a Rabbi and Reevaluate Our Status at the End of Three Years."



## DISCUSSION

### INTRODUCTION

The BIC Board of Directors appointed the Long Range Planning Committee in September, 1992 to forecast the future of BIC. The committee included: Chairman-Stan Davidson; Committee Members-Bob Burack, Shirley Schultz, Stan Glickstein, and Larry Green; ad hoc member-Sid Kaufman, BIC President. The committee members held several meetings to discuss its charter, the planning approach, the action plans, and the content of the final report to the BIC Board of Directors.

The Committee's charter was to examine several options relevant to the future existence of BIC. These options included:

- I. Take No Action. Continue on the present course, i.e., stagnation.
- II. Plan for Orderly Shut Down.
- III. Plan for growth by: increasing membership, increasing income, providing several sizeable capital improvements. and lastly hiring a spiritual leader.

Since the Committee felt that all three options are realistic, we agreed to address all three.

This report is accurate; it illustrates the aging of our membership; it projects the future existence of BIC based on the history of previous expenditures and incomes; it considers the demographics of the South Hills area; it draws heavily on our past experience.

Although some of us may not relish the thought of Option II or are unwilling to face up to it at this time, if we continue in the Option I No Action mode; the shutdown of BIC may be a necessity by the turn of the century.

The following discussion with its tables, figures, and appendix shows the rationale for the findings and recommendations of the committee.



*Option I - No Action*

Option I - No Action can also be called the Stagnation Option. Using the history of the past 10 years as a guide, it is obvious that BIC is in a declining mode with a consistent membership loss of 3%/year. The average membership age is increasing and the school system population is rapidly decreasing to almost nothing. Attendance at services is low; social functions are virtually nil. Sisterhood activity has decreased; the men's club is long gone. Still, a hard core of the remaining members continue to exhibit loyalty to Beth Israel Center and concern for the welfare of the congregation. Unfortunately, a degree of burnout is also apparent. On balance, the commitment to give one's time and energy to the center is no longer as strong as it once was and can no longer be taken for granted. If nothing changes, the congregation will cease to exist. This eventuality must be seriously considered.

However, Option I is not without its benefits: i.e., it's easy to do nothing, dues increases will be minimal. In addition, members of BIC are entitled to join another congregation as an associate thus reaping some of the benefits that BIC does not offer.

*Option II - Plan for an Orderly Shut Down*

We can choose Option II and plan for a shut down in a systematic manner while at the same time taking advantage of the benefits that do exist during the shutdown period. See Appendix.



*Option III - Plan for Growth*  
 PLANNING FOR THE 21ST CENTURY

Can the decline be stopped?

If we wish to stop the decline, we must attract more membership, preferably with a high percentage of younger families. We have been watching and waiting for ten years and it has not happened. A proactive approach will be required to make a change. Significantly, BIC is at a point where enough assets are available to invest in such a membership growth option. However we, must act soon, before these assets are depleted in the current stagnation mode.

Does the potential exist for growth in our neighborhood?

Probably, but growth is not guaranteed. The UJF current mailing list identifies 180 families in our area. Some of these families of course are us; some belong to other congregations; some are available; and some will never join any congregation.

If BIC grows, can it be an incentive for people to move into the neighborhood? In some cases yes. Remember the Krisloffs, a family who moved into Pleasant Hills because BIC was here. The planned Mon Valley expressway has the future potential of feeding growth into the area.

What can we do to encourage growth?

The list includes:

- Do more fund raising.
- Make capital improvements such as A/C, floors, roof, kitchen, etc.
- Become affiliated.
- Increase social activities.
- Build a pool.
- Increase adult education.
- Improve religious services by using new books, engaging guest speakers, etc.
- HIRE A RABBI.

What does the Long Range Planning Committee Recommend?

It is the consensus of this committee that the only viable growth option is to seek and hire a spiritual leader. As we know



from experience getting the "right" person is not a trivial task. We will need a leader who can inspire, attract, recruit, and keep membership. It is anticipated that finding such an individual, if such an individual exists, will take at least one year.

What are the benefits of hiring a spiritual leader?

Growth from a financial viewpoint is not the only objective. Increased membership, new blood, and spiritual leadership will result in a revitalization of the congregation, something definitely needed.

What are the resources available to us?

Financially we have money in the bank and we have equity in property. In time all of these financial resources will disappear. The only question is how long our assets will last under the alternatives available to us.

Attached are four scenarios which summarize these financial alternatives:

- #1-Continue down current path - stagnation/orderly closure.
- #2-Hire Spiritual Leader - growth option.
- #3-Hire Spiritual Leader - it doesn't work, we don't grow, but we press on.
- #4-Hire Spiritual Leader - it doesn't work, we don't grow, we stop in 3 years

The various membership projections and assumptions are listed with each scenario. These four scenarios are based on the following financial assumptions:

1. If necessary to continue operation, up to \$250,000 can be borrowed on the center property.
2. When traditional income sources cannot meet expenses, money is either taken from the savings account (bank) or borrowed (credit line) to make up the deficit.
3. In this presentation income always equals expense.

Scenario #1.

SEE TABLE 1 AND FIGURE A. Scenario #1 shows that if we continue on our present path, we will run out of money near the turn of the century. At that point we (a) close down or (b) begin borrowing and keep going till about the year 2008.



When we deplete our assets, those few remaining members can join other congregations or perhaps seek use of other facilities.

Scenario #2. SEE TABLE 2 AND FIGURE B. The growth scenario #2 reveals that meeting our growth objective of doubling membership in 15 years can turn things around and result in a viable financial condition by the year 2006. This scenario includes a dues increase to \$550/year when a rabbi is hired. Our dues will still be considerably lower than the dues structure at other area congregations.

Scenario #3.

What happens if we hire a rabbi and achieve less growth than planned, or worse yet continue to decline? SEE TABLE 3. We are history somewhere between the years 2000 and 2002. This outcome may not be totally catastrophic if you consider that we are history anyway 5 years later if we do nothing.

Scenario #4.

Scenario #4 is a more realistic "give it your best shot approach". If after three years we do not achieve the desired results; then discontinue the spiritual leader approach, reduce dues to \$350, fall back to our current mode. SEE TABLE 4 AND FIGURE C. In that scenario we last till about 2004 and simply move up the inevitable shutdown by a couple of years. But as Teddy Roosevelt said, "It is far better to have tried and failed than never to have tried at all". Failure is really not an appropriate description since the majority of members still left will have had a more meaningful and rewarding experience at BIC while the rabbi is here.

The bottom line is that if we wish to have BIC continue as an entity, Scenario #4 is worth a shot. It is the only alternative that can result in the long term existence of BIC while at the same time providing us with a better quality of life.