

Dzogchen Community in America - Tsegyalgar

Community Meeting | 2026 Budget Update

Cash Basis | Updated April 29, 2026

2025 in Review

Revenue: \$191,943. Memberships: \$72,820. Unrestricted Donations: \$59,966. Retreats: \$28,756. Guest User Fees: \$19,438. SSI Rental: \$7,600. Misc & Sales: \$3,137. Interest income: \$226.

Expenses: \$190,888. Insurance (\$43,435) and contract labor (\$44,700) alone cost \$88,135 — representing 46% of total revenue. Both are reduced in the 2026 budget (insurance -10%, contract labor -20%).

Bottom line: The organization made \$1,055, essentially breaking even. Bank accounts dropped \$10,672 over the year. The \$18,000 CD was closed and transferred between accounts (*not an operating expense as previously reported*). Going into 2026, operating cash reserves remained thin.

2026 Budget - Balanced

The budget has been rebuilt with Community input on a consistent cash basis. It includes new protections - legal contingency, organizational oversight, planned utility increases - and still balances positive.

	2024	2025	2026 Budget
Revenue	\$241,200	\$191,943	\$215,034
Expenses	\$232,176	\$190,888	\$211,773
Net Result	\$9,024	\$1,055	\$3,261

Note: The initial budget proposal showed a \$45,580 deficit. After corrections and restructuring, the budget now balances. The original mixed cash and accrual accounting methods, understated membership and rental revenue, and did not properly separate restricted-funded programs from operating expenses.

2026 expenses include **A)** \$27,000 in new organizational protections - legal contingency (\$12K) and strategic advisor / ED oversight (\$15K) - that did not exist in prior years. **B)** Without these additions, the operating surplus would be approximately ~ **\$30,000**, the strongest core result in three years. These protections were added in response to the fraud incidents and classification review, and are reviewable annually by the board.

YTD through April 29: Revenue \$84,773 against expenses \$70,197. A strong start, but the major expenses haven't all landed yet: insurance (\$39K), property maintenance (\$36K), IDC (\$9K), and the summer retreat season (both revenue and expense) is still ahead.

Revenue - Strengthening the Foundation

Membership remains the core at \$72,000 (34%). Unrestricted donations are projected at \$68,000, recovering toward 2024 levels. Retreat income targets \$32,756 - dependent on a strong summer season. SSI rental is back to \$15,000 after the tenant resumed full payments. Guest user fees and other sources round out the total.

Two restricted-funded programs - organizational oversight (\$15,000) and a SMS consultancy (\$7,000) - are fully covered by dedicated donations at net zero cost to operations.¹

Growing Revenue - New Initiatives

During the Community Members have proposed strategies to grow revenue beyond current levels:

Membership growth. Tiered structure - Ordinary, Sustaining, Meritorious. Special access programs: Khandroling membership cards, program-specific memberships for Vajra Dance and other activities.

Technology and booking. Online booking and payment system for facility rentals, guest stays, and retreats. Modern registration, consistent online visibility, recurring donation tools.

Expanded programming. Extend the retreat calendar beyond summer. Shoulder-season workshops, online/hybrid events, weekend intensives.

Combined potential: \$15,000–\$30,000 in additional annual revenue. Booking system and membership tiers are the quickest wins.

Expenses - Where the Money Goes

Fixed obligations - insurance (\$39K), Khandroling lease (\$16.5K), IDC membership (\$9K), and mortgage (\$9.9K) - total approximately **\$74,000**. These are contractual commitments that cannot be reduced in the short term. Insurance was negotiated down 10% from 2025. Mortgage: \$12,623 remaining. At \$825/month, payoff by early 2027. Once complete, \$9,900/year freed permanently.

Organizational investments - strategic advisor / oversight (\$15K) and legal/compliance contingency (\$12K) - total **\$27,000**. These are new for 2026, added in response to the fraud incidents and classification review. They protect the organization and are reviewable annually by the board.

Variable costs we can manage - property maintenance (\$36K), utilities (\$23K), repairs (\$15K), retreat expenses (\$10.7K), and supplies/office (\$4K) - total approximately **\$89,000**. This is where operational decisions, vendor negotiations, and the shift to fixed-price contracts directly impact the bottom line. Property maintenance alone is down \$8,700 from 2025. (The remaining ~\$22K of the \$211,773 total covers bookkeeping/CPA, merchant fees, bookstore, and other smaller administrative lines.)

Worker Classification

Earlier this year, a contractor filed for unemployment, leading to a review by the Massachusetts Department of Unemployment Assistance (DUA). The Community is cooperating and providing requested information. The contractor has since formalized his business and obtained his own insurance. An updated contractor agreement is being prepared with attorney review. The budget includes \$12K in legal contingency.²

Capital Projects - **Separate Fundraising Needed**

\$95,000 in deferred projects are outside the operating budget: parking lot repaving (\$40K), dorm renovation (\$20K), memorial garden (\$15K), Vajra Dance landmark (\$15K), and water collection system (\$5K). Each requires its own fundraising campaign or grant. The dorm renovation directly supports guest fee growth - the investment pays back through higher rates and lack of accommodation in the area and especially during larger retreats.

Priorities

Immediate. Resolve worker classification review with attorney - sign contractor agreement, sign release form, prepare documentation. Complete QBO bookkeeping reconciliation and reporting

Before summer. Update technology, set up online registration and easier payment tools.

Second half. Implement booking system and membership tiers. Develop capital project fundraising plan. Evaluate mortgage payoff (\$12,623 remaining - frees ~\$10,000/year permanently).

This budget reflects the Community's input and the board's commitment to transparency, financial responsibility, and long-term sustainability. Tsegyalgar's foundation is solid - membership is strong, costs are being managed, and for the first time, there is a clear path to growing revenue through technology and new programming. Detailed line items, three-year comparisons, and growth strategies are available in the accompanying spreadsheet.

¹ Restricted-funded programs: Two programs are fully offset by dedicated restricted donations - organizational oversight (\$15K, three-month contract, \$10K paid, final \$5K pending) and a consultancy (\$7K, one-time, received, payment pending). An additional \$3,340 in flexible restricted funds remains available. A separate \$15K is budgeted for oversight continuation on a W-2 basis for the remainder of 2026.

² **Classification matter update (April 2026):** The Massachusetts DUA unemployment determination has been resolved — the Community is clear of unemployment liability. The attorney has advised that DUA reviews can sometimes prompt follow-up inquiries from other state or federal agencies, and the Community is preparing accordingly. Corrective steps have been taken or are in progress: formalized business arrangements, insurance, an updated contractor agreement, and improved compensation classification practices going forward. The 2026 budget includes a legal contingency of \$12K to cover attorney fees and related costs. Additional reserves are available if needed. There is no fixed timeline for further activity. **The matter is being actively managed with legal counsel, and the Community's cooperative posture and corrective actions are the strongest factors in our favor.**