

2025 Financial Recap

Revenue: \$191,716

Memberships: \$72,820. Unrestricted Donations: \$59,966. Retreats: \$28,756 (\$22,241 in-person, \$6,515 webinar). Guest User Fees: \$19,438. SSI rental donation: \$7,600. Misc. Income: \$3,094.

Expenses: \$187,809

Insurance: \$43,435. Contract Labor (property maintenance): \$44,700. Together these two items represent 46% of total revenue. Property expenses totaled approximately \$64,000, with Schoolhouse at \$44,159 (repairs \$23,134, propane \$12,449, electric \$3,871, cable \$3,033). Upper Khandroling: \$16,857 (lease \$16,000). General Operating: \$22,196 (IDC Membership \$9,125, General Repairs \$8,694). Retreat Expenses: \$6,495.

Bottom Line

On an accrual basis, the organization made \$1,055, essentially breaking even. On a cash basis (counting full mortgage payments), it lost approximately \$8,600. Actual bank accounts dropped \$10,672 over the year, from \$128,085 to \$117,413.

During 2025, the \$33,257 CD (certificate of deposit) was liquidated and used for operations. Going into 2026, there is no cushion left to absorb a bad quarter.

Insurance and the maintenance labor alone cost \$88,135 and represent 46% of total revenue. These two line items dictate whether the organization breaks even or runs a deficit.

2026 Budget Overview

Q1 brought in \$88,706 in revenue (46% of the full year goal) against \$38,317 in expenses. The Community is sitting on \$157,183 in cash. This is a strong start, but the major expenses haven't landed yet: insurance (\$39K), property maintenance and projects (\$52K), oversight role (\$30K), legal contingency (\$12K), IDC (\$9K) etc.

Two fraud incidents since 2023 resulted in frozen bank accounts, now resolved with operations moved to a new account.

Insurance: \$38,935

Originally quoted at \$43,950 (\$43K property + \$950 personal liability). Negotiated down to \$38,935. This line has come up from \$21,000 five years ago. Further renegotiation planned for next year.

Property Maintenance & Projects: \$51,737

Down from \$67,834 in 2025. This covers landscaping, grounds upkeep, emergency repairs, seasonal maintenance, and building systems across our multiple properties in two locations, plus the following projects based on contractor quotes: Schoolhouse bathroom wall + fire door \$5,137, guardian cabin \$1,500, Khandroling porch \$2,000, stupa \$800, water system \$2,500, signs \$1,800, Farmhouse porch \$2,000.

Worker Classification

Earlier this year, after his work was reduced for the winter season, a community member who had been working as a contractor filed for unemployment. That filing led to a review by the Massachusetts Department of Unemployment Assistance (DUA). We are cooperating and providing the requested information, while also preparing for any follow-up review, documentation needs, or administrative steps that may be required.

The contractor has since formalized his business and obtained his own insurance. An updated contractor agreement is being prepared with attorney review. A meeting with a nonprofit-specialized unemployment attorney is scheduled for early next week.

The budget includes \$12K in legal contingency for attorney fees, documentation, and related follow-up. (*See Footnote 2 for additional financial considerations.*)

Organizational Oversight: \$30,000

Executive director role. This position was activated after the Community experienced fraud for the second time in three years. Bank of America has reported approximately ~\$110,000 in fraudulent activity since 2023. Most funds were credited back, the recent 2025 investigation, still ongoing. The role provides day-to-day oversight across finances, compliance and operations.

With the DUA review underway, this role is focused on collecting documentation, ensuring compliance with State of Massachusetts requirements, and making the office audit-ready. (See *Footnote 3 for scope and accomplishments to date.*)

Frozen Bank Accounts

Under control. Operations have moved to new BOA #1697. Bookkeeper is finalizing reconciliation of frozen-period transactions.

Mortgage: \$12,623 remaining

At \$825/month, payoff by early 2027. Once complete, \$9,900/year freed permanently.

Programming and Revenue Growth

Retreat season has not started. \$1,663 of \$28,756 budgeted retreat income received to date. Plans include adding new retreats, expanding online offerings, and working with Blue to develop new programming. On the fundraising side, the plan is to use technology for easier online giving: better tools, recurring donation options, and targeted campaigns.

Priorities for the Rest of the Year

DUA resolution. Attorney meeting next week. \$12K budgeted. Office documentation being gathered for audit readiness.

Books and accounting. Accountant has specific action items: match pending transactions, fix miscoded entries, clean up charts of accounts.

Operations manual. Document procedures as each issue is resolved. Build a continuity manual for Gakyil.

Programming and fundraising. Work with Blue on new offerings. Build the summer/fall calendar now. Deploy online giving tools.

Fixed costs. Insurance, contract labor, and the Khandroling lease total \$95K, approximately half of total revenue.

Capital projects. \$95K in planned projects (parking lot, memorial garden, dorm renovation, others). These require dedicated fundraising and are separate from the operating budget.

Footnote 1: DUA Financial Exposure Estimate. Over \$100,000 in contractor payments since 2022. Preliminary estimates (not legal advice, pending attorney review): DUA-only cooperative resolution \$6,000 to \$16,000; if IRS separately pursues back employer payroll taxes \$19,000 to \$31,000; worst case with treble damages \$30,000 to \$40,000. The \$12K budget contingency covers attorney fees and the most likely outcome. Corrective steps taken (formalized business, insurance, agreement in preparation) are relevant to the determination. Attorney meeting next week will narrow this range.

Footnote 2: Executive Director Role, accomplishments to date. Resolved fraud situation and opened new bank account. Transitioned all vendor payments. Took over QBO account under Community control. Established working relationship with bookkeeper and is reviewing output. Arranged appointment with DUA-specialized attorney. Created calendar of administrative and compliance filing deadlines. Began collecting and organizing five years of office documentation (contracts, filings, correspondence, vendor agreements). Maintaining day-to-day operational oversight. QBO synced with live bank feeds; chart of accounts and categories being cleaned up for reliable reporting.