

3/14/17

Dear Vajra Brothers and Sisters,

On the following pages, we present the end-of-year TGE Financial Report for January through December, 2016, along with current 2017 bank account holdings,

This report is in two levels:

- Finances at a Glance
- Financial Details and Current Issues

As you know, the Gakyil has developed a 5-year 'Collaborating Together' Strategic Plan to help align all members with our common purpose and direction. The Strategic Plan focuses on Rinpoche's requests for our Sangha – to build membership and develop sustainability.

The Yellow Gakyil has been meeting with members in small groups, via Webex, to present the Plan and get feedback.

So far, the feedback has been excellent with many project ideas suggested to improve our community and help our mission - to disseminate Rinpoche teachings across North America and help each other integrate with the state of Ati.

Once the Plan gains approval, we will call a General Assembly of all members to vote on a specific plan and budget for 2017. The 5-year Strategic Plan will be presented to Rinpoche.

*With Caring and Respect,* Diane and Dominik, Yellow Gakyil, Tsegylgar East

## FINANCES AT A GLANCE – DCA

<b>DCA Bank Accounts through Today - 3/14/2017</b>			
	<b>Current Bank Balances</b>		
<b>DCA TE Bank Accounts</b>	Main DCA Account	\$55,895.81	
	Khandroling Development Account	\$5,943.86	
	Vajra Hall Account	\$4223.76	
	Dzamlingar Account (from rentals)	\$1903.08	
	Reserve Money Market Account	\$36,991.15	* \$16,000 is from Joan Casey estate
	Paypal Account	\$14,300.36	
	<b>Total Bank Accounts</b>	<b>\$117,354.94</b>	*Includes \$49,000 carried forward into 2017, left over from the \$100,000 total collected from Rinpoche Retreat in 2015

## Overall DCA Income/Expenses – 2016 & 2015 and Projected Income/Expenses 2017

		1/01/17-12/31/17 Projected Income/Expenses	1/01/16-12/31/16 Income/Expenses	1/01/15-12/31/15
<b>DCA Income</b>	<b>INCOME</b>  Membership, Guest User Fees, Accommodations, Donations, Retreats, Fundraising, Summer Celebration	<b>\$184,000</b> <b>Projected</b>	<b>\$233,081.74</b> (Includes \$50,000 donated to buy shares in Meriling SL)	<b>\$495,188.78</b> (Includes \$120,000 donated to buy shares in Meriling SL)
<b>DCA Expenses</b>	<b>EXPENSES</b>  Administrative, Operational, and Properties Expenses	<b>\$221,900</b> <b>Projected</b>	<b>\$241,510.14</b>	<b>\$438,156.58</b> (Includes \$103,200 in depreciation, not yet calculated for 2016)
<b>DCA Net Income</b>	<b>Net INCOME</b>  Note: The almost \$91,000 in profit for 2015 is the usual amount collected when Rinpoche does a US retreat. This money is funding our current and 2017 deficits.	<b>-\$37,900</b> <b>Projected Budget Deficit</b>  <b>(This Budget Deficit to be paid out of the \$51,000 carried forward from 2015 Rinpoche Retreat)</b>	<b>-8,428.40</b> <b>Budget Deficit</b>	<b>\$57,032.20</b>

## Financial Details – 2016, 2015 and Projected Budget, 2017

### INCOME Details –

	1/01/2017-12/31/2017 Projected Income	1/01/2016 – 12/31/2016 Income	1/01/2015 – 12/31/2015 Income
Accommodations	\$5000	\$2,338.00	\$10,095.46
Donations	\$50,000 (based on a general fund-raising campaign)	\$96,141.68	\$198,656.26 (includes \$120,000 sent to Meriling SL)
Guest User Fees ● Includes \$1500 per month from SSI toward Schoolhouse expenses ● Includes \$900 per month for rental of Rinpoche house ● Miscellaneous Income	\$31,000  (loss of \$2000 in income from Nary room)	\$33,102.00	\$27,140.56
Membership Income	\$75,000	\$76,443.90	\$107,956.36
Misc. Income	\$5000	\$5036.38	
Retreat Income	\$20,000	\$18,700.86	\$138,242.36
<b>Uncategorized</b>		\$2822.58	\$2.52

<b>Income</b>			
<b>Income</b>		\$234,585.40	\$482,123.46
<b>-Merchant Account Fees</b>	-\$2,000	-\$2325.71	-\$4,776.65
<b>Income</b>	<b>\$184,000 Projected</b>	<b>\$232,259.69 Income</b> (see additional Income after Expenses area, for Total Income)	<b>\$477,346.81 Income</b> (see additional Income after Expenses area, for Total Income)

### EXPENSES Details

	<b>1/01/2017 – 12/31/2017 Projected Expenses</b>	<b>1/01/2016 – 12/31/2016 Expenses</b>	<b>1/01/2015 – 12/31/2015 Expenses</b>
<b>Admin Expenses</b> (insurance, payroll: secretary, financial admin, Gek0, professional services: lawyer, accountant)	<b>\$80,000</b>	<b>\$88,598.01</b>	<b>\$199,178.24</b> (includes \$103,120.00 in depreciation, not yet calculated for 2016)
<b>Outreach Budget</b>	<b>\$15,000</b>		
<b>General Operating</b>	<b>\$35,000</b>	<b>\$37,926.31</b>	<b>\$46,371.86</b>

<b>Expenses</b> (office expenses, reimbursements, supplies, mileage, webinar expenses, etc)			
	<b>1/01/2017 – 12/31/2017 Projected Expenses</b>	<b>1/01/2016 – 12/31/2016 Expenses</b>	<b>1/01/2015 – 12/31/2015 Expenses</b>
<b>Property Expenses</b> Dark Retreat Cabin Electric and Taxes	\$700	\$711.57	\$692.97
<b>Property Expenses</b> Dzamlingar House		\$2127.27	\$37,012.90
<b>Property Expenses</b> Schoolhouse		\$16,286.76(Mortgage)	\$7110.96 (Mortgage Interest) *(In 2015, Mortgage Principle was put in Balance Sheet and not included in P&L.)
		\$590 (Plowing)	\$1580.66 (Plowing)
		\$8,687.41 (Repairs)	\$20,022.64(Repairs)
		\$1969.78 (Cable)	\$1315.54 (Cable)
		\$5837.81 (Electric)	\$5,736.43 (Electric)
		\$3690.32 (Propane)	\$6,845.80 (Propane)

		\$176.86 (Other)	
<b>Total Schoolhouse Expenses</b>	<b>\$38,000 (Estimate)</b>	<b>\$37,238.94 (Total)</b>	<b>\$42,741.49 (Total)</b>
<b>Property Expenses Rinpoche House</b>		\$1289.88 (Repair and Maintenance)	\$1,568.66 (Repair and Maintenance)
		\$80 (Plowing)	
		\$5,160.02 (Taxes)	\$6845.02 (Taxes)
		\$710.13 (Cable)	\$1,755.92 (Cable)
		\$1,512.00 (Electric)	\$1,455.00 (Electric)
		\$1,744.36 (Propane)	\$1,368.00 (Propane)
		\$13.04 (Other)	0.00 (Other)
<b>Total Rinpoche House Expenses</b>	<b>\$5200</b> (Note: In 2017, Rinpoche house has been designated Parsonage and now is tax exempt, saving us approx. \$68,00)	<b>\$10,509.43 (Total)</b>	<b>\$12,992.60 (Total)</b>
<b>Property Expenses – Upper Khandroling</b>	\$4000 (construction)	\$34,504.31 (Construction)	\$19,750.00 (Construction)
	\$14,000 (lease)	\$14,500.00 (Lease)	\$16,000.00 (Lease)
<b>Total Upper Khandroling Expenses</b>	\$10,000 (Repairs/Maintenance)	\$9,776.31 (Repairs/Maintenance)	\$8,699.87 (Repairs/Maintenance)
	<b>\$28,000</b>	<b>\$58,780.62</b>	<b>\$44,652.16</b>
<b>Total Property</b>	<b>\$71,900</b>	<b>\$109,367.83</b>	<b>\$138,092.12</b>

<b>Expenses -</b>			
	<b>1/01/2017 – 12/31/2017 Projected Expenses</b>	<b>1/01/2016 – 12/31/2016 Expenses</b>	<b>1/01/2015 – 12/31/2015 Expenses</b>
<b>Retreat Expenses</b>		\$25.49 (CHNN Expenses)	\$36,861.73 (CHNN Expenses)
		\$4794.17(Expenses-Other Retreats)	\$16,712.48 (Expenses-Other Retreats)
		\$798.33 (Retreat Expenses Other)	\$0.00(Retreat Expenses Other)
<b>Total Retreat Expenses</b>	<b>\$20,000.00</b> (overseas teachers coming)	<b>\$5,617.99</b>	<b>\$54,514.36</b>
<b>Total Expenses</b>	<b>\$221,900</b>	<b>\$241,510.14</b>	<b>\$438,156.58</b> (includes \$103,102.00 in depreciation, not yet calculated for 2016)
<b>Net Ordinary Income</b>		-9,250.45	\$39,190.23
<b>Total Other Income</b>		\$900.24	\$17,962.95



<b>Total Other Expense</b>		\$78.19	\$120.98
<b>Net Other Income</b>		\$822.05	\$17,889.97
<b>Net Income</b>	<b>-\$37,900</b> (bank reserves from main DCA account will fulfill the widening budget deficit)	<b>-8,428.40</b> (budget deficit)	<b>\$57,032.20</b>

## Current Issues & Concerns – 2016-2017

- TGE has been granted tax relief for Rinpoche house. We will save \$7,500 in 2017. We must resubmit paperwork to the Town of Buckland yearly by March 1 to continue tax relief.
- We are currently operating at a loss – a widening Budget Deficit. We have spend \$51,000 from the \$100,000 collected from Rinpoche Retreat in summer, 2015, to fulfill our 2016 budget.
- In 2017, If our income and expenses stay as they are now, we will use up the \$49,000 left from the monies collected from Rinpoche Retreat in summer, 2015. We will have no extra money to carry forward into 2018 and will need to cut the budget severely if nothing else changes.
- One budget solution is to increase our membership which brings in more income. Increase in membership is one of the key priorities in the proposed 5-year 'Collaborating Together' Strategic Plan.
- **Major repairs** of the Schoolhouse will need to be undertaken next year (Roof – \$70,000. The Gakyil is submitting a grant for roof repair to the town of Conway.
- Urgent repairs of Rinpoche Cabin have been undertaken, with donated money. The roof was replaced and the interior will be renovated by spring, 2017.

- Money was donated to pave more of the Upper Khandroling road. Now two wheel drive cars can go already to the Vajra Hall and park there.
- Our TGE Dzamlingar House has been completed and furnished. TGE/TGW members are renting there. If not enough rentals from TGE/TGW, the apartments will be offered to other members.
- The second Summer Celebration is in the planning stages. You will be asked to pre-contribute \$50 to get the Celebration started, like last year.