

Clouds in Water
Board Meeting Minutes
December 13, 2015

Present:

Carol Iwata, Chair	Katheleen Avila
Rachel Vilsack, Vice Chair	Wally Waranka
Sam Murphy, Treasurer	Karin San Juan
Roger Watts, Secretary	Jay Benson
Will Hegeman, Executive Director	Carla Breunig

Absent: Sosan, Guiding Teacher

Call to Order: 11:15am

Reflection: Katheleen - Offers thoughts about a recent racial/ethnic bias incident in Minneapolis that mirrors similar issues throughout the world. Many forms of violence are being perpetuated against foreigners or people of different religions, especially Muslims. She proposes forming a group to reach out to the local Muslim community to gain information and offer support. There is support for folding this into the Inclusivity Group at Clouds in Water, and for the Teacher Ryo to work on possible programming. There is a lengthy discussion of community efforts in this area.

- I. Consent agenda
 - a. Minutes to the November 2015 meeting
 - b. Motion to accept** (Wally/Jay)
 - c. Vote: Unanimous approval**
- II. Executive Director - Will
 - a. Financial Information – Sam (Appendix A – Profit & Loss Statement):
 - b. There was a \$6000 loss for November
 - i. Costs were managed well but one unusual item on taxes for Farrington St facility of \$8000. This will be the last payment we will make.
 - ii. Will - The Capital Campaign is a little behind the schedule, but a large gift came in December that is not accounted in the current financial statements. In fact, we expect to be ahead on the campaign in December.
 - iii. Dana contributions are very high (online general gifts, Dana bowl).
 - iv. Will - The Give to the Max check is not in yet (\$7200), some of which is restricted to certain programs.

- v. Will - Shortfall in funds from members affected by Capital Campaign such that there is no growth in the member contributions line. Consideration will be given to a spring '16 solicitation to vote on in January '16 meeting.
 - 1. We are getting new members all the time. This happens throughout the day as attendance at Noon zazen session is high.
 - vi. Will – Upcoming rentals: We will rent the facility to a group for a seminar, a Tai Chi/Dance/Yoga seminar, and a 12 Step Buddhist meeting to be held starting December 14. There is good interest in renting the Clouds in Water facility.
 - vii. Carol/Will - Sesshin income is up because we are managing the process well and our location attracts people.
 - viii. Will - There are no facility problems at this time. A plowing service has been retained for the parking lot (Todd Williams).
- c. Reserve Fund discussion (Sam):
- i. **Motion: That Clouds in Water set up an accounting Building Reserve fund** (Sam/Wally)
 - ii. Discussion:
 - 1. Sam - Now that Clouds in Water is a property owner it is prudent to start a reserve fund to cover large or unexpected expenses. The purpose of this fund is to ensure that money is available to cover larger and episodic capital investments and repairs of the facility. The Board understands and agrees that this money is to be set aside for this purpose and not to fund normal operating expenses. The initial funding for the Building Reserve will be \$10,000 (or what our HVAC contractor suggests replacement cost of the boiler or AC is) segregated from the general cash reserves of Clouds in Water. For the 2016/2017 budget process the Board will include a line item for funding to add to the Reserve Fund, based either on the depreciation schedule currently being developed or at a level the Board decides is prudent and affordable. The Board will review this line item annually and adjust accordingly.
 - 2. Jay - Questions whether repairs should come out of the Reserve.
 - i. The Board would need to approve expenditures from the Reserve fund.

- ii. Carol - reserve should be used for replacement of items and other proposed projects should have built-in repair funds.
 - 1. General agreement is reached that Reserve Fund would be set aside for large replacement issues and not for normal repair.
 - iii. **Vote: Unanimously approved**
- III. Guiding Teacher Report:
 - a. Tabled due to Sosan's illness and absence.
- IV. Committee Reports:
 - a. Dana messages - Carla/Jay (Appendix B – Message Proposal):
 - i. A handout describing a rationale for the paramita messages and three separate message examples is distributed to members (Appendix A).
 - ii. Rachel - Consideration ought to be given by Teaching Ryo for a Dana message during its functions. And, consideration should be given as to how the Dana message can be given in the Noon Meditation sessions.
 - iii. **Motion: That we have an integrated practice of sharing the message of generosity and giving** (Katheleen/Sam)
 - 1. **Vote: Unanimously approved**
 - 2. Board instructs Carla and Jay to refine how the messages will be melded into Clouds in Water functions.
 - b. EAR Council - Carol
 - i. **Motion: That Didi Koka be added to the EAR council** (Carol/Katheleen)
 - ii. **Vote: Unanimously approved**
 - c. Annual Retreat - Carol
 - i. Retreat committee will be meeting in January with Jennifer Billig on retreat to discuss agenda. Items to be considered are:
 - 1. A multi-year plan needs to be updated and enhanced,
 - 2. Discussion of digital presence, i.e. our intentions for it and what is process we can pursue,
 - 3. How do we pursue ideas in relation to a maintaining a sustainable financial condition
 - ii. Discussion
 - 1. Ideas:
 - i. Karin - Discuss Clouds in Water as an instrument of peace: What is role, scale of it, self-education of issues. She has made two links available for members interested in background information to aid in the discussion: “What is Islam” –

<http://www.mndawah.net/blog.html>; “Arab Americans” – <http://www.arabstereotypes.org>.

ii. Will - Discuss how to have a "legacy strategy" for Clouds in Water future beyond just a five-year plan, i.e., how to handle deferred giving, estate planning, long-term endowment considerations of potential donors.

iii. There will be no February Board meeting due to the retreat.

d. Leadership Reviews - Carol

i. Review committee has been meeting. Reviews for the Guiding Teacher and the Executive Director are scheduled for the coming week (December 14-18). Reviews are to be confidential. Any actions that come from the reviews involving Board issues or decisions will be brought to the Board by the Chair.

ii. All of the Board members contributed their reviews to the committee.

V. Adjournment: 12:57pm

Appendices:

Appendix A – Profit and Loss Statement as of 11/30/15:

	<u>Nov 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Jul - Nov 15</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense							
Income							
Contributions							
Capital Gifts	3,166.00	4,040.83	-874.83	13,415.00	20,204.19	-6,789.19	48,490.00
Dana Friends	3,806.30	1,166.67	2,639.63	6,493.85	5,833.31	660.54	14,000.00
Fall Appeal	1,100.00	0.00	1,100.00	1,100.00	0.00	1,100.00	0.00
Membership Youth Practice Sponsors	3,099.50	8,461.50	-5,362.00	30,967.50	42,307.50	11,340.00	101,538.00
	<u>0.00</u>	<u>333.33</u>	<u>-333.33</u>	<u>240.00</u>	<u>1,666.69</u>	<u>-1,426.69</u>	<u>4,000.00</u>
Total Contributions	11,171.80	14,002.33	-2,830.53	52,216.35	70,011.69	17,795.34	168,028.00
Other Income							
Interest	0.15	0.00	0.15	0.45	0.00	0.45	0.00
Patronage Refund	0.00	0.00	0.00	8.82	0.00	8.82	0.00
Rent	<u>0.00</u>	<u>250.00</u>	<u>-250.00</u>	<u>850.00</u>	<u>1,250.00</u>	<u>-400.00</u>	<u>3,000.00</u>
Total Other Income	0.15	250.00	-249.85	859.27	1,250.00	-390.73	3,000.00

Program Income							
Classes	561.00	1,166.67	-605.67	4,449.00	5,833.31	-1,384.31	14,000.00
Guest Teachers	0.00	166.67	-166.67	0.00	833.31	-833.31	2,000.00
Ministerial Services	255.00	166.67	88.33	297.50	833.31	-535.81	2,000.00
Online Teachings	0.00	83.33	-83.33	0.00	416.69	-416.69	1,000.00
Sesshins	<u>1,706.20</u>	<u>333.33</u>	<u>1,372.87</u>	<u>4,091.82</u>	<u>1,666.69</u>	<u>2,425.13</u>	<u>4,000.00</u>
Total Program Income	2,522.20	1,916.67	605.53	8,838.32	9,583.31	-744.99	23,000.00
Sesshin Food Sponsors	<u>0.00</u>	<u>125.00</u>	<u>-125.00</u>	<u>0.00</u>	<u>625.00</u>	<u>-625.00</u>	<u>1,500.00</u>
Total Income	13,694.15	16,294.00	-2,599.85	61,913.94	81,470.00	19,556.06	195,528.00
Expense							
Accounting	0.00	400.00	-400.00	0.00	2,000.00	-2,000.00	4,800.00
Administrative Expense							
Bank Service Charges	204.77	375.00	-170.23	946.34	1,875.00	-928.66	4,500.00
Board Expenses	0.00	41.67	-41.67	55.00	208.31	-153.31	500.00
Credit Card Interest	91.76	0.00	91.76	424.46	0.00	424.46	0.00
Dues and Subscriptions	0.00	41.67	-41.67	0.00	208.31	-208.31	500.00
Gifts							
Hokyoji Retired Leaders Fund	<u>100.00</u>	<u>100.00</u>	<u>0.00</u>	<u>500.00</u>	<u>500.00</u>	<u>0.00</u>	<u>1,200.00</u>
Total Gifts	100.00	100.00	0.00	500.00	500.00	0.00	1,200.00
Guest Teacher	0.00	158.33	-158.33	222.00	791.69	-569.69	1,900.00
Insurance	0.00	250.00	-250.00	0.00	1,250.00	-1,250.00	3,000.00
Miscellaneous Expense	0.00	0.00	0.00	210.18	0.00	210.18	0.00
Supplies	193.58	416.67	-223.09	1,026.30	2,083.31	-1,057.01	5,000.00
Technology	<u>0.00</u>	<u>333.33</u>	<u>-333.33</u>	<u>1,077.19</u>	<u>1,666.69</u>	<u>-589.50</u>	<u>4,000.00</u>
Total Administrative Expense	590.11	1,716.67	-1,126.56	4,461.47	8,583.31	-4,121.84	20,600.00
Communications							
Advertising Printing and Reproduction	82.21	0.00	82.21	324.59	0.00	324.59	0.00
Copier	<u>124.93</u>	<u>0.00</u>	<u>124.93</u>	<u>877.08</u>	<u>0.00</u>	<u>877.08</u>	<u>0.00</u>
Total Printing and Reproduction	<u>124.93</u>	<u>0.00</u>	<u>124.93</u>	<u>877.08</u>	<u>0.00</u>	<u>877.08</u>	<u>0.00</u>
Total Communications	207.14	0.00	207.14	1,201.67	0.00	1,201.67	0.00
Emergency Reserve	0.00	100.00	-100.00	0.00	500.00	-500.00	1,200.00
Facility							
City Right of Way Charge	0.00	178.17	-178.17	0.00	890.81	-890.81	2,138.00

Fire Equipment Maintenance	0.00	9.00	-9.00	0.00	45.00	-45.00	108.00
HVAC Maintenance	0.00	125.00	-125.00	0.00	625.00	-625.00	1,500.00
Loan Matures 2015/11/26							
Interest Loan Matures 2015/11/26 - Other	75.42	0.00	75.42	516.42	0.00	516.42	0.00
	<u>0.00</u>	<u>118.20</u>	<u>-118.20</u>	<u>0.00</u>	<u>591.00</u>	<u>-591.00</u>	<u>591.00</u>
Total Loan Matures 2015/11/26	75.42	118.20	-42.78	516.42	591.00	-74.58	591.00
Loan Matures 2019/11/25							
Interest Loan Matures 2019/11/25 - Other	1,526.49	0.00	1,526.49	7,573.65	0.00	7,573.65	0.00
	<u>0.00</u>	<u>2,496.00</u>	<u>-2,496.00</u>	<u>0.00</u>	<u>12,480.00</u>	<u>12,480.00</u>	<u>29,952.00</u>
Total Loan Matures 2019/11/25	1,526.49	2,496.00	-969.51	7,573.65	0	-4,906.35	29,952.00
				12,855.06		12,855.06	
Miscellaneous	8,525.78	0.00	8,525.78	6	0.00	6	0.00
Snow Removal	0.00	83.33	-83.33	0.00	416.69	-416.69	1,000.00
Storm Sewer Charges	0.00	52.08	-52.08	0.00	260.44	-260.44	625.00
Telephone & Internet	178.38	0.00	178.38	891.90	0.00	891.90	0.00
Utilities							
Electricity	269.03	0.00	269.03	1,652.28	0.00	1,652.28	0.00
Gas	30.92	0.00	30.92	154.60	0.00	154.60	0.00
Water	72.90	0.00	72.90	365.37	0.00	365.37	0.00
Utilities - Other	<u>0.00</u>	<u>700.00</u>	<u>-700.00</u>	<u>0.00</u>	<u>3,500.00</u>	<u>-3,500.00</u>	<u>8,400.00</u>
Total Utilities	372.85	700.00	-327.15	2,172.25	3,500.00	-1,327.75	8,400.00
Waste Collection	<u>100.32</u>	<u>144.92</u>	<u>-44.60</u>	<u>505.50</u>	<u>724.56</u>	<u>-219.06</u>	<u>1,739.00</u>
Total Facility	10,779.24	3,906.70	6,872.54	8	19,533.50	4,981.28	46,053.00
				39,974.10	40,510.84	-536.74	97,226.10
Payroll	6,342.07	8,102.18	-1,760.11	0			
Program Expense							
Faculty Food & Kitchen Supplies	0.00	333.33	-333.33	482.00	1,666.69	-1,184.69	4,000.00
Food for Sesshin Food & Kitchen Supplies - Other	0.00	0.00	0.00	164.09	0.00	164.09	0.00
	<u>0.00</u>	<u>125.00</u>	<u>-125.00</u>	<u>340.51</u>	<u>625.00</u>	<u>-284.49</u>	<u>1,500.00</u>
Total Food & Kitchen Supplies	0.00	125.00	-125.00	504.60	625.00	-120.40	1,500.00
Old Faculty							
Compensation	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>50.00</u>	<u>0.00</u>	<u>50.00</u>	<u>0.00</u>
Total Old Faculty	0.00	0.00	0.00	50.00	0.00	50.00	0.00
Youth Practice							
Rent	0.00	0.00	0.00	112.50	0.00	112.50	0.00

Youth Practice - Other	<u>100.00</u>	<u>83.33</u>	<u>16.67</u>	<u>133.85</u>	<u>416.69</u>	<u>-282.84</u>	<u>1,000.00</u>
Total Youth Practice	<u>100.00</u>	<u>83.33</u>	<u>16.67</u>	<u>246.35</u>	<u>416.69</u>	<u>-170.34</u>	<u>1,000.00</u>
Total Program Expense	<u>100.00</u>	<u>541.66</u>	<u>-441.66</u>	<u>1,282.95</u>	<u>2,708.38</u>	<u>-1,425.43</u>	<u>6,500.00</u>
Total Expense	<u>18,018.56</u>	<u>14,767.21</u>	<u>3,251.35</u>	<u>71,434.97</u>	<u>73,836.03</u>	<u>-2,401.06</u>	<u>176,379.10</u>
Net Ordinary Income	4,324.41	1,526.79	-5,851.20	9,521.03	7,633.97	17,155.00	19,148.90

Appendix B – Proposed paramita messages for Dana Announcement

Dana Messages

Dear Board members,

Below are four alternate dana messages. We propose to use all of these messages in rotation. We would ask the Ino team to use a different message each week. Using different messages allows us to alternately focus the listener's attention on: simple teaching about generosity as spiritual practice; what it costs us to keep the doors open; short term and on-going volunteers provide needed help; and *regular* contribution are important for the organization and clarifies the giver's intention. We hope the different short messages will touch more people. We ask the board to consider whether: the concept of using multiple messages used in rotation makes sense as a way to 'move' more people to generosity; and the focus of each of the four messages seems useful at this time.

We are not asking for wordsmithing.

Thanks, Carla and Jay

Paramita messages - Verbal messages for Sunday morning.

#1

Dana Paramita, in Buddhism, means the perfection of generosity. Generosity is truly a way for us to let go and benefit others and ourselves.

Please join us in the practice of generosity. You are invited to:

- Leave a donation in the white bowl on the greeters table.
- Make a one-time or ongoing donation on our website, clouds in water.org
- Volunteer your time and skills by emailing _____ or speaking with _____.

#2

The work of Clouds in Water continues because of your generous gifts of time and money. It costs \$500 (confirm with Will) a day to pay the center's expenses, provide salaries for teachers and staff, and offer programming. Please consider making a donation in the white bowl on the greeter's table or online at Cloudsinwater.org.

#3

The work of Clouds in Water continues because of your generous gifts of time and money. Volunteers do many of the center's day-to-day tasks. Volunteers for both short-term and ongoing tasks are needed for the operation of the Center. Please email _____ if you have time and skills that you would like to contribute.

#4

The work of Clouds in Water continues because of your generous gifts of time and money. Please consider for yourself what Clouds adds to your spiritual life. Making regular contributions clarifies our intent to support our spiritual community at Clouds. Please see cloudsinwater.org to pledge your ongoing support.