

## **BRIGHT WAY ZEN BOARD**

### **Minutes of Meeting of August 11, 2016**

Called to order at 7:35 p.m.

#### **PRESENT AT THE MEETING:**

Jim Lewinson (president), Lorna Simons (secretary), Janna Allgood, Domyo Burk, Ellen Shoketsu Carlin, Bella Jhunhunwalla, Jeff Young.

The following are appended to these minutes: 1) Balance Sheet as of 2016.07.31; 2) Article on Creating and Amending Budgets 3) 2016 Budget, Approved & Amended, plus Budget Report; and 4) Explanation of Annual Increases in Income and Expenditures.

#### **COUNCIL PROCESS**

Domyo introduced the concept of the council process, which is often used to kick off various types of meetings. It involves setting a leading question and then passing around a “talking stick” as a way of giving everyone an opportunity to share their thoughts and bring up issues. The leading question for this activity was: How are you feeling about BWZ right now? The main issues that were mentioned were a need for a clearer vision to guide decisions as the sangha grows and the need for the Board to meet more often. Domyo also mentioned that there is a requirement for an annual meeting for all members; it was suggested that this be held after a potluck at the zendo before the end of the year.

**ACTION ITEM:** Based on the comments about frequency of Board meetings, it was agreed that Jim Lewinson will create a Doodle to decide on a date in early November.

**ACTION ITEM:** Domyo will schedule an annual meeting to occur before the end of the year.

#### **UPDATES**

*Expansion of zendo, addition of sanzen room and negotiation with owners re: rent.* Current rent (as of July) is \$1,250 a month. Rent increases through the year: Feb-April \$700 (after addition of an office for sanzen); May \$1,000 (rent increase by owners to market rate); June (prorated after zendo expansion partway through month) \$1165. The owners weren't going to increase the rent above \$1,000 until the HVAC system has been installed, which is still pending, but Domyo arranged with them to pay \$1,250 while we have use of the NW office (for sanzen/library space). We are not sure how long we will have access to that office, but it is useful in the meantime. We are still waiting to get a lease agreement. We need to approach them about getting a lease.

Discussion: Janna commented that the situation feels a little loose, which could hurt us later because nothing is decided. Domyo commented that the owners said they wanted a lease for a year, but are open to two years. But they haven't gotten around to acting on this. Domyo met with Dana Jazwinski (one of the owners) to discuss the parking lines – repaint and maybe

redesign – and Domyo’s sense is that they are grateful to have us in the building but just busy with other things right now and not able to give our building their full attention.

It was agreed that getting a lease is high priority, as well as getting the HVAC in, as fall is fast approaching. The idea came up of us drafting a lease agreement to propose to the owners.

**ACTION ITEM:** Janna and Domyo will work on getting a draft lease agreement, and Domyo will ask the owners for a timeline on the HVAC.

*Programing.* No attendance graphs are available at this time, although numbers are still being kept. We are usually over 20 on Tuesdays now, about 13 on Sundays. Domyo added 1st Sunday Dharma Talks to possibly increase Sunday attendance. Saturday mornings continue, usually about 5 people. Online meditation continues W-F mornings, usually 3-5 people participate over the course of the hour; about 4 BWZ members make regular use of this offering.

*Membership and Income:* 30 members who give monthly, 2 give quarterly, 4 give annually, 5 give occasionally (41 members total). 9 new in 2016. We also have a mailing list of about 200.

Total income per month from pledges (members who commit to a certain donation every month): \$1,756. The donation box adds maybe \$120/month.

*Attorney:* For the record, after discussion by email, board decided to engage Susan Potter, attorney, for 2-3 hours at \$250/hour; questions for her to address were agreed on by email and will be filed with board minutes. Those emails constitute a record of that discussion and agreement. Susan was formally engaged on July 27<sup>th</sup>, 2016.

*501(c)(3) application:* Shoketsu and Bella have begun work on 501c3 app, have questions for Domyo, they will meet on Monday the 15<sup>th</sup>. The process could take up to 6 months or more. But it will make a big difference, as there are many deals we could get as a nonprofit. The owners wouldn’t have to pay property tax on the area we use. PayPal transaction costs would go down, as well as some other services.

## **Financial Report**

Includes balance sheet as of July 31<sup>st</sup> and the mid-year budget report (Jan-June).

Domyo noted that she is still planning to give the Treasurer (Shoketsu) access to the zendo’s Quickbooks. Janna asked if the budget should be prepared by the Treasurer. Domyo said the Board can decide on that, though the Treasurer’s legal function is more about financial oversight, and not necessarily bookkeeping or budget preparation. As the zendo grows, we might want to consider hiring a bookkeeper or paying Domyo to do that work. It was also noted that it is OK for the Board to change or amend the budget in the middle of the fiscal year.

Highlights of the report:

- Actual for Jan-June 2016

- Income better than expected
- Amended 2016 budget
  - Income estimates increased
  - Clergy professional reimbursement added (attorney's suggestion) for SZBA dues, conference, travel, supplies
  - Clergy bonus added
  - Zendo/altar/other supplies increased; largely due to zendo expansion
  - Other online programs increased; Soundcloud (2016 paid already), Zoom for online meditation and video meetings, Google for business email/app account
  - Insurance increased; budget already assumed an increase because of larger space; includes Domyo's home office and D&O Insurance
  - Zendo and ritual items; one-time expenses for art framing, Nehan ceremony, supplies for online meditation
  - Other durable equipment; also associated with zendo expansion; carpet, tatami mats, other miscellaneous supplies and hardware
  - Major explanations for decrease in bank balance before the end of 2016: special expenditures associated with zendo expansion, attorney fee, reimbursing Domyo for SZBA conference costs, clergy bonus.

It was moved, seconded and approved that the proposed amended 2016 budget be approved, which includes the actual for Jan-June and additions, including a \$2,000 bonus for Domyo as Executive Director. It was agreed that the bonus is given for stellar work, the efforts involved in the recent zendo expansion, and the addition of other capabilities for serving the sangha (e.g. online meditation and spiritual counseling at a home office).

## **RESULTS FROM ATTORNEY SUSAN POTTER**

Susan responded to our questions via email, and that email is filed with board minutes. In summary, Susan explained the best process for providing some financial support to the BWZ Executive Director/priest through reimbursements for professional expenses. Ideally the employee submits receipts and then gets reimbursed, and the budget includes a line item for professional reimbursements.

In addition, Susan said it is appropriate and legal for the board to give the Executive Director/priests bonuses, but it should be noted what the bonus is for in board minutes, it should be clear the bonus is given at the will of the board, and bonuses should generally be tied to performance and not be based on a percentage of income. An additional thing that makes the purpose of a bonus clear is an employment agreement. Domyo presented a draft of an employment agreement at this meeting.

**ACTION ITEM:** Domyo has drafted an employment agreement; she will email it to the Board for review and approval by Friday, August 19, and then she will send it to Susan Potter for review.

## **ADDING INSURANCE**

\$19 additional a year would be needed to cover Zen center operations at Domyo's home office. Domyo will also add the building to her homeowner's insurance.

We discussed various levels of Directors and Officers Insurance (which protects board members from any personal liability because of their actions as Board members). Given our current level of development, it seemed that \$500,000 per occurrence and \$500,000 aggregate, at an additional \$83 per year, would be adequate.

It was moved, seconded, and approved that we add the above mentioned additional insurance, in addition to increased insurance for adding extra space in the building if that comes to pass.

**ACTION ITEM:** Domyo will add D&O insurance to our policy, and also check on the need to add square footage to our existing policy.

### **WORKING ON OUR VISION**

Some discussion centered around the need for a long-term vision for the zendo in order to guide how money will be used and what changes to make in programs, teaching, and the like. The thinking was that a half-day meeting will be needed, along with some preparation ahead of time to make that fruitful. The thought was to have that occur early in 2017.

**ACTION ITEM:** Lorna will do some online research on establishing vision for nonprofits.

**NEXT BOARD MEETING:** We will aim for early November. Jim will send a Doodle poll to find a date.

Respectfully Submitted,

Lorna Simons  
Secretary