

## Mid-Atlantic Pathwork Board of Trustees

Minutes: Monday, July 25, 2016, 3:30 - 6:00 pm

In attendance: Tom Hubbard, Kent Peterson, Darlene Rollins, Lisa Walker, Steve Cooper, Paul Klinger, Susan Thesenga (joined at 5:00). Absent: Brad Smith

### 1) Future Board Meeting Dates (and recorders):

- August 29, 3:30-6:00 (Kent)
- September 26, 3:30-6:00 (Lisa)
- October 31, 3:30-6:00 (Brad)
- November 28, 3:30-6:00 (Darlene)

### 2) Minutes: Note that June minutes not yet completed due to technical difficulties.

### 3) Reports

#### a) Center Operations (Paul's written report)

- New Eco Therapy group very happy with Sevenoaks.
- Launched Airb&b rentals for Mid July. Had one successful rental but had to turned away 5 reservations because facility filled (this month 3 groups exceeded 50 people). When we have smaller rentals Airb&b appears a promising way to fill bed spaces. Most requests so far are for weekends.
- Cold call initiatives. Focusing this month on ACC sports teams, 40 Yoga retreat leaders, events promoters and caterers.
- 1 new group has booked 2 weekends in April 2017 for 60 people. 4 groups now in pipeline of 40+ people.
- Paul introduced a pricing chart for profitability/volume scales
- New part time bookkeeper Mary Ellis is working out really well. Pro-active, already interfacing well with Steve, accountant and finance committee and freeing Paul up. Will be creating a new tracking system for Pathwork operations to track all classes, workshops, memberships, donations, etc.
- Digital Recess Retreat being sponsored by Sevenoaks October 21-23. Launched 10 days ago; already have 4 bookings. Group activities and free time. Includes Yoga with Rixie Dennison, who is Co-marketing. Also featuring Tai Chi. Open to other offerings. Darlene suggested she knew someone who could lead Chi Kong, and also her Forest Bathing program.
- Expensive AC unit in Kitchen had to be replaced.
- Pat O'Hanlon reducing hours to below 24 per week.
- Well inspection coming up this week. All looks ready for the 27<sup>th</sup>. Once signed off on, new well can be turned on. [Note: Passed inspection; water on.]
- Grounds doing well, positive comments. Garden producing prolific supplies of squash.

- Kitchen busy all month. Have taken in \$2,000 on sale of recipe cards in first few months. Adapting to reducing coop pricing, which means more work for kitchen staff.
- Hired Lisa as new housekeeper; so far very good. 3<sup>rd</sup> member of a Great Team.
- FY2016 payroll was 15% below budget; even with outsourced accounting, still saved 9%
- Now charging groups for use of meeting spaces
- Social media plan is working. More inquiries about retreats, groups. Listed on Trip Advisor, increased “VA for Lovers” presence; green certified.
- Paul presented new chart on Profitability. Draft includes everything except Pathwork. Published split service pricing is \$140/night. Many current groups not paying full rates. Cannot be profitable when we don’t have a minimum volume to meet overhead expenses.

b) Fund Raising (Lisa Walker) - Membership response way down. Didn’t do snail mailing. Did PW school tuition get transferred? Will make sure this is included in new fiscal year. Laurie Harris stepping down from editing newsletter. Cindy Haney has agreed if she can have assistance. Her own newsletter is very nice.

c) Finance Committee (Kent, Steve, Paul – reviewed many reports in Dropbox )

- Kent reported on changes in our bookkeeping operations: new part-time in-house bookkeeper working well with W.O Mills (accountant/comptroller). Paul can now spend less time on finances and more of sales. Today’s preliminary Year-End report will require a few additional corrections before year end is finalized. Great appreciation to Steve Cooper for all his diligent efforts during transitions.
- Steve reviewed preliminary year-end figures. From our earlier projections we have made up for some expected losses, reducing the amount needed to break even from the projected \$114,000, to \$89,838. Bottom line number (with loans) was a loss of 16,000.
- Paul: Building and Facilities projects came in under budget about 20,00 but that will increase next year, due to need for new Center Building deck surface.
- Lisa: Shortfall on donations came from the Fall Winter Campaign focus money for the new water system; these funds went into a restricted account that did not show up in the usual donations column. Accounts for the difference.
- Financial reports show direct food and lodging costs per night to be \$47.30; indirect costs are estimated at \$84.05 a night. Because indirect costs are fixed or semifixed, when occupancy numbers are high we can make a profit. When our numbers are low, we lose money even if we are covering direct costs. So we lost 32.07 per night in overall average. Pathwork school programs and rentals analyzed separately.

- Cash flow summary shows restricted loan proceeds needed periodically to preserve cash flow balance of at least \$20,000 in account as a buffer. Based on current info we may need to take out \$120,000 loans this year, but this outlook will improve as we get further into the new year. The Pathwork budget appears solid except for the new PTP 1 class that has been budgeted for 10 students. If a class is not held, expenses will drop proportionally.
- Occupancy rates shows for FY2015 we dropped to 26.3%, significantly lower than 30.1% in FY2014. Projections show that FY2017 already shows 24% on the books now. Seems we are doing much better so far.
- Average size of rental groups is 19 people @ 2 nights. Need to increase volume, as discussed earlier. Accumulated Revenue per night per guests has been going up.
- Key Metrics chart compares three-year sustainability budget with FY2017 budget and where we are year-to-date. This chart can answer questions on how Sevenoaks is doing compared to all various parameters.
- Food and lodging chart. 6 years accumulated food, labor and housekeeping costs. Meals example: food costs \$4.80 currently, last year \$4.23, \$4.16 year before that. \$5.43 labor cost per meal.
- FY2017 Budget was presented for final approval. Steve indicated that projections are well thought through by the Finance Committee and the assumptions are named. For example, the budget assumes that 90% of business already booked will actually be realized, and that 90% of projected new rentals will also materialize. This budget projection includes discounted rates for current clients, but also projects new business rates coming in at a base rate of \$125/night. Based on the budget assumptions and projections, MAP will need to borrow \$45,000 in this new fiscal year, which has been secured.
- **Action: Kent proposed that that board adopt this working budget for remainder of the year. Motion carried unanimously.**

#### 4) ElderSpirit Initiative (Susan Thesenga)

Susan joined us to discuss the Elder Spirit proposal. She shared some conversations and interesting developments she is aware of about establishing a Pathwork Residential Community at Sevenoaks. Her conversations include those with Kate Gilbert, who is currently a work study resident and interested in staying on the property. Also considering talking to Shail and Sucheta Jain. Charles Cresson Wood, CA Pathworker tried to create a Pathwork Community in CA and will share business plan and expertise. Pathwork holds that residential community very important for spiritual growth. This old idea still seems right. Susan is willing to explore models, talk to prospective participants, and learn from others who are trying this. She would like to identify a steering committee to take this on and present in August to the membership at community weekend.

**Action: The Board approved support to exploring this further. Tom and Kent will remain in touch with Susan. Darlene will coordinate with Board and Susan and Beth for presentations at community weekend.**

5) **Pathwork Council Report, Members Weekend** Plan — Darlene reported that the event seems on schedule and a media push will begin now, including adding it to FindtheDivine Newsletter, Front Page of website, targeted Facebook ads, but mostly still relying on people inviting friends on Facebook and sharing at events and postings. Lisa checked and only 10 are signed up so far.

6) **Executive Session**

7) **Adjourn**