



SHAMBHALA

AN OVERVIEW OF SHAMBHALA'S CENTER OF THE MANDALA RESOURCES

*Shambhala Day, Year of the Water Snake
February 2013*

UPDATED: Please see additions to this document made 3/1/2013.

In 2010, the Kalapa Council — inspired by the Sakyong's 2020 Vision for Shambhala — made a decision to invest in providing additional resources from the Centre of the Mandala to the Shambhala community. This allowed for the successful introduction of the Way of Shambhala curriculum and other services needed to help our community move to a new phase.

It was known that this would result in deficit operating budgets at the Centre of the Mandala over the short term. This was a conscious decision to invest in infrastructure that would allow a new phase of growth across the mandala as a whole.

Rolling out new approaches to revenue has taken time due to the rich diversity of situations and views we find throughout our mandala. We've worked closely with the many individuals and entities that make up our community, listening and adapting to feedback. While this has meant that the flow of new revenue has been delayed, we feel the process is a reflection of our Shambhala values and will result in strong and sustainable solutions for the long term.

What follows is an overview of the successes that have flowed from this decision, as well as the financial impacts that this investment has produced.

WHAT ARE THE RESULTS OF THIS INVESTMENT SINCE 2010?

This has been an encouraging period for Shambhala with many new students engaging in meditation practice and the Shambhala teachings, increasing numbers of members, and significant growth in revenue for Centres and Groups:

- Thanks to the introduction of the Way of Shambhala curriculum, local Shambhala Centre and Group **Program Revenue has grown over \$650,000 annually** since 2009 to over \$2,500,000 — **a jump of over 33% in revenue.**

- Strong cohorts have led to an increased sense of community at the local level with membership growing 18% since 2009 to over 9,100 members.
- Membership revenue has further increased by 5% to over \$2,500,000.
- **Total annual revenue for Centres/Groups has increased by \$800,000** from \$4,300,000 in 2009 to \$5,100,000 in 2011.
- Cumulative revenue for Centres/Groups has grown \$1,400,000 since 2009.
- In 2012 alone, over 4,500 people took Way of Shambhala classes.

WHAT HAS THE INVESTMENT COST SINCE 2010?

Along with the significant results from this investment, there have also been costs in the form of debt, ongoing operating deficits, and reductions in staff and staff pay (the very people that make some of these activities possible).

- The **Centre of the Mandala has increased operating debt to \$680,000** to fund this growth.
- **UPDATED:** Of the \$680,000 of operating debt, \$380,000 of it will come due between March and June of 2013.
 - **UPDATED:** To fund this, Shambhala members have come forward to offer 5 years loans to support our growth efforts. A total of \$450,000 in loans is being sought.
 - **UPDATED: Sangha members have generously come forth with loans to support \$250,000** of this amount.
 - **UPDATED: We welcome others who wish to participate in this effort with 5 year loans of \$25,000 or more.**
- In addition, a shortfall of \$40,000/month between operating revenue and expense or \$480,000 annually must be covered by annual fundraising.
- **UPDATED:** We've currently received pledges for \$225,000 of the \$300,000 goal for Shambhala Day. To date, we have not received pledge cards from several centres. We expect more money to be coming in.
- Three people have been laid off since the initial increase in staff in 2010.
- **Remaining staff have taken a 13% cut in pay** (with no near-term prospects of restoring their pay).
- This means that **cash is very tight**, especially now (leading up to Shambhala Day) and in the coming months as we manage high levels of debt and work to establish new revenue streams.

WHAT'S THE PLAN GOING FORWARD?

We have a number of initiatives in various levels of development to change the way the mandala is funded, such as the Unified Giving Model and new streams of revenue. These will take some time to develop fully.

- **Unified Gifting Model (UGM):** The reason the investment did not result in more income for the centre of the mandala is because there is currently no way to directly connect local income growth with growth in income for the Centre of the Mandala. To correct that, we are introducing the Unified Giving Model. UGM will express a new level of understanding and manifestation as a worldwide mandala, unifying participation and funding to go beyond the competition between local Centres/Groups and the Centre of the Mandala. This will mean that growth in Centres/Groups will also result in growth in the central infrastructure to support it.
- **Affinity Cards:** In the near future, Shambhala will offer affinity (credit) cards through Ashoka Credit Union to members who would like a way to give in the course of regular household spending, so a percentage of your monthly spending goes to Shambhala.
- **Shambhala Bonds:** In 2013, we'll introduce a way for members to invest long-term in the development of Shambhala vision.

WHAT DO OUR FUTURE YEAR PROJECTIONS LOOK LIKE?

Putting all these pieces together, we have the following picture for the next 4 years:

	2011	2012	2013	2014	2015	2016
Center and Individual Revenue	1,485,000	1,460,000	1,400,000	1,540,000	1,694,000	1,863,000
Affinity Card Revenue	-	-	75,000	150,000	175,000	200,000
Total Revenue	1,485,000	1,460,000	1,475,000	1,690,000	1,869,000	2,063,000
Total Expenses (Includes debt payments)	1,605,000	1,590,000	1,475,000	1,507,000	1,585,000	1,725,000
Net Operating Income	(120,000)	(130,000)	-	183,000	284,000	338,000
Operating Debt at Year End	550,000	680,000	570,000	480,000	280,000	-

We are projecting that the combination of UGM, growth in local Centre/Group program and membership revenue, and Affinity Card revenue will place us in a better position to balance our annual budget and pay back existing debt by 2016. If we meet these revenue projections, it would also allow us to increase our services by \$250,000.

In addition, we are working to grow additional revenue sources. This new revenue would enable further strategic investment.

WHAT'S NEEDED FROM YOU?

To accomplish this, we need to rouse our own confidence in three ways:

- **UPDATED:** Offering a gift now for Shambhala Day 2013 can make a huge difference allowing us to manage cash in this investment period and sustain ourselves as we turn the corner: <http://www.shambhala.org/giving/giving.php>.

- **UPDATED:** Offering to participate in the community loans to support the growth of Shambhala. (You can contact Carolyn Mandelker for more information: cmandelker@shambhala.org.)
- Offering your continued support and donations to the Centre of the Mandala on each Shambhala Day and during the year through 2016 until the Unified Giving Model is fully implemented.
- Collaborating to arrive at the right approach for the Unified Giving Model. We'll be working to incorporate everyone's feedback on what's important, what is inspiring, and what new ideas and offers could make this possible.

We share everyone's aspiration to put Shambhala on sustainable, stable financial footing. With your help we can achieve this goal and ensure that Shambhala will grow and thrive!