

DRAFT – Subject  
to Approval by  
Board of Trustees



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

## BOARD OF TRUSTEES MEETING

October 22-23, 2016

Minutes recorded by the Secretary.

Unless otherwise noted, all actions of the Board at this meeting were by unanimous vote.

The following were present at the meeting:

*Trustees:* Chris Pulleyn (Chair), Kathryn Collina, Betsy Friedman, Sensei Gerardo Gally, Jonathan Hager, M.D., Thomas Roberts, Esq.

*Officers:* Roshi Bodhin Kjolhede, Abbot and President; Jeanette Prince-Cherry, Vice President; Scott Jennings, Esq., Secretary and Business Manager; Colleen O'Brien, Treasurer

*Others:* John Pulleyn, Head of Zendo; Cecily Fuhr, Esq., Member, Legal Affairs and Staff Medical and Dental Coverage Committees; Thomas Kowal, Chair, Facilities and Sustainable Operations Committee; Prof. Donna Kowal, Chair, Special Events Committee; Ven. Wayman Kubicka, Chapin Mill Caretaker and Head of Zendo; Eryl Kubicka, Chapin Mill Rental Coordinator and Chair, Workplace Safety Committee

- ◆ The Board approved the Business Manager's financial report for the third quarter of 2016, a copy of which is filed with these minutes as Appendix A. As of the end of the third quarter, total operating revenue (\$255,333) was as expected in view of the 2016 budget and was also consistent with past-year, third-quarter financial results. Year-to-date membership contributions (\$100,624) were somewhat higher than the third-quarter average over the past five years (\$94,800). Year-to-date operating expenses (\$317,826) were lower than expected due to a combination of factors: Utility expenses both at Arnold Park and Chapin Mill have continued to decline, likely due to a combination of warmer winters and our installation of high-efficiency insulation in a number of buildings. The cost of medical insurance for the Center's staff has declined substantially due to the enrollment of a number of staff members in New York State's Medicaid program. In addition, year-to-date repair-and-maintenance expenses have been lower than anticipated at both Arnold Park and Chapin Mill. As of

September 30 the value of the Center's Investment Fund had increased by \$20,934 since the beginning of the year, after deduction of \$47,018 as an operating draw from investments. (The operating draw is computed as five percent per annum of the three-year lagged average value of the Fund.)

- ◆ The Board converted the Task Force on Staff Medical and Dental Coverage to a continuing Committee. Scott reported on behalf of the Committee, which comprises Scott, Cecily Fuhr, and John Pulleyn. As reported at the last Board meeting, with help from the Center's health-benefits attorney and our health-insurance broker, a number of the Center's employees have transferred from the Center's employer group health-insurance policy to New York State's Medicaid program, which provides substantially equivalent coverage at virtually no cost to the Center or the covered participants. Our attorney has also drafted several Health Reimbursement Arrangements (HRAs), which will help the Center provide necessary coverage to employees who are not enrolled in Medicaid, while also complying with the complex requirements of the Affordable Care Act. Because the Center has fewer than 20 employees, Medicare continues to serve as the primary health-care insurer for those employees over the age of 65. Scott noted that the changes we have made with advice from our attorney and our broker will likely save the Center between \$30,000 and \$40,000 annually. The Board once again expressed thanks to the generous Sangha member who donated the cost of the necessary legal advice. [*Secretary's Note:* As of the date of submission of these minutes, it is unknown how the possible repeal of the Affordable Care Act will affect the Center and its employees.]

The Board discussed the procedures to be followed when a staff member's dental expenses exceed the \$1,500 annual limit specified in the Center's dental HRA. In such a case, the Business Manager will consult with the Committee on Staff Medical and Dental Coverage before deciding whether to increase the staff member's salary to take account of his or her additional living expenses. However, the Business Manager will not increase a staff member's salary without the approval of the Board of Trustees, unless such an increase would be consistent with the annual budget adopted by the Board.

- ◆ John Pulleyn reported on behalf of the Finance Committee. The Committee's members are John, Scott Jennings, and Colleen O'Brien. The Committee had recently met with the Center's Merrill Lynch investment advisor. The assets in the Center's Investment Fund were allocated as follows on September 30, 2016: equity investments, 67 percent; fixed-income investments (including mortgage loans), 20 percent; cash and money market funds, 13 percent. John noted that at the last Board meeting the Committee was asked to conduct a review comparing the annualized return on investment of the Center's equity portfolio under the management of Merrill Lynch over each of the last three-, five- and ten-year periods with the return on investment during those periods of (i) a comparable portfolio of Vanguard mutual funds and (ii) Standard and Poor's 500 Index. (Many consider that Index to be one of the best representations of the United States stock market.) The Board indicated that the purpose of the review was to help determine whether the Center should continue to leave its investment portfolio under Merrill Lynch's management or consider shifting to other management. John reported that using a weighted combination of Vanguard mutual funds that approximates the allocation (large- and mid-capitalization, growth and value, foreign and domestic) of assets in the Center's

Merrill Lynch equities account results in the following comparison: (The rates of return have been computed after deduction of investment fees.)

	Zen Center's Merrill Lynch Equity Portfolio	Equivalent Vanguard Equity Portfolio	Standard and Poor's 500 Index
Annualized return over past 3 years	8.47%	7.55%	11.16%
Annualized return over past 5 years	12.50%	13.41%	16.37%
Annualized return over past 10 years	6.89%	5.46%	7.24%

John explained that the principal reason that the Standard and Poor's 500 Index – which includes only companies listed on domestic stock exchanges – outperformed both the Merrill Lynch and Vanguard portfolios was the poor performance of the foreign equities in those portfolios compared to domestic equities. John commented that the Committee plans to reduce the foreign equities exposure in the Center's portfolio and also plans to re-balance equity investments by including more mid-capitalization stocks. In view of (1) the performance of the Center's Merrill Lynch portfolio and (2) the ancillary services – such as a checking account and credit cards – provided to the Center by Merrill Lynch, the Board adopted the Committee's recommendation that the Center leave its investment portfolio under Merrill Lynch's management at the present time.

- ◆ The Board discussed the Business Manager's proposed 2017 budget, a copy of which is filed with these minutes as Appendix B. The proposed 2017 budget of \$438,100 for operating expenses represents a 13 percent decrease from 2016. Most of this projected decrease is attributable to a decrease in the size of our paid staff – from 18 to the current 15 – combined with the transition of a number of staff members from the Center's group health-insurance plan to New York State's Medicaid program. Scott noted that only a handful of the other individual operating expense budgets have been increased; the others either remain unchanged or have been reduced.

The 2017 budget for operating revenue is \$416,000, based, inter alia, on projections that 2017 membership contributions will be somewhat higher than in the past few years and that net Chapin Mill rental income will be \$69,000, a figure based on prospective renters' reservations for next year, as well as some increase in the daily rental rate. Inclusion of an expected five-percent investment draw of \$63,500 thus results in a projected operating surplus of \$41,400 for 2017. Such a surplus would more than offset the accumulated operating deficit of \$21,200 for the years 2013 through 2015.

At the conclusion of its discussion, the Board approved the proposed 2017 budget.

- ◆ The Board approved the minutes of its May 14-15, 2016, meeting, as submitted by the Secretary on July 21, 2016, and the minutes of the May 28, 2016, Annual Corporate Meeting of Members, as submitted by the Secretary on August 23, 2016.

- ◆ The Board considered the proposed new by-laws of the Madison Zen Center (MZC), which is the Rochester Zen Center's (RZC's) sole formal affiliate. Under Article IX(A)(2) of the RZC's by-laws, "No affiliate group shall adopt, rescind, or amend any by-law or any provision of its certificate of incorporation without first having obtained the approval of the [RZC's] Board of Trustees." Scott Jennings, who is a member of the legal Affairs Committee, reported that members of the Committee, which comprises Scott, Cecily Fuhr, David Kernan, Karl Kiebertz, and Tom Roberts, had a number of concerns after reviewing the proposed MZC by-laws. Those concerns relate to the relationship between the MZC Board of Trustees and the "Directing Committee" established in the proposed by-laws, as well as to the Affiliate Leader's unilateral authority to revoke a person's membership in the MZC. The Board requested that the MZC work with the Legal Affairs Committee on revising the proposed by-laws in order to address the Committee's concerns.
- ◆ Roshi left the meeting. Acting pursuant to section II(E) of the Center's by-laws, the Board acquiesced in the Compensation Committee's proposal that, effective at the beginning of 2017, the Abbot's annual salary be increased to \$18,500 from the current \$17,796.24. The Board also acquiesced in the Compensation Committee's proposal that the Abbot be granted a one-time salary bonus of \$100.

Roshi returned to the meeting. The Board discussed what portion of Roshi's salary to designate as a clergy housing allowance for tax purposes. After Roshi confirmed that the amount actually used to provide his home continues to be more than \$25,000 per year, the Board resolved that Roshi's clergy housing allowance continue as previously determined by the Board: the entire amount of his salary and bonuses, up to \$25,000 per year. The Business Manager noted that a minister's housing allowance (sometimes called a parsonage allowance) is excludable from gross income for income tax purposes, but not for self-employment tax purposes.

- ◆ The Board reviewed the Center's standing committees and task forces. The Board first abolished the Task Force on Assistance for Aged or Disabled Staff and the Insurance Task Force, both of which had earlier completed the work for which they were created. The Board designated Jonathan Hager as the Trustee member of the Trustee Nominating Committee; the other members of the Committee are Roshi Bodhin Kjolhede, Scott Jennings, Brenda Reeb, and Deborah Zaretsky. The Board added Tom Kowal to the Garden and Grounds Committee, which now comprises Tom, Eryl Kubicka (Chair), Scott Jennings, Roshi Bodhin Kjolhede, and Wayman Kubicka. In addition, the Board added Betsy Friedman to the Chapin Mill Rental Committee, which now comprises Betsy, Eryl Kubicka (Chair), Kit Miller, and Andrew Stern.

The Board created a Retreat Center Refurbishment Task Force comprising Chris Pulleyn (Chair), Roshi Bodhin Kjolhede, Tom Kowal, Eryl Kubicka, and Wayman Kubicka. The Task Force is charged with creating a refurbishment and renovation plan for the Chapin Mill Retreat Center, with particular emphasis on ensuring that the building is attractive and appealing to potential renters. The Board instructed the Task Force to develop a prioritized list, with cost estimates, of proposed repairs and purchases, including items such as replacement of carpeting, cabinetry and furnishings, repainting, and

completion of unfinished work originally contemplated when the building was constructed. The Task Force is to report back to the Board at its Spring 2017 meeting.

- ◆ Tom Kowal, who is Chairman of the Committee on Facilities and Sustainable Operations, joined the meeting and reported to the Board on behalf of the Committee. Tom's written report is filed with these minutes as Appendix C. Among other projects, the Committee continues to monitor technological, financial, and legal developments in the solar energy industry in order to determine the feasibility of the Center's either participating in group net metering (also known as a community solar array) or installing a photovoltaic array at Chapin Mill. The Committee is also looking into the best way to deal with the problem of rodent infestation in the Center's buildings.
- ◆ Chris Pulleyn, who serves as Chair of the Development and Outreach Committee, reported on behalf of the Committee. Chris noted that much of the Committee's recent work has focused on the Center's 50th anniversary celebrations.

Chris gave an update concerning her work with Sangha member Dr. Anthony Cerulli on a planned documentary film about the Center. Dr. Cerulli serves as Associate Professor in the Department of Asian Languages and Cultures at the University of Wisconsin. The planned focus of the documentary is on the history of the Rochester Zen Center and its place in American Zen. Chris and Dr. Cerulli have already recorded video interviews with a number of long-time Center members, as well as with noted researcher and author Dr. Jon Kabat-Zinn, who recently delivered a public lecture as part of the Center's 50th anniversary celebrations. A good deal of raw video for the project was also recorded during the 50th anniversary commemorative weekend at the beginning of July. Since Chris and Dr. Cerulli wish the documentary to be as objective and unbiased as possible, it is being funded independently of the Center. Chris estimates that completion of the project will require \$20,000 to \$30,000.

Jonathan Hager has been meeting with a representative of Excellus BlueCross BlueShield, a major health insurer headquartered in Rochester, to explore the possibility of Excellus' including meditation as a wellness benefit in their health-insurance plans. The Center might possibly participate in such an initiative through its Community Mindfulness Outreach Program, which was established to sponsor lectures, demonstrations, and similar outreach activities providing information and instruction to the Rochester-area community regarding the uses of meditation for health, stress-reduction, and similar secular, non-religious purposes. Jonathan also brought up the possibility of the Center's using the Community Mindfulness Outreach Program as a way of involving disadvantaged communities in meditation practice.

- ◆ The Board reviewed the written report submitted on behalf of the Ethics and Advisory Committee by the Committee's Chairman, Tom Roberts. The Committee's report reads as follows: "The Ethics and Advisory Committee meets regularly during the course of the year to discuss issues relating to the Center, with its most recent meeting having taken place in mid-September. We're again pleased to be

able to report that no complaint has been received by the EAC in the period since its last report to the Board of Trustees.”

- ◆ Tom Roberts also reported on behalf of the Philip Kapleau Archive Task Force, which is working with Dr. Richard Jaffe, Associate Professor of Religious Studies at Duke University, to frame a detailed proposal for the Board’s consideration regarding disposition of Roshi Philip Kapleau’s papers, which are currently in the Center’s possession. Duke has tentatively agreed to house and archive Kapleau-roshi’s papers, with the Center retaining digital copies of any items it wishes. Dr. Jaffe has met with Roshi and John Pulleyn, but Duke and the Center have not yet reached a formal agreement. The Task Force, aided by Sangha volunteers, has been scanning important documents and identifying confidential information that may require special treatment. The Task Force is still working through photographs, films, and videos related to Kapleau-roshi.
- ◆ The Chair of the Sangha Engagement Committee, Kathy Collina, reported on behalf of that Committee. The Committee sponsors a number of events, activities, and discussion groups. Among the Committee’s continuing activities are the following: Sangha dinners communally cooked at the Center and organized by Committee member Devin Wiesner; a group, led by Committee member Andy McClain, that works with Asbury First United Methodist Church to prepare and serve meals for those in need; and participation in the Monroe County Adopt-a-Highway program. The Committee’s annual guest speaker series will resume in 2017, after having been suspended during 2016 while the Committee’s efforts were focused on the Center’s 50th anniversary celebrations. This past June the Committee sponsored a well-received lecture on plant-based nutrition by Thomas Campbell, M.D., co-founder and clinical director of the University of Rochester’s Program for Nutrition in Medicine. The Committee is also considering a number of other possible events and activities, including hiking or ski outings, a rakusu-sewing group, and a cooking class.

The Committee also sponsors the Zen of Living and Dying Group, a discussion and support group investigating old age, sickness and death from a Buddhist perspective. Jonathan, who is a regular participant, reported that the Group has been flourishing, with more than ten people typically attending meetings. The Group has also been working with the Center’s Kannon Committee, a group of Sangha members who volunteer to help with occasional meals, errands, or transportation for those who are ill or temporarily disabled. Jonathan reported that Wayman and Eryl Kubicka, who also regularly participate in the Group’s meetings, have been helping to bring a Zen practice perspective to the Group’s discussions.

- ◆ Roshi reported to the meeting regarding spiritual affairs. Roshi first reported regarding affiliates, sitting groups, and sister centers. Our sole formal affiliate, the Madison Zen Center (MZC), is doing very well. Former Rochester Zen Center residents Rick Smith, Gayle Alexander, and Jason Moser have all moved to Madison and are active with the MZC. Rick is once again serving as the Madison Affiliate Leader, and Jason is living at the MZC. The Auckland Zen Centre in Auckland, New Zealand, a sister Center led by Sensei Amala Wrightson, is doing well, but must contend with the very high

cost of living in Auckland, which makes it difficult for the Auckland Centre to offer residential training. Roshi also reported that Amala-sensei is undertaking a three-month personal retreat. Roshi continues his annual visits to the Cleveland Zazen Group, which has been slowly growing. Our European sister organizations, the Berlin Zen Group in Germany, led by Sensei Robert Goldmann, and Zenbuddhistiska Samfundet (Zen Buddhist Association) in Scandinavia, led by Roshis Sante Poromaa and Kanja Odland, continue on a steady course. Roshi will travel to Sweden next August to visit Zenbuddhistiska Samfundet.

Roshi commented that the Center's 50th anniversary commemorative weekend in July was possibly the most successful event in the Center's history. Many former members from the Center's early years attended, and much good will was evident. Absence of fees and of fund-raising solicitations helped set a very positive tone for the weekend.

The Center's staff is currently smaller than it has been for some time. Introductory workshops have been somewhat smaller than in the past few years, and few of the Center's younger members have been attending sesshin. These trends are likely related to broader social and cultural phenomena, to which the Center does its best to adapt without actively proselytizing or recruiting. On a positive note, our twice-yearly Term-Intensive Programs are quite popular with out-of-town members, who find them a good way to fortify their practice and stay connected to the Center. The Center has been broadcasting a live online audio feed of teisho, daily sittings, and all-day sittings via its website. This initiative has been very well received, and we hope to extend audio streaming both to sesshin and to term-intensive meetings. Also, we have been allowing sitters who feel either unable to sit for full rounds of zazen without moving, or unable to sit for three consecutive rounds, to sit in the Center's dining room during formal sittings; however, very few people have chosen to exercise this option. Finally, Roshi reported that he recently gave a talk on Zen at the State University of New York at Geneseo and that John Pulleyn, assisted by Chris, served as teacher-in-residence at the Chautauqua Institution's Mystic Heart Meditation Seminar this past summer.

Gerardo-sensei reported regarding Casa Zen, our sister center in Mexico City. The group is doing well in its rented facilities in the City, which have proven reasonably satisfactory. Although the Casa Zen Sangha is not currently growing, the group's sesshin, which are held at Tapaléhui, south of Mexico City, are well attended, particularly by participants from outside of Mexico City.

Jeanette reported regarding the Louisville Zen Center, a sitting group that she leads in Louisville, Kentucky. The group, which started in 1999, has already received one substantial contribution toward the purchase of a building of its own and is working on securing the remaining necessary funds. The group has recently started a system of formal membership, and Jeanette has been inviting Louisville members to accompany her on visits to the Rochester Zen Center, the Madison Zen Center, and the Cleveland Zazen Group. Jeanette commented that Louisville members are very appreciative that the Rochester Zen Center now allows them to participate in its activities, such as sesshin, at member rates.

- ◆ Donna Kowal, who serves as Chair of the Special Events Committee, reported to the meeting on behalf of the Committee. Donna's written report is filed with these minutes as Appendix D. As Roshi previously reported, the July commemorative weekend was a great success. Some 400 people participated in the weekend's activities, including roughly 150 who were members during the Center's first 20 years. Thirteen Zen teachers from Roshi Philip Kapleau's lineage took part. The Center hopes to maintain a connection with former members who attended, even though none of them have as yet rejoined as current members. Donna reported that the 50th anniversary lecture by Dr. Jon Kabat-Zinn, which took place on October 15, represented a great opportunity for community outreach and was sold out, with some 830 ticket-holders attending. Thanks to that ticket revenue (Dr. Kabat-Zinn accepted neither an honorarium nor any share of the ticket sales), generous financial support from several organizations, and contributions from our own members, the total cost to the Center of all the 50th anniversary events was less than \$5,000. Donna noted that all of the comprehensive planning and preparation for the anniversary events, involving both the Center's staff and many Sangha volunteers, paid off handsomely and that the events ran extremely smoothly.

Roshi and Donna thanked all those who made the celebrations such a success, with particular thanks to Milda Vaivada, who worked indefatigably on the logistics of the July commemorative weekend, John and Chris Pulleyn, who hosted a large and very successful "old timers" gathering at their home, acoustic guitar virtuoso Leo Kottke, who performed for the Sangha without fee, Betsy Friedman, who worked tirelessly to make Dr. Kabat-Zinn's lecture such a success, and, of course, Dr. Kabat-Zinn himself.

- ◆ The Center's Officers left the meeting, and the Board met in executive session before adjourning for the day.
- ◆ The next morning, Wayman Kubicka, who serves as Chapin Mill Caretaker and Head of Zendo, Eryl Kubicka, the Chapin Mill Rental Coordinator, and Tom Kowal, Chair of the Facilities and Sustainable Operations Committee, joined the meeting for a discussion of matters relating to Chapin Mill. The Board first continued its discussion, begun at previous meetings, of whether to build a small staff house at Chapin Mill. Such a house would be of substantial help in (1) providing for expected staffing needs at Chapin Mill, (2) allowing the Kubickas to continue living in the Farm House, and (3) avoiding interference with the Center's and Andris Chapin's use of the Mill House or with rentals of the Retreat Center. For these reasons, the Board agreed on the need to build an additional house. At the Board's request, Tom had prepared a memorandum discussing possible siting and design alternatives, along with their attendant costs and benefits. Informed by Tom's memorandum, the Board considered two alternative sites for the house: (1) a clearing to the east of the barn and parking area (the so-called "Strawberry Field") and (2) the area immediately to the southeast of the existing Farm House. Although the Strawberry Field site would provide a private and attractive setting, building near the existing Chapin Mill buildings would afford an enhanced sense of place and community, provide better security, and cost at least \$25,000 less because of proximity to existing electrical service. The Board authorized the Facilities and Sustainable Operations Committee to proceed with development



of a detailed plan for building a two-story house of approximately 1,200 square feet near the existing Farm House at a cost of approximately \$150,000. Tom, who has extensive experience with building construction, expects that he will be able to supervise the building of the house, while also providing much of the labor, thus keeping the expected cost to the \$150,000 level. In view of the decades of devotion to Chapin Mill shown by former caretaker Laimons Klava, as well as the generous donation Mr. Klava has made toward construction of the new house, the Board decided that the house will be known as Klava House. Other potential donors have tentatively expressed a willingness to give a possible total of \$70,000 to \$80,000 toward the project; the remainder will be raised through a private, targeted fund-raising effort.

- ◆ Wayman reported regarding other developments at Chapin Mill. We currently have four residents living at Chapin Mill: three staff employees and one trainee. Wayman reported that the Wi-Fi wireless networking technology installed at Chapin Mill has become very important for our rental program and that internet connectivity is often the first thing that rental program participants ask about. Accordingly, we have been working to upgrade and improve the Wi-Fi system. As a consequence of these improvements, we'll be able to broadcast sittings and teisho online from the Chapin Mill zendo. Wayman also reported that there have been water-quality problems in the Chapin Mill pond related to algae growth accelerated by acidification from rotting tree leaves. This problem is being successfully addressed through the use of dolomite gravel to de-acidify water in the area where leaves collect. Finally, Wayman also reported that the Facilities and Sustainable Operations Committee is continuing to assess security needs and vulnerabilities at Chapin Mill.
- ◆ Eryl Kubicka, who is Co-chair of the Columbarium Task Force, reported on behalf of the Task Force. The Town of Stafford approved the project two years ago, and the Task Force has been working on possible designs and layouts with Sangha member Eric Higbee, a landscape architect with experience in designing public landscapes of various types and scales. Eric was recently at Chapin Mill for a walk-around with members of the Task Force focused on finding the most suitable overall approach for developing the columbarium site. Eryl reported that the concept of stone walls with terraces, which had been discussed previously, would likely be too complicated, labor intensive, and expensive. Eric proposed the alternative concept of a curving wall that follows the contour of the land, with niches into which cremated remains could be placed. Such a design would be easy to care for and could be built a section at a time as needed. Gerardo-sensei, who has professional experience as an architect, has offered to work with Eric on a more detailed proposal.
- ◆ The Chapin Mill Rental Coordinator, Eryl Kubicka, reported to the Board regarding the Chapin Mill rental program. A redacted version of Eryl's written report is filed with these minutes as Appendix E (financial details relating to specific renters have been omitted). As detailed in the report, this year we had planned on renting the Retreat Center to eleven groups, with a total of 65 rental days, but four cancellations resulted in a reduction to 42 days. For 2017 we have 39 rental days scheduled so far. Our current rental rate is generally \$1,500 per night, with a discounted rate for Center members of \$1,400.

The Chapin Mill Rental Committee does allow for some flexibility in setting rates for long-term re-turning renters, with the goal of gradually increasing them to the rates set for new renters. The Chapin Mill Rental Committee plans to meet before the spring 2017 Trustees' meeting in order to review rental rates and make recommendations. Preparatory to the Committee's meeting, the Committee will compare our rental rates with those for similar facilities.

- ◆ Eryl, who also serves as Chair of the Workplace Safety Committee, reported to the Board on behalf of the Committee. Eryl's written report is filed with these minutes as Appendix F. The only reportable accident occurred when a staff member driving the Center's Kubota tractor-loader-backhoe hit a deep rut, causing the vehicle to tip slowly onto its side. The driver was wearing a seatbelt and was not injured, and the vehicle was not damaged. Since hitting a groundhog hole could cause a similar accident, the staff at Chapin Mill will be marking known holes in areas where the Kubota is used in conjunction with a rotary cutter, or "brush hog."
- ◆ The Board confirmed Saturday and Sunday, May 20 and 21, as the dates for its spring 2017 meeting. Also, the Board tentatively set Saturday and Sunday, October 21 and 22, as the dates for its fall 2017 meeting. The Board thereupon adjourned the meeting.

Submitted to the Board of Trustees on November 13, 2016  
by Scott Jennings, Secretary of the Center.

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## Appendix A



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

# Financial Report Third Quarter 2016

ROCHESTER ZEN CENTER  
SUMMARY OF THIRD QUARTER 2016 FINANCIAL RESULTS

	Third Quarter 2016		Third Quarter 2015	
	As of September 30, 2016	9/30/16 as % of 2016 Budget	As of September 30, 2015	9/30/15 as % of 2015 Budget
Year-to-Date Operating Revenue	\$255,333	62%	\$257,119	65%
Year-to Date Operating Expenses	<u>\$317,826</u>	63%	<u>\$354,377</u>	73%
YTD Revenue Less Expenses	(\$62,493)		(\$97,258)	
YTD Operating Draw from Investments (5%)	<u>\$47,018</u>		<u>\$45,309</u>	
<b>YTD Net Operating Surplus (Loss)</b>	<b>(\$15,476)</b>		<b>(\$51,949)</b>	
Membership Contributions	\$100,624	55%	\$95,380	52%
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YTD Investment Gain (Loss)	\$67,952		(\$15,670)	
YTD Operating Draw from Investments (5%)	<u>(\$47,018)</u>		<u>(\$45,309)</u>	
YTD Net Investment Gain (Loss)	\$20,934		(\$60,980)	
YTD Legacies and Special Donations	<u>\$0</u>		<u>\$0</u>	
<b>YTD Total Investment Fund Change</b>	<b>\$20,934</b>		<b>(\$60,980)</b>	

	Operating Fund	Investment Fund	Held for Others	Realty and Art (Carried at Cost)	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash & Money Market*	26,829.36	168,738.81	268,608.26	0.00	464,176.43
Inventories	7,051.97	0.00	0.00	0.00	7,051.97
Accounts Receivable	43,015.15	0.00	0.00	0.00	43,015.15
Prepaid Expenses	28,484.74	0.00	0.00	0.00	28,484.74
Earmarked Donations (Contra)	(29,470.15)	0.00	0.00	0.00	(29,470.15)
<i>Total Current Assets</i>	<i>75,911.07</i>	<i>168,738.81</i>	<i>268,608.26</i>	<i>0.00</i>	<i>513,258.14</i>
<b>NON-CURRENT ASSETS</b>					
Non-Equity Investments (At Book)	0.00	184,040.87	0.00	0.00	184,040.87
Equity Investments (At Market)	0.00	847,447.04	0.00	0.00	847,447.04
Mortgage Loans Outstanding	0.00	70,291.05	0.00	0.00	70,291.05
Depreciable Fixed Assets (Net)	258,850.69	0.00	0.00	0.00	258,850.69
Buildings & Land (At Cost)	0.00	0.00	0.00	5,366,162.27	5,366,162.27
Buddhist Art & Implements (At Cost)	0.00	0.00	0.00	118,419.07	118,419.07
<i>Total Non-Current Assets</i>	<i>258,850.69</i>	<i>1,101,778.96</i>	<i>0.00</i>	<i>5,484,581.34</i>	<i>6,845,210.99</i>
<b>TOTAL ASSETS</b>	<b>334,761.76</b>	<b>1,270,517.77</b>	<b>268,608.26</b>	<b>5,484,581.34</b>	<b>7,358,469.13</b>
<b>LIABILITIES &amp; EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Taxes, Medicare, SS Payable	1,598.85	0.00	0.00	0.00	1,598.85
Prepaid Income	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities	3,893.00	0.00	0.00	0.00	3,893.00
<i>Total Current Liabilities</i>	<i>5,491.85</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>5,491.85</i>
<b>LONG-TERM LIABILITIES</b>					
Auckland Zen Centre Fund	0.00	0.00	2,744.22	0.00	2,744.22
Louisville Zen Center Fund	0.00	0.00	250,235.53	0.00	250,235.53
Abbot's Scholarship Fund	0.00	0.00	15,628.51	0.00	15,628.51
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>268,608.26</i>	<i>0.00</i>	<i>268,608.26</i>
<b>EQUITY</b>					
»»Year-to-Date Revenues	255,332.59	67,952.08	0.00	0.00	323,284.67
»»(Less Year-to-Date Expenses)	317,826.05	0.00	0.00	0.00	317,826.05
»YTD Revenues Less Expenses	(62,493.46)	67,952.08	0.00	0.00	5,458.62
»YTD Investment Draw (5% per annum)	47,017.77	(47,017.77)	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	(15,475.69)	20,934.31	0.00	0.00	5,458.62
Extraordinary Income & Expenses	20,000.00	0.00	0.00	0.00	20,000.00
Capitalized from Building Fund	0.00	0.00	0.00	0.00	0.00
Interfund Transfers In (Out)	0.00	0.00	0.00	0.00	0.00
Previous Year-End Fund Balances	324,745.60	1,249,583.46	0.00	5,484,581.34	7,058,910.40
<i>Total Equity (Current Fund Balances)</i>	<i>329,269.91</i>	<i>1,270,517.77</i>	<i>0.00</i>	<i>5,484,581.34</i>	<i>7,084,369.02</i>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>334,761.76</b>	<b>1,270,517.77</b>	<b>268,608.26</b>	<b>5,484,581.34</b>	<b>7,358,469.13</b>

\*Adjusted to consolidate all Investment Fund money market & cash into single account

## ROCHESTER ZEN CENTER

## Income and Expense Statement for the Quarter Ended September 30, 2016

Account		3Q2016 Actual	2016 Budget	% of Budget	3Q2015 Actual
<b>GENERAL OPERATING FUND - INCOME ACCOUNTS</b>					
	Net Item Sales Income	\$3,329	\$1,000	333%	\$407
	Net Special Events Income	(\$8,268)	\$0		\$0
40143G	Royalty Income	\$5,665	\$7,000	81%	\$3,674
40150G	Zen Bow Income	\$180	\$500	36%	\$220
40151G	Membership Contributions	\$100,624	\$184,000	55%	\$95,380
4C151G	CM Operating Donations	\$24,475	\$40,000	61%	\$26,737
40152G	Workshop Income	\$11,112	\$14,000	79%	\$10,525
40153G	Training Program Income	\$3,075	\$5,000	62%	\$3,083
4C153G	CM Training Program Income	\$0	\$100	0%	\$45
40159G	Buddha Hall Rental Income	\$10,413	\$13,700	76%	\$10,376
4C159G	Net CM Rental Income	\$59,158	\$69,000	86%	\$56,610
40160/2G	Misc. Income & Contributions	\$8,164	\$12,500	65%	\$9,555
4C160G	CM Miscellaneous Income	\$0	\$200	0%	\$523
40161G	Sesshin Income	\$37,406	\$63,000	59%	\$39,984
	<b>Total Operating Revenue</b>	<b>\$255,333</b>	<b>\$410,000</b>	<b>62%</b>	<b>\$257,119</b>
<b>GENERAL OPERATING FUND - EXPENSE ACCOUNTS</b>					
60170G	Charity Expenses	\$0	\$500	0%	\$0
60171G	Zen Bow Expenses	\$2,252	\$6,000	38%	\$2,254
60172G	Teaching Expenses	\$2,411	\$5,500	44%	\$1,713
6C172G	CM Teaching Expenses	\$10	\$200	5%	\$66
60175G	Medical & Health Insurance	\$37,033	\$77,100	48%	\$59,860
6C175G	CM Medical & Health Insurance	\$9,887	\$27,500	36%	\$16,918
60176G	Staff Salary Expense	\$47,888	\$63,400	76%	\$47,944
6C176G	CM Staff Salary Expense	\$7,483	\$15,100	50%	\$8,955
60177G	Kitchen Expenses	\$29,974	\$43,000	70%	\$31,884
6C177G	CM Kitchen Expenses	\$5,945	\$10,500	57%	\$7,877
60178G	Housekeeping Expenses	\$3,689	\$5,500	67%	\$3,095
6C178G	CM Housekeeping Expenses	\$1,424	\$2,300	62%	\$1,548
60179G	To Staff Departure Fund	\$17,081	\$23,300	73%	\$15,528
6C179G	CM Staff Departure Fund	\$3,993	\$5,300	75%	\$3,993
60180G	Misc Administrative Expenses	\$1,005	\$1,500	67%	\$933
6C180G	CM Misc Administrative Expense	\$0	\$100	0%	\$97
60181G	Office Expenses	\$3,004	\$4,400	68%	\$3,651
6C181G	CM Office Expenses	\$1,057	\$500	211%	\$834
60182G	Telecommunications Expenses	\$4,938	\$4,900	101%	\$3,685
6C182G	CM Telecommunications Expenses	\$2,659	\$4,000	66%	\$2,789
60183G	Gas & Electricity Expenses	\$4,795	\$8,900	54%	\$6,780
6C183G	CM Utility Expenses	\$9,048	\$14,600	62%	\$10,009
60184G	Repair & Maintenance Expenses	\$6,970	\$19,000	37%	\$12,408
6C184G	CM Rep & Maintenance Expenses	\$11,601	\$22,800	51%	\$16,665
60186G	Insurance Expenses	\$31,336	\$39,200	80%	\$27,454
6C186G	CM Insurance Expenses	\$17,893	\$23,100	77%	\$16,265
60187G	Fundraising & Advertising Exp.	\$1,000	\$1,500	67%	\$1,000
60188G	Garden & Grounds Expenses	\$2,000	\$2,700	74%	\$655
6C188G	CM Garden & Grounds Expenses	\$2,462	\$5,500	45%	\$2,331
60189G	Library Expenses	\$19	\$300	6%	\$41
60190G	Automobile Expenses	\$7,040	\$7,800	90%	\$5,851
6C190G	CM Automobile Expenses	\$5,233	\$4,200	125%	\$5,565
60191G	Taxes & Municipal Fees	\$6,143	\$6,700	92%	\$6,248
6C191G	CM Tax & User Fee Expenses	\$3,826	\$4,800	80%	\$3,594
60192G	Computer Expenses	\$2,184	\$3,000	73%	\$2,414
60193G	Banking, PayPal & Crdt Crd Fees	\$562	\$500	112%	\$313

## ROCHESTER ZEN CENTER

## Income and Expense Statement for the Quarter Ended September 30, 2016

Account	3Q2016 Actual	2016 Budget	% of Budget	3Q2015 Actual
6C192G CM Computer Expenses	(\$10)	\$500	-2%	\$379
60300G Bad Debt Expense	\$0	\$0		\$100
60389G Depreciation Expense	\$17,163	\$23,700	72%	\$15,854
6C389G CM Depreciation Expense	\$6,827	\$9,500	72%	\$6,828
60500G Contingency (Budget Use Only)		\$5,000		
<b>Total Operating Expenses</b>	<b>\$317,826</b>	<b>\$503,900</b>	<b>63%</b>	<b>\$354,377</b>
<b>Operating Revenue Less Expenses</b>	<b>(\$62,493)</b>	<b>(\$93,900)</b>		<b>(\$97,258)</b>
40168G Operating Draw from Investments	\$47,018	\$61,400	77%	\$45,309
<b>Total Net Operating Surplus (Loss)</b>	<b>(\$15,476)</b>	<b>(\$32,500)</b>		<b>(\$51,949)</b>
<b>Extraordinary Income &amp; Expenses</b>	<b>\$20,000</b>			<b>\$0</b>
<b>CAPITAL EXPENDITURES</b>				
15000G Furniture and Fixtures	\$16,250			\$33,053
15100G Equipment and Computers	\$6,285			\$0
15200G Motor Vehicles	\$0			\$0
Non-CM Capital Expenditures	\$22,535	\$40,000	56%	\$33,053
1C500G CM Capital Expenditures	\$5,010	\$10,000	50%	\$5,017
<b>Total Capital Expenditures</b>	<b>\$27,545</b>	<b>\$50,000</b>	<b>55%</b>	<b>\$38,070</b>
<b>INVESTMENT FUND</b>				
40167I ML Equity YTD Gain (Loss)	\$61,457			(\$22,198)
40168I Interest Income (IF)	\$6,481			\$6,528
40170I Other Income (IF)	\$14			\$0
Gross Investment Income	\$67,952			(\$15,670)
60168I Operating Draw from Investments	(\$47,018)			(\$45,309)
Investment Income Less Draw	\$20,934			(\$60,980)
40155I Legacies & Special Donations	\$0			\$0
<b>Total Net Investment Fund Gain (Loss)</b>	<b>\$20,934</b>			<b>(\$60,980)</b>

**ROCHESTER ZEN CENTER**  
**Past-Year Comparison – September 30, 2016**

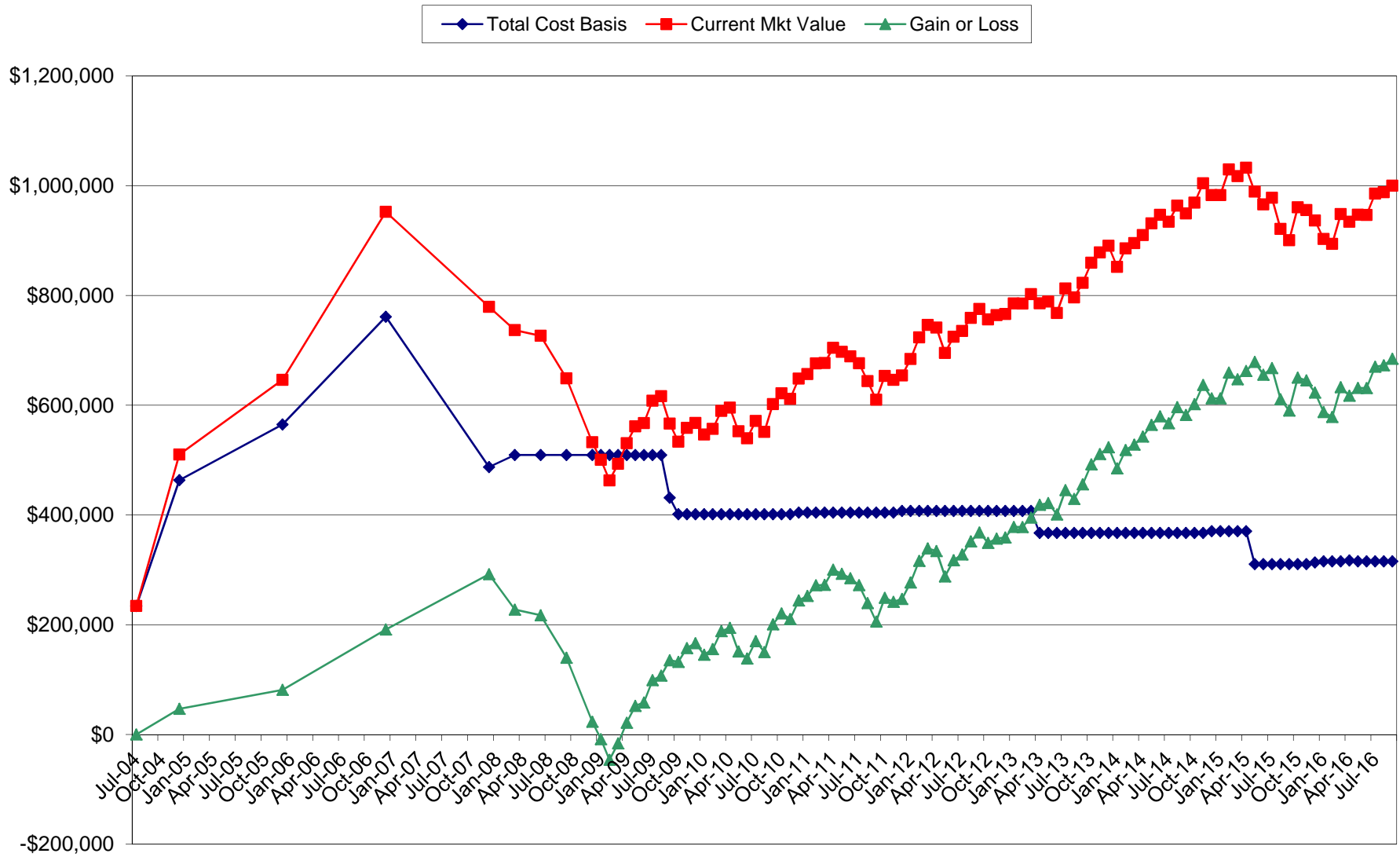
	30-Sep-16	3Q Average 2011-2015	30-Sep-15	30-Sep-14	30-Sep-13	30-Sep-12	30-Sep-11
<b>GENERAL OPERATING FUND – INCOME</b>							
Net Item Sales Income	3,329	665	407	583	425	934	974
Net Special Events Income	(8,268)	(901)	0	0	492	316	(5,310)
40143G Royalty Income	5,665	3,921	3,674	3,136	4,716	3,234	4,844
40150G Zen Bow Income	180	367	220	415	337	627	237
40151G Membership Contributions	100,624	94,800	95,380	96,895	96,167	92,806	92,751
4C151G CM Operating Donations	24,475	28,283	26,737	27,481	27,660	29,084	30,454
40152G Workshop Income	11,112	11,219	10,525	11,127	9,475	11,470	13,500
40153G Training Program Income	3,075	4,080	3,083	5,956	4,474	3,905	2,985
4C153G CM Training Program Income	0	69	45	0	0	300	0
40159G Buddha Hall Rental Income	10,413	10,042	10,376	10,199	10,148	9,912	9,576
4C159G Net CM Rental Income	59,158	41,446	54,010	42,142	43,556	34,545	32,977
40160/2G Misc. Income & Contributions	8,164	7,486	9,605	6,092	6,720	5,864	9,149
4C160G CM Miscellaneous Income	0	287	523	12	800	100	0
40161G Sesshin Income	37,406	40,834	39,984	37,574	43,243	42,096	41,274
<b>Total YTD Operating Income</b>	<b>255,333</b>	<b>242,599</b>	<b>254,569</b>	<b>241,611</b>	<b>248,214</b>	<b>235,192</b>	<b>233,411</b>
Percentage of full-year actual total	62% of budget	63%	64%	61%	64%	63%	63%
<b>GENERAL OPERATING FUND – EXPENSES</b>							
60170G Charity Expenses	0	0	0	0	0	0	0
60171G Zen Bow Expenses	2,252	4,142	2,254	4,243	6,168	2,864	5,179
60172G Teaching Expenses	2,411	2,079	1,713	2,070	3,592	1,206	1,812
6C172G CM Teaching Expenses	10	77	66	0	0	153	166
60175G Medical & Health Insurance	37,033	54,243	59,820	62,348	59,856	49,734	39,456
6C175G CM Medical & Health Insurance	9,887	11,421	16,918	12,080	7,930	10,485	9,692
60176G Staff Salary Expense	47,888	42,975	47,944	45,414	45,748	38,202	37,564
6C176G CM Staff Salary Expense	7,483	8,079	8,955	9,511	8,313	7,079	6,536
60177G Kitchen Expenses	29,974	30,579	31,884	34,083	34,504	27,404	25,020
6C177G CM Kitchen Expenses	5,945	6,223	7,877	5,782	7,155	4,655	5,645
60178G Housekeeping Expenses	3,689	3,250	3,095	3,280	3,288	4,364	2,221
6C178G CM Housekeeping Expenses	1,424	1,597	1,548	1,798	1,111	2,221	1,306
60179G To Staff Departure Fund	17,081	13,196	15,528	14,197	15,972	10,204	10,075
6C179G CM Staff Departure Fund	3,993	3,749	3,993	3,993	3,993	3,549	3,217
60180G Misc Administrative Expenses	1,005	789	933	665	704	819	825
6C180G CM Misc Administrative Expense	0	55	97	225	55	(100)	0
60181G Office Expenses	3,004	3,749	3,655	3,286	2,111	4,333	5,358
6C181G CM Office Expenses	1,057	232	394	225	14	312	216
60182G Telecommunications Expenses	4,938	4,138	3,685	4,188	5,209	4,112	3,496
6C182G CM Telecommunications Expenses	2,659	2,859	2,789	3,384	2,372	2,835	2,913
60183G Gas & Electricity Expenses	4,795	7,236	6,780	8,886	7,719	4,942	7,855
6C183G CM Utility Expenses	9,048	10,977	10,009	14,303	10,077	9,115	11,381
60184G Repair & Maintenance Expenses	6,970	15,353	12,434	8,697	16,101	22,552	16,980
6C184G CM Rep & Maintenance Expenses	11,601	13,983	16,665	10,774	11,631	14,901	15,942
60186G Insurance Expenses	31,336	23,802	27,454	24,682	19,929	23,756	23,190
6C186G CM Insurance Expenses	17,893	13,900	16,265	14,557	11,265	13,630	13,782
60187G Fundraising & Advertising Exp.	1,000	950	1,000	830	1,159	1,100	660
6C187G CM Fundraising & Adv Expenses	0	0	0	0	0	0	0
60188G Garden & Grounds Expenses	2,000	2,990	655	3,484	2,235	1,629	6,945
6C188G CM Garden & Grounds Expenses	2,462	3,748	2,331	3,330	5,646	5,175	2,260
60189G Library Expenses	19	82	41	269	99	0	0
60190G Automobile Expenses	7,040	9,435	5,851	6,207	8,320	14,935	11,863
6C190G CM Automobile Expenses	5,233	2,958	5,521	3,764	1,458	2,123	1,925
60191G Taxes & Municipal Fees	6,143	6,102	6,248	6,066	6,340	5,894	5,964
6C191G CM Tax & User Fee Expenses	3,826	2,795	3,594	3,341	2,579	2,748	1,711
60192G Computer Expenses	2,184	2,090	2,414	3,014	2,512	1,637	874
6C192G CM Computer Expenses	(10)	277	379	354	446	117	89
60193G Banking, PayPal & Crdt Crd Fees	562		313	73			
60300G Bad Debt Expense	0	20	100	0	0	0	0
60389G Depreciation Expense	17,163	13,677	15,854	15,273	14,301	12,425	10,532
6C389G CM Depreciation Expense	6,827	6,286	6,828	5,715	5,871	7,041	5,974
<b>Total YTD Operating Expenses</b>	<b>317,826</b>	<b>330,090</b>	<b>353,882</b>	<b>344,393</b>	<b>335,786</b>	<b>318,149</b>	<b>298,623</b>
Percentage of full-year actual total	63% of budget	74%	73%	74%	72%	75%	74%
<b>YTD Operating Income Less Expenses</b>	<b>(62,493)</b>	<b>(87,490)</b>	<b>(99,313)</b>	<b>(102,783)</b>	<b>(87,572)</b>	<b>(82,957)</b>	<b>(65,212)</b>
40168G Operating Draw from Investments	47,018	41,005	45,309	42,728	40,653	38,681	37,657
<b>Total Net Operating Surplus (Loss)</b>	<b>(15,476)</b>	<b>(46,485)</b>	<b>(54,004)</b>	<b>(60,055)</b>	<b>(46,920)</b>	<b>(44,277)</b>	<b>(27,555)</b>



ROCHESTER ZEN CENTER  
Past-Year Comparison – September 30, 2016

	30-Sep-16	3Q Average 2011-2015	30-Sep-15	30-Sep-14	30-Sep-13	30-Sep-12	30-Sep-11
<b>CAPITAL EXPENDITURES</b>							
15000G Furniture and Fixtures	16,250	13,889	33,053	0	938	31,344	4,111
15100G Equipment and Computers	6,285	3,039	0	953	0	5,209	9,031
15200G Motor Vehicles	0	3,283	0	8,179	8,235	0	0
1C500G CM Capital Expenditures	5,010	11,131	5,017	8,936	2,040	32,831	6,831
<b>Total YTD Capital Expenditures</b>	<b>27,545</b>	<b>31,342</b>	<b>38,070</b>	<b>18,068</b>	<b>11,213</b>	<b>69,384</b>	<b>19,973</b>
<b>INVESTMENT FUND</b>							
40167I ML Equity YTD Gain (Loss)	61,457	43,231	(22,198)	58,870	96,773	121,271	(38,561)
40168I Interest Income (IF)	6,481	7,347	6,528	6,870	4,993	8,945	9,400
40170I Other Income (IF)	14	29	0	10	14	75	46
40181I W&R YTD Gain (Loss)	0	(12)	0	0	0	73	(135)
<b>Gross YTD Investment Fund Income</b>	<b>67,952</b>	<b>50,595</b>	<b>(15,670)</b>	<b>65,749</b>	<b>101,780</b>	<b>130,365</b>	<b>(29,250)</b>
60168I Operating Draw from Investments	(47,018)	(41,005)	(45,309)	(42,728)	(40,653)	(38,681)	(37,657)
<b>Net Investment Fund Gain (Loss)</b>	<b>20,934</b>	<b>9,589</b>	<b>(60,980)</b>	<b>23,021</b>	<b>61,128</b>	<b>91,684</b>	<b>(66,907)</b>
40155I Legacies & Special Donations	0	300	0	0	1,500	0	0
<b>Total YTD Endowment Fund Change</b>	<b>20,934</b>	<b>9,889</b>	<b>(60,980)</b>	<b>23,021</b>	<b>62,628</b>	<b>91,684</b>	<b>(66,907)</b>

# Merrill Lynch Equity Account



## ROCHESTER ZEN CENTER INVESTMENT FUND – September 30, 2016

<i>Account</i>	<i>Instrument</i>	<i>As Carried on Balance Sheet</i>		<i>Market Value</i>	<i>Cost Basis</i>	<i>Gain (Loss)</i>	<i>Annual Return on Basis</i>	<i>Est. Annual Fixed Income</i>
	<b>Equity Investments*</b>	<i>At Market</i>						
14052I	Merrill Lynch Equities Account**	\$847,447		\$847,447	\$523,077	\$324,370		
	IF Equities	\$847,447	67%	\$847,447	\$523,077	\$324,370		
	<b>Cash &amp; Money Market</b>						<i>Current Int Rate</i>	
10006I	IF Share of Money Market Funds & Cash**	\$168,739		\$168,739	\$168,739		0.10%	\$169
	IF Cash & Money Market	\$168,739	13%	\$168,739	\$168,739		0.10%	\$169
	<b>Fixed-Income Investments</b>	<i>Cost Basis</i>					<i>Crrnt Rtrn on Basis</i>	
13200I	Merrill Lynch Fixed-Income Account**	\$184,041		\$178,485	\$184,041	(\$5,556)	3.58%	\$6,595
	Total Fixed-Income Investments	\$184,041	14%	\$178,485	\$184,041	(\$5,556)	3.58%	\$6,595
	<b>Loans</b>	<i>Outstanding</i>			<i>Original</i>		<i>Loan Rate</i>	
14100I	Zengården Mtg Loan (variable %) 3/31/25	\$64,801			\$135,637		3.48%	\$2,169
14106I	Mdsn ZC Mtg Loan 5.08% 7/31/18	\$5,490			\$35,739		5.08%	\$211
	Total Loans	\$70,291	6%		\$171,376			\$2,380
<b>Investment Fund Total</b>		<b>\$1,270,518</b>	<b>100%</b>					<b>\$9,144</b>

\* Donated equities that do not meet the Center's ethical investment criteria must be sold by the Center's Finance Committee within one year

\*\*Adjusted to report all Investment Fund money market & cash as residing in account 10006

Abbot's Scholarship Fund  
Summary for Second and Third Quarters 2016

<b>Beginning balance 4/1/16</b>		<b>15,140.86</b>
Contributions to Fund	2,815.00	
Interest income	<u>7.65</u>	
<b>Total fund income</b>	<b>2,822.65</b>	<b>2,822.65</b>
Training fees	0.00	
Sesshin fees	<u>2,335.00</u>	
<b>Total fund disbursements</b>	<b>2,335.00</b>	<b>(2,335.00)</b>
<b>Ending balance 9/30/16</b>		<b>15,628.51</b>

Auckland Zen Centre Fund  
Summary for Second and Third Quarters 2016

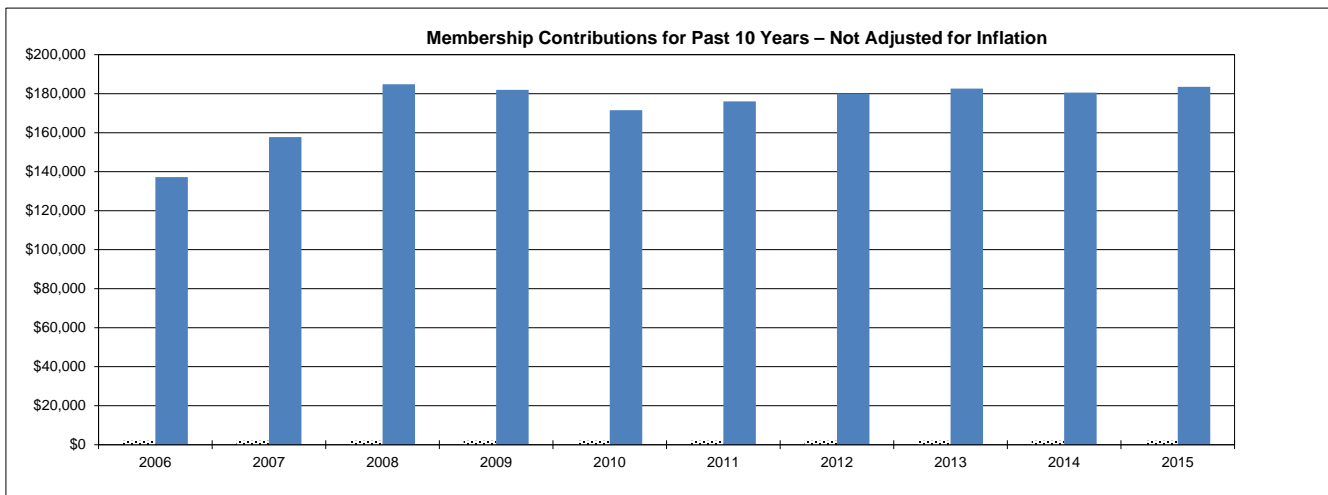
<b>Beginning balance 4/1/16</b>		<b>893.55</b>
Contributions to Fund	1,850.00	
Interest income	<u>0.67</u>	
<b>Total fund income</b>	<b>1,850.67</b>	<b>1,850.67</b>
 <b>Total fund disbursements</b>	 <u><b>0.00</b></u>	 <b>0.00</b>
 <b>Ending balance 9/30/16</b>		 <u><u><b>2,744.22</b></u></u>

Louisville Zen Center Fund  
Summary for Second and Third Quarters 2016

<b>Beginning balance 4/1/2016</b>		<b>250,116.70</b>
Contributions to Fund	0.00	
Interest income	118.83	
<b>Total fund income</b>	<u>118.83</u>	<b>118.83</b>
<b>Total fund disbursements</b>	<u>0.00</u>	<b>0.00</b>
<b>Ending balance 9/30/16</b>		<u><u>250,235.53</u></u>

Rochester Zen Center  
2017 Budget, Proposed October 2016 – Income

ACCOUNT	2017 Budget	2016 Budget	2015 Actual	2014 Actual	2013 Actual	2012 Actual	2011 Actual
Net Item Sales Income	\$1,000	\$1,000	\$468	\$1,565	\$821	\$1,251	\$2,035
Net Special Events Income	\$0	\$0	\$0	\$0	\$601	\$316	(\$5,551)
40143G Royalty Income	\$7,000	\$7,000	\$7,904	\$7,025	\$7,323	\$5,662	\$7,189
40150G Zen Bow Income	\$500	\$500	\$420	\$535	\$377	\$627	\$277
40151G Membership Contributions	\$190,000	\$184,000	\$177,426	\$180,600	\$182,649	\$180,040	\$176,032
40152G Workshop Income	\$14,000	\$14,000	\$13,470	\$13,707	\$13,213	\$16,145	\$16,150
40153G Training Program Income	\$5,000	\$5,000	\$3,788	\$7,593	\$5,280	\$4,605	\$3,825
40159G Buddha Hall Rental Income	\$13,700	\$13,700	\$13,847	\$13,646	\$13,544	\$12,941	\$12,912
40160/2G Miscellaneous Income	\$12,500	\$12,500	\$14,538	\$12,342	\$12,448	\$12,930	\$13,745
40161G Sesshin Income	\$63,000	\$63,000	\$63,715	\$59,694	\$65,447	\$63,715	\$63,659
Net CM Rental Income	\$69,000	\$69,000	\$67,884	\$60,532	\$58,507	\$49,269	\$40,490
4C151G CM Misc. Deductible Contribtns	\$40,000	\$40,000	\$39,518	\$38,644	\$38,800	\$39,141	\$40,514
4C153G CM Training Program Income	\$100	\$100	\$45	\$0	\$0	\$300	\$15
4C160G CM Miscellaneous Income	\$200	\$200	\$523	\$92	\$800	\$100	\$0
<b>Total Operating Revenue</b>	<b>\$416,000</b>	<b>\$410,000</b>	<b>\$403,546</b>	<b>\$395,975</b>	<b>\$399,810</b>	<b>\$387,041</b>	<b>\$371,293</b>



Rochester Zen Center  
2017 Budget, Proposed October 2016 – Expenses

ACCOUNT	2017 Budget	2016 Budget	2015 Actual	2014 Actual	2013 Actual	2012 Actual	2011 Actual
<b>Arnold Park</b>							
60170G Charity Expenses	\$500	\$500	\$435	\$0	\$719	\$0	\$442
60171G Zen Bow Expenses	\$6,000	\$6,000	\$4,472	\$5,845	\$6,368	\$4,452	\$9,561
60172G Teaching Expenses	\$3,500	\$5,500	\$3,244	\$2,135	\$4,059	\$2,071	\$1,924
60175G Medical & Health Insurance	\$45,000	\$77,100	\$78,672	\$81,948	\$78,102	\$66,426	\$52,654
60176G Staff Salary Expense	\$60,000	\$63,400	\$66,294	\$64,170	\$63,210	\$55,481	\$51,688
60177G Kitchen Expenses	\$43,000	\$43,000	\$42,258	\$41,706	\$43,424	\$38,401	\$33,349
60178G Housekeeping Expenses	\$5,000	\$5,500	\$4,327	\$4,434	\$4,896	\$6,853	\$3,605
60179G 403(b) Retirement Plan	\$22,800	\$23,300	\$21,185	\$18,856	\$21,629	\$17,081	\$13,070
60180G Misc Administrative Expenses	\$1,500	\$1,500	\$2,393	\$911	\$1,471	\$1,206	\$1,212
60181G Office Expenses	\$4,400	\$4,400	\$4,541	\$4,241	\$3,012	\$5,638	\$5,447
60182G Telecommunications Expenses	\$5,600	\$4,900	\$4,957	\$5,642	\$6,733	\$5,233	\$4,786
60183G Gas & Electricity Expenses	\$7,800	\$8,900	\$7,762	\$10,028	\$8,901	\$6,414	\$10,460
60184G Repair & Maintenance Expenses	\$18,000	\$19,000	\$15,122	\$11,799	\$21,294	\$27,527	\$24,482
60185G Kapleau-roshi Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60186G Insurance Expenses	\$38,500	\$39,200	\$37,053	\$34,680	\$28,387	\$31,112	\$32,743
60187G Fundraising & Advertising Exp	\$1,500	\$1,500	\$1,800	\$1,255	\$1,589	\$1,400	\$1,060
60188G Garden & Grounds Expenses	\$2,700	\$2,700	\$2,266	\$3,563	\$2,586	\$2,941	\$7,256
60189G Library Expenses	\$300	\$300	\$139	\$287	\$142	\$0	\$0
60190G Automobile Expenses	\$8,000	\$7,800	\$8,671	\$12,157	\$16,004	\$14,152	\$13,921
60191G Taxes & Municipal Fees	\$7,100	\$6,700	\$7,006	\$6,780	\$6,649	\$6,645	\$6,690
60192G Computer Expenses	\$3,000	\$3,000	\$2,532	\$3,014	\$2,512	\$2,697	\$944
60193G Banking, PayPal & Credit Card Fees	\$500	\$500	\$503	\$203	\$0	\$0	\$0
60300G Bad Debt Expense	\$0	\$0	\$100	\$0	\$385	\$163	\$0
60389G Depreciation Expense	\$21,800	\$23,700	\$21,385	\$20,532	\$19,190	\$17,008	\$13,996
61500G Contingency (budget use only)	\$5,000	\$5,000					
AP Operating Expenses	\$311,500	\$353,400	\$337,117	\$334,186	\$341,263	\$312,901	\$289,291
<b>Chapin Mill</b>							
6C172G CM Teaching Expenses	\$200	\$200	\$66	\$62	\$137	\$153	\$292
6C175G CM Medical & Health Insurance	\$16,400	\$27,500	\$22,210	\$15,696	\$13,153	\$13,725	\$13,189
6C176G CM Staff Salary Expense	\$10,000	\$15,100	\$12,731	\$13,175	\$12,732	\$9,931	\$9,388
6C177G CM Kitchen Expense	\$9,500	\$10,500	\$9,801	\$7,374	\$8,754	\$5,906	\$6,705
6C178G CM Housekeeping Expense	\$2,300	\$2,300	\$1,880	\$2,393	\$1,372	\$2,585	\$1,936
6C179G CM 403(b) Retirement Plan	\$6,400	\$5,300	\$5,324	\$5,324	\$5,324	\$3,549	\$4,548
6C180G CM Misc. Administrative Expense	\$100	\$100	\$97	\$225	\$155	\$0	\$100
6C181G CM Office Expenses	\$500	\$500	\$975	\$575	\$14	\$371	\$238
6C182G CM Telecommunications Expense	\$4,200	\$4,000	\$3,586	\$4,388	\$3,479	\$3,731	\$3,842
6C183G CM Gas & Electricity Expenses	\$13,700	\$14,600	\$13,080	\$17,209	\$13,621	\$12,207	\$16,641
6C184G CM Repair & Maintenance Exp.	\$22,000	\$22,800	\$21,562	\$18,678	\$18,386	\$16,969	\$16,919
6C186G CM Insurance Expense	\$22,000	\$23,100	\$22,032	\$20,590	\$16,405	\$17,873	\$21,456
6C187G CM Fundraising & Adv Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6C188G CM Garden & Grounds Expense	\$3,500	\$5,500	\$3,101	\$3,547	\$5,675	\$6,298	\$2,851
6C190G CM Automobile Expense	\$3,000	\$4,200	\$6,134	\$4,358	\$2,956	\$2,351	\$2,492
6C191G CM Tax & User Fee Expenses	\$4,700	\$4,800	\$5,732	\$5,347	\$4,946	\$4,296	\$4,137
6C192G CM Computer Expenses	\$500	\$500	\$379	\$877	\$446	\$338	\$89
6C389G CM Depreciation Expense	\$7,600	\$9,500	\$9,197	\$7,800	\$7,820	\$9,183	\$8,111
CM Operating Expenses	\$126,600	\$150,500	\$137,887	\$127,619	\$115,374	\$109,465	\$112,934
<b>Total Operating Revenue</b>	\$416,000	\$410,000	\$403,546	\$395,975	\$399,810	\$387,041	\$371,293
<b>Total Operating Expenses</b>	\$438,100	\$503,900	\$475,004	\$461,804	\$456,637	\$422,366	\$402,225
<b>Operating Revenue Less Expenses</b>	<b>(\$22,100)</b>	<b>(\$93,900)</b>	<b>(\$71,458)</b>	<b>(\$65,830)</b>	<b>(\$56,827)</b>	<b>(\$35,326)</b>	<b>(\$30,932)</b>
Operating Draw from Investments	\$63,500	\$61,400	\$60,788	\$57,371	\$54,795	\$51,861	\$50,347
<b>Total Net Operating Surplus (Loss)</b>	<b>\$41,400</b>	<b>(\$32,500)</b>	<b>(\$10,670)</b>	<b>(\$8,458)</b>	<b>(\$2,033)</b>	<b>\$16,536</b>	<b>\$19,415</b>
AP Capital Expenditures	\$17,000	\$40,000	\$33,053	\$9,132	\$5,369	\$66,955	\$13,700
CM Capital Expenditures	\$8,000	\$10,000	\$5,017	\$14,433	\$6,963	\$32,831	\$7,436
<b>Total Capital Expenditures</b>	<b>\$25,000</b>	<b>\$50,000</b>	<b>\$38,070</b>	<b>\$23,565</b>	<b>\$12,332</b>	<b>\$99,786</b>	<b>\$21,136</b>
	Bud 2017	Bud 2016	2015	2014	2013	2012	2011
Total Insurance Expense	\$60,500	\$62,300	\$59,085	\$55,271	\$44,792	\$48,984	\$54,199
Total Automobile Expense	\$11,000	\$12,000	\$14,805	\$16,516	\$18,959	\$16,502	\$16,412
Total Salary + Retirement Expense	\$99,200	\$107,100	\$105,534	\$101,525	\$102,895	\$86,042	\$78,693
Total Medical Expense	\$61,400	\$104,600	\$100,882	\$97,643	\$91,255	\$80,152	\$65,844
Total Kitchen Expense	\$52,500	\$53,500	\$52,059	\$49,080	\$52,178	\$44,308	\$40,054
Total Housekeeping Expense	\$7,300	\$7,800	\$6,207	\$6,826	\$6,268	\$9,438	\$5,541
Total Gas & Electricity Expense	\$21,500	\$23,500	\$20,842	\$27,238	\$22,522	\$18,621	\$27,102

Fill indicates proposed increases from 2016.



## Appendix C

### Report of Facilities and Sustainable Operations Committee – October 2016

**Committee members:** Tom Kowal (chair), Jeanette Prince-Cherry, Wayman Kubicka, John Pulleyn, Bill Lindenfelser, Devin Wiesner

- There hasn't been much committee activity since the Spring.
- This year the final section of slate roof on 5 Arnold Park was completed, however the Committee agreed that we could hold off on replacing the slate on the sides of the dormers on the south face of the roof.
- We continue to discuss security for Chapin Mill and have implemented some new measures, but are still debating the possibilities of security cameras and their potential effectiveness.
- We continue to track the solar industry. There is a new option being developed for non-profits to purchase solar electric. A solar array 'farm' is being installed in Webster that will allow RGE customers to buy shares and take advantage of *remote net-metering*. We do have the agreement and info from the company and will continue to discuss it in the coming weeks.
- We sold the Honda Civic, thus have one less vehicle in our fleet to maintain.
- At the moment there aren't any major capital expenses anticipated for 2017, however, we will continue to look at the Buddha Hall cupola to determine when to make repairs and replace the slates.
- The foundation of the Buddha Hall will also need some attention soon. There are a few sections where the stones need to be reset in mortar, and there are some wood beams that are deteriorated due to the dampness. I plan to get some contractors in to look at it soon.

—Tom Kowal

## Appendix D

### Special Events Committee Report – October 8, 2016

Since the last report at the Trustee meeting in May, the Special Events Committee continued to focus on coordinating the 50<sup>th</sup> anniversary commemorative weekend celebration (Friday-Sunday, July 1-3) and the Jon Kabat-Zinn anniversary lecture (Saturday, October 15). The commemorative weekend celebration was planned as a Sangha event (i.e., not open to the public), while the anniversary lecture was aimed at connecting with the community and publicly recognizing the Center's milestone.

#### *Commemorative Weekend Celebration*

The commemorative celebration in July was a great success thanks to the support of staff and volunteers sustained over many months. There was a strong turnout with approximately 400 people participating in the weekend activities, including 13 teachers from Roshi Kapleau's lineage. Approximately 150 attendees were members during the Center's first twenty years, and many of them participated in an informal reunion held at the home of the Pulleys. Other highlights included a kick-off presentation by Roshi in the Arnold Park garden (which included self-introductions by the teachers), a Philip Kapleau memorabilia exhibit and a 6-foot long timeline of the Center's history (the latter which will inform the content of a forthcoming 50<sup>th</sup> anniversary *Zen Bow* issue), a private concert by Leo Kottke, and a maha picnic at Chapin Mill. Additionally, 50<sup>th</sup> anniversary T-shirts and tea cups were sold. Photos of the weekend festivities can be found on the Center's website at <https://www.rzc.org/50th-anniversary-weekend/>.

The expenses for the July weekend celebration – which was free to all participants—totaled \$39,400. The largest expenses were rentals (Memorial Art Gallery auditorium, large tents, raised platforms, tables, chairs, etc.) and catering over the course of three days. However, taking into consideration two sources of funding for the Jon Kabat-Zinn lecture (grants from Microsoft and the Greater Rochester Health Foundation to the Center's Community Mindfulness Outreach Fund), the expenses for the commemorative weekend celebration in July were significantly offset by the proceeds from the Jon Kabat-Zinn lecture held on Saturday, October 15.

#### *Jon Kabat-Zinn Public Lecture*

The anniversary lecture by Dr. Jon Kabat-Zinn at the Hochstein School of Music Performance Hall was a sold-out event, and a great opportunity for community outreach. A description of the lecture is provided on the RZC website at <https://www.rzc.org/50th-anniversary-lecture/>. Dr. Kabat-Zinn was delighted to accept Roshi's invitation because of his deep affinity with Roshi Kapleau. He even declined the offer of an honorarium as well as any of the proceeds from the lecture. The total cost for planning the event was approximately \$5,700 which again was offset by the Center's Community Mindfulness Outreach Fund, supported by the aforementioned donors.

The lecture expenses included auditorium rental, travel and hotel expenses, publicity, and catering. Publicity for the event included e-mails to local health professional networks and universities, an ad in *City Paper*, a blurb in the *Democrat and Chronicle*, and distribution of 8x11 posters around town. Additionally, each attendee received a 5x11 card that served as a mini-program for the lecture. One side had a biographical sketch and photo of Dr. Kabat-Zinn, and the other side featured an overview of the Center's mission, with photographs of Roshi and Arnold Park.

Books were sold before and after the lecture by Lift Bridge Books, including five titles by Dr. Kabat-Zinn and Roshi Kapleau's *Three Pillars of Zen*. Dr. Kabat-Zinn did a book signing immediately after the Q&A period that followed his lecture.

Dr. Kabat-Zinn stayed for two nights in Rochester, and his itinerary included time to meet with MBSR colleagues affiliated with the University of Rochester Medical School—Dr. Mick Krasner, Dr. Ronald Epstein, and Dr. Patricia Luck. Additionally, he participated in a video interview for the in-progress RZC documentary and a special dinner at the Genesee Valley Club.

Below is a summary of the lecture ticket sales and revenue, followed by a financial summary of both the July and October anniversary events.

- 830: Total number of tickets sold (as of noon on 10/15)
  - 640: General admission (\$30)
  - 115: RZC sponsor (\$50; includes \$20 donation)
  - 43: Sangha members and students (\$25)
  - 32: Pre-lecture reception plus special seating (\$100)
- \$29,225: Gross revenue
- \$26,843: Net revenue (Note: this figure will increase closer to \$27,000 once on-site ticket sales are added)

*Financial Summary of 50<sup>th</sup> Anniversary Events (approximate)*

July 1-3 celebration total expenses paid by RZC	39,400
July 1-3 celebration unsolicited donations	4,100
July 1-3 Chapin Mill overnight stay income	1,500
50 <sup>th</sup> anniversary merchandise sales net income	2,000
Total net income	7,600
July 1-3 total net cost	31,800
JKZ lecture expenses	5,700
JKZ lecture expenses covered by Community Mindfulness Outreach Fund	5,700
Total JKZ lecture ticket sales net income	27,000
50 <sup>th</sup> anniversary net cost to RZC	<b>4,800</b>

Submitted by Donna Kowal, Committee Chair

## Appendix E

### CHAPIN MILL RENTAL PROGRAM REPORT October 2016

We started 2016 with rentals to eleven different groups for a total of 65 days. We ended up renting 42 days due to four cancellations: the University of California San Diego (UCSD) cancelled their 6-day *Mindfulness Based Stress Reduction* set for July, and their *Mindful Self-Compassion* proposed for September. *SIMT* (Randy Baker and Jim Bedard) canceled their April and June 4-day retreats. *Mankind Project* rescheduled their event to 2017, and *Whole Nine Wellness* canceled their weekend in July. All cancellations were due to low enrolment or teacher unavailability. In previous years *Michael Stone, Inc.* rented over the July 4<sup>th</sup> weekend, but due to the 50th Anniversary we were unable to host the group. Michael is renting four days over the New Year's holiday. Our current policy allows for cancellation two months prior to the scheduled event without losing the \$500 reservation fee. Typically June through October is the preferred time for most rental groups, and Roshi and John have been extremely flexible with RZC scheduling. So far we have 39 days scheduled for 2017.

We continue to respond to all inquiries about rentals and have experimented with a couple of one-day retreats using part of the building at a reduced fee. We hosted Esther Gokhale and seventeen of her teachers in July. Esther gave private consultation to two Sangha members with back problems and also gave a 4-hour posture intensive (with a few of her teachers) at Arnold Park. In December we will also rent overnight to a small group studying Ayurvedic medicine. The leader is a former Sangha member.

Our current daily rental rate is set at \$1,500 for 2016. The RZC member rate is \$1,400 this year. The Rental Committee allows for some flexibility with adjusting rates for long-time returning renters, with the goal of gradually increasing them to the rates set for new renters. The exchange rate is unfavorable for Canadians, so we have kept a lower rate for long-time Canadian renters. Additional income comes from linen rentals (per person charge of \$6) and sound system rental of \$30/day. The Committee will meet before the next Trustees Meeting to review rates and make recommendations. Current committee members are Kit Miller, Andy Stern and Eryl Kubicka.

The following groups have rented with us for five years, and plan to continue into 2017:

- *Satipanna Insight Meditation Toronto (SIMT)* led by Jim Bedard and Randy Baker. They canceled their April and June retreats, leaving two retreats for this year and two retreats for 2017: one 6-day retreat and one 4-day retreat. Enrolment has been down for the shorter retreats. They leave the Center in perfect condition which allows for close scheduling of another group.
- *University of Rochester Mindfulness in Medical Education* retreats. Mick Krasner and Ron Epstein lead these. This year they have one 4-day retreat, and one 3-day. They have scheduled two more retreats for 2017.
- *University of California at San Diego, Mindfulness Center*. Mindfulness Based Stress Reduction retreats directed by Steve Hickman. This year have they two retreats scheduled, one 5 day and the other 6, and they cancelled one 6 day and a proposed 5 day. Three are scheduled for 2017.
- 5-day *Heartwork Institute* retreat led by Dale Goldstein. They plan to return in 2017 and are requesting 2018 also. Their enrolment is up with 34 participants in October.

Other Returning Groups:

- *Mankind Project*: 3-day Zen retreat led by Doshin Michael Nelson Roshi. This retreat was canceled due to low enrolment but rescheduled for 2 days in May, 2017.
- *Transcendental Meditation, TM*: led by Larry Pardo: they added a 2-day retreat in April and a second in November. They plan two retreats for 2017.
- *Rochester Gay Men's Chorus*: Unable to accommodate this year due to our schedule, but they plan to return in 2017.
- *Michael Stone Teaching, Inc.*: Unable to schedule his usual 7-day retreat over July 4<sup>th</sup> but he will come as usual over New Year's for 4 days.

2016 Addition

- *Mary Aman Yoga*: 2 days in May.
- *Whole Nine Wellness*: 2 days in July canceled due to low enrolment and teacher conflict.
- *Maimoona and Shiva*: Stateside celebration of the 2015 marriage of their daughter Maya: 3 days.

Notes:

1. *Orange Glory* caters for Physician, TM and University groups. Gretchen Targee cooks for SIMT, Mankind Project and Michael Stone. Other groups bring their own cooks. Groups make independent financial arrangements with caterers.
2. The cost of transport from Rochester and Buffalo airports to and from Chapin Mill continues to be a significant financial consideration for groups. Some arrange for a shuttle service and require participants to use Rochester Airport. Others arrange a taxi service from either Buffalo or Rochester. A current one-way trip by taxi is \$100 plus tips from Rochester, and \$120 plus tips from Buffalo. We keep this expense in mind when establishing daily rates. Others drive here or rent a car.
3. The Japanese screen damaged during the *Heartwork Institute* retreat in October, 2014, has been professionally repaired. Heartwork Institute covered the cost of the repair.
4. Comments from guests are very favorable concerning the building and the surroundings and the experience of Chapin Mill. People frequently say they are "blown away" by the general beauty of the building and the quiet. Personal transformations in many participants are observable over the days spent here.

Respectfully submitted,

Eryl Kubicka

## Appendix F

### Safety Committee Report October 2016

#### Members:

Eryl Kubicka: Chair

Wayman Kubicka: Chapin Mill

Tom Kowal: Arnold Park

John Pulleyn: Arnold Park

#### Reported Injuries:

We had one reported incident at Chapin Mill. Ed Kademan was driving the Kubota and hit a deep rut. The vehicle slowly tipped on its side. Ed was wearing a seat belt and was not injured and the vehicle was not damaged. We did have to call Dana Stringham to pull the Kubota out of the rut. Brush-hogging poses some risk of unexpectedly hitting a ground hog hole, so we will be marking known holes in the septic field and upper field before next spring.

No incidents reported from Arnold Park.

#### Chapin Mill Other:

- Lightning arresters were installed on the 2 outdoor Wi-Fi antennas and as required by law, grounding rods were put in place.
- Fire extinguishers were checked.
- A wheelchair was purchased for Chapin Mill.
- Wayman replaced the tubing on the tea urn. This eliminated the overheating and sudden discharge of very hot water which in the past actually caused the fire alarm to go off.
- Eryl will attend CPR and First Aid training offered at Genesee Community College on October 20. A first aid kit with tourniquet was ordered for the Upper Barn location.

Submitted by

Eryl Kubicka

October 2016