

DRAFT – Subject  
to Approval by  
Board of Trustees



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

Minutes of the Forty-Ninth Annual Corporate Meeting of Members  
May 23, 2015

- ◆ Notice of the meeting having previously been given as required by law, the Center's Abbot and President, Roshi Bodhin Kjolhede, called the meeting to order. The polls were then opened for the election of David Kernan or Thomas Kowal to a three-year term as Trustee. It was announced that the polls would remain open for at least one hour, as required by law. Roshi then reported that the Board of Trustees had re-elected Kathryn Collina to a three-year term as Trustee. The Center's other continuing Trustees are Cecily Fuhr, Sensei Gerardo Gally, Chris Pulleyn, and Thomas Roberts. Roshi noted that under the Center's by-laws, the Board of Trustees, which administers the Center's financial affairs, consists of six members who serve for staggered three-year terms: three elected by the Center's members, two elected by the Board of Trustees, and one appointed by the Abbot. The Board's current Chair is Tom Kowal. Finally, Roshi reported that the Board had recently elected the following as the Center's corporate officers for the coming year: President – Bodhin Kjolhede; Vice President – Jeanette Prince-Cherry; Secretary – Scott Jennings; and Treasurer – Colleen O'Brien.
- ◆ The Center's Business Manager and Corporate Secretary, Scott Jennings, announced that copies of the Board of Trustees' annual financial report required under section 519 of the New York Not-for-Profit Corporation Law were available to all members of the Center. That report is filed as Appendix A to these minutes. Scott then presented a summary of the report to the meeting on behalf of the Board, including the information filed with these minutes as Appendix B. The Center's full annual financial reports are available in the "Meetings and Finances" section of the Center's website ([www.rzc.org/communications/meeting-minutes](http://www.rzc.org/communications/meeting-minutes)).

Scott reported that the Center's 2014 operating revenues were \$395,975, or 100 percent of the total budgeted. Operating expenses were \$461,804, or 99 percent of the total budgeted. Accordingly, after including as operating income a five-percent operating draw of \$57,371 from investments, the Center had an operating deficit of \$8,458 for 2014, rather than the \$15,800 deficit that had been predicted when the 2014 budget was approved. Viewed alternatively, for 2014 the percentage operating draw from the Investment Fund required for no operating surplus or deficit was 5.7 percent, rather than our target of five percent. From 2009 (the year we instituted our current accounting procedures) through 2014, the Center has accumulated an operating surplus of \$31,587, based on a five percent lagged-average operating draw from investments.

Looking at revenues, although 2014 membership contributions (\$180,600) were lower than in 2013 (\$182,649), Chapin Mill net rental income reached an all-time high of \$60,532 in 2014. On the expense side, utility costs were higher than anticipated at both Arnold Park and Chapin Mill on account of unusually long and cold winters. However, these expenses would almost certainly have been even higher, were it not for the high-efficiency insulation that we installed over the past few years in a number of our buildings.

Scott noted that in 2014 the cost of employee health insurance plus associated medical and dental expenses (\$97,644) substantially exceeded the total amount of the salaries and retirement contributions for Roshi and all 18 other employees (\$77,345). The Center's Trustees and Officers are investigating possible ways in which health insurance expenses could be reduced so that the Center could accommodate the increased numbers of applicants for residential training at the Center, while at the same time avoiding annual operating deficits.

The Investment Fund performed reasonably well in 2014, increasing by \$102,045, or 8.2%, before subtracting a five percent operating draw of \$57,371. The net increase after the operating draw was \$44,674, or 3.6% of the Fund's beginning balance.

Reviewing historical data, Scott explained that the substantial decrease in the combined Operating and Investment Funds balance in 2005 (see Appendix B, page B4) represents the fundraising shortfall for Phase I of the Chapin Mill Retreat Center building project and that the further decrease in 2008 represents the combined effect of the Phase II fundraising shortfall and a recessionary decline in stock prices. The subsequent rise in the combined balance since 2008 largely reflects the recovery of the stock market, as well as several generous gifts to the Center's Investment Fund.

- ◆ Chris Pulleyn, who serves both as a Zen Center Trustee and as Chair of the Development and Outreach Committee, reported to the meeting on behalf of the Committee. With regard to the Center's long-term financial health, Chris noted that the Trustees have set a goal of increasing the Center's endowment from its current level of \$1.3 million to \$2 million. This would increase the Center's annual income (at a five percent operating draw) by \$35,000. Unfortunately, money to increase an organization's endowment tends to be difficult to raise; accordingly, the Center is encouraging Sangha members to contribute to the endowment by remembering the Center in their wills.

Chris reported that the Committee meets approximately monthly and that its current focus is largely on working with the Special Events Committee on plans for the Center's fiftieth anniversary in 2016. Since the Chair of the Special Events Committee, Donna Kowal, was away on a trip to Poland, Chris reported on plans for the anniversary celebrations. The main anniversary events will take place on the weekend of July 1-4. The weekend will start with an informal gathering on Friday evening. A commemorative ceremony will be held at Arnold Park on Saturday, followed by a performance that evening by Friend-of-the-Center and noted acoustic guitarist Leo Kottke. Mr. Kottke's free

performance will be for Sangha members and friends and will likely take place at the University of Rochester's Memorial Art Gallery. Sunday's events at Chapin Mill will feature a picnic and the unveiling of a major art work for the Retreat Center courtyard by Todd McGrain, the sculptor who created both the centerpiece for the Arnold Park Founder's Garden and the sculpture "Spinning Still," which is installed by the Chapin Mill pond. The fiftieth anniversary celebrations will also include an exhibit of photographs and memorabilia relating to the Center, as well as a lecture by noted researcher and author Dr. Jon Kabat-Zinn, the originator of mindfulness-based stress reduction, a program offered by many medical centers and hospitals. Dr. Kabat-Zinn's lecture will take place on October 15 at the Hochstein Performance Hall in Rochester. In preparation for the anniversary celebrations, Roshi has invited fellow Zen teachers, Chris will coordinate the notification of former members from the Center's early years, a fiftieth anniversary page will be added to the Center's website, and notices will be placed in Buddhist publications.

- ◆ Tom Kowal, who serves both as Chair of the Zen Center's Board of Trustees and as Chair of the Facilities and Sustainable Operations Committee, reported to the meeting on behalf of the Committee. Center Vice President Jeanette Prince-Cherry has developed a MAPP (Maintenance and Preservation Program) book for Chapin Mill. A similar MAPP book, which compiles and catalogues all the various periodic maintenance tasks necessary for the proper care of buildings, equipment, and grounds, was developed for Arnold Park in the 1980s. Jeanette is currently putting the finishing touches on the Chapin Mill MAPP book and has been working closely with Chapin Mill staff members on the project. Tom reported that although the Committee had continued to investigate the possibility of installing a solar-panel electric generating system at Chapin Mill, such a project is not financially feasible at the present time in view of technological, regulatory, and tax constraints. However, the Committee will monitor developments and report to the Board if such a project becomes feasible in the future. The Committee has been tracking energy use for the Center's various buildings, and Committee members Devin Wiesner and Bill Lindenfesler have been tracking the costs associated with use of Zen Center vehicles. An energy-efficient hot-water recirculation system has been installed in 5 Arnold Park, a new high-efficiency furnace has been installed in the Buddha Hall, and we'll soon be replacing the deteriorated Buddha Hall roof, which is at the end of its useful life. Through a utility company rebate program available to religious and other organizations, almost all the lights in the Arnold Park buildings have been replaced with energy-efficient and long-lasting LED (light-emitting diode) bulbs at no cost to the Center. We hope to be able to do the same with the buildings at Chapin Mill. Finally, the Committee has been examining security issues at Chapin Mill, with an eye toward finding an appropriate balance between maintaining easy access to the property and ensuring that prudent security precautions are in place.
- ◆ Tom Kowal also reported on behalf of the Columbarium Task Force, of which he is a member. The Board of Trustees has assigned the Task Force the project of constructing a memorial garden at Chapin Mill where urns containing ashes of the deceased can be placed in a columbarium. Both a beautiful site to the east of the Chapin Mill pond and a general design concept have been selected.

The Task Force has been working on the project with Sangha member Eric Higbee, a landscape architect with experience in designing public landscapes of various types and scales.

- ◆ Zen Center staff member Keith Carpenter reported that the Center's Kannon Committee has been revived and that Keith will now be serving as the Committee's coordinator. The Committee is a group of Sangha members who volunteer to help with occasional meals, errands, or transportation for members who are ill or temporarily disabled. John Pulleyn, the Center's Head of Zendo, explained that the Committee had become dormant for want of requests for help, but that with a Center staff member now acting as coordinator, the Committee will be able to take a more proactive role in assisting Sangha members in need. Roshi noted that the Committee's goal is to be available to provide assistance without being obtrusive. In this regard, Roshi urged that Sangha members who either need help or know of other Sangha members in need of help contact Keith, so that the Committee can take appropriate action. Roshi also pointed out that in an individualistic culture such as ours, initiatives like the Kannon Committee can help encourage a more communal and interconnected relationship with others.
- ◆ Roshi reported to the meeting regarding long-term planning for Chapin Mill. The Center's Board of Trustees held a meeting on February 20, 2015, at which Tom Kowal explained that over the past few years he and his wife, Donna, had held informal discussions with Roshi, Wayman and Eryl Kubicka, and others regarding the possibility of Tom's and Donna's living at or near Chapin Mill. This would allow Tom to work at Chapin Mill, while also keeping them within reasonable commuting distance of the State University of New York College at Brockport, where Donna serves as an Associate Professor in the Department of Communication. Tom also explained that he would like to help with long-term planning at Chapin Mill, while working there and learning from Wayman about systems and procedures relating to the management of the property and facilities. If Tom and Donna were to have their own home at or near Chapin Mill, this would allow Wayman and Eryl to continue living in the Chapin Mill farmhouse even if they transfer some or all of their responsibilities to Tom and Donna. At the February Board meeting, the Trustees acknowledged that it would be beneficial to the long-term stewardship of Chapin Mill for Tom and Donna to live on or near the property and for Tom to learn as much as possible from Wayman so that Tom, and possibly Donna, might succeed Wayman and Eryl at some future time.

At last weekend's [May 16 and 17] Trustees' meeting, Tom reported that in the course of discussions regarding these possibilities, Wayman and Eryl had suggested that the Center build a small house in the former "strawberry field" on the Chapin Mill property itself. This field is a clearing to the east of the barn and parking area, just to the south of the unpaved continuation of the Chapin Mill access drive. Our engineering consultant has already determined that the existing septic field at Chapin Mill could easily accommodate the addition of a two-bedroom house. Tom currently estimates that building such a house would require about \$100,000 of materials. Donors have already expressed a willingness to give some \$30,000 to \$40,000 toward the project; the remainder would be raised through a private, targeted fund-raising effort. In addition, Tom would be willing to move to Chapin

Mill, join the Center's staff, and supervise the building of the house, while providing much of the labor. At the end of Tom's presentation, the Board asked Tom and Wayman to develop more detailed plans and proposals for the Board's consideration. Roshi commented that he can't think of better people than Tom and Donna to eventually succeed Wayman and Eryl.

At Roshi's request the Trustees also confirmed at last weekend's meeting that, absent unforeseen extraordinary circumstances, Wayman and Eryl may continue living in the Farm House at Chapin Mill, even if one or both of them should retire from active service as Zen Center staff members. This decision to provide a retirement home for the Kubickas at Chapin Mill recognizes their many years of extraordinary service to and support of the Zen Center.

- ◆ Eryl Kubicka, who serves as Chapin Mill Rental Coordinator, reported regarding Chapin Mill. The chimney of the Guest House has been repaired and rebuilt after the collapse of its interior clay-tile liner. Since the building's gas heater vents into the chimney, these repairs will allow us to use the Guest House in the winter during rentals and sesshins, as well as for personal retreats. As Tom Kowal reported, the new Chapin Mill MAPP book has been a real help for upkeep of the buildings and grounds, since it easily allows us to see what periodic maintenance needs to be done each month. Eryl also noted that it has been a great help to have more staff members working at Chapin Mill.

With regard to Chapin Mill rentals, Eryl reported that we are renting to ten different groups this year. Eryl noted that Sangha member Michael Krasner, M.D., Professor of Clinical Medicine at the University of Rochester Medical School, and his colleague Professor Ronald Epstein, lead two retreats each year focusing on mindfulness practice for health professionals. Dr. Krasner has also helped bring other rental groups to Chapin Mill.

Eryl reported that Center staff members Dan Esler and Catherine Kana have, with the help of other volunteers, greatly expanded the vegetable garden that they started at Chapin Mill last year. In preparation for the expansion, Dan attended classes at the Batavia branch of the Cornell University Cooperative Extension. This year's vegetable garden, which is already producing lettuce and other greens, also includes beans, eggplants, tomatoes, and sweetcorn.

- ◆ Roshi reported to the meeting regarding spiritual affairs. Roshi first thanked the many Sangha volunteers for all of their efforts over the past year, with particular thanks to Tom and Donna Kowal. Roshi noted that the Center very much relies on Sangha volunteers for help with its operations and activities. Roshi next reported regarding affiliates and sister Cloud-Water Centers. The Auckland Zen Centre in New Zealand, Zenbuddhistika Samfundet (Zen Buddhist Association) in Scandinavia, Casa Zen in Mexico City, and the Berlin Zen Center in Germany – all sister Centers of the Rochester Zen Center – continue on steady courses. Roshi noted that although Auckland is in many ways a very costly city, the Auckland Zen Centre continues to make progress on adapting the building they have bought. Our sole remaining formal Affiliate Center, the Madison Zen Center in Madison, Wisconsin, has a stable membership and is doing well. Roshi usually visits the Madison affiliate twice per year, and Madison Sangha members often come to Rochester for sesshin and for residential training. In

addition, Rick Smith, who formerly served as Affiliate Leader in Madison, has now joined the staff in Rochester.

In other news, Roshi reported that attendance at sesshins and introductory workshops has been slightly lower than in the past few years, but not significantly so. Roshi noted that next month's sesshin will likely be considerably larger than has been typical for June sesshin. This June's sesshin will last a full seven days and will be led by Roshi, rather than by a guest teacher. Roshi is considering the possibility of regularly leading June sesshin, but asking others to lead the 4-day sesshin held in December. Roshi also reminded sesshin applicants that they're always free to apply to attend part of a 7-day sesshin, rather than the entire week.

Roshi reported that Sangha member Jim Thompson has been leading a meditation group for inmates at the Monroe County Correctional Facility. Jim noted that many inmates at the Facility are participating in rehabilitation programs, many of which are for those with addictions. Roshi noted that Center staff members, as well as other Sangha members, have been helping Jim with the group. Also, Jim, Wayman Kubicka, and Sangha member Dwain Wilder have been working with a meditation group at New York State's Attica Correctional Facility. In addition, Roshi reported that the 12-step group meeting at the Center has been revived.

In other news, Roshi reported that the editor of the website [sweepingzen.com](http://sweepingzen.com) has been working on a film about American Zen and will be interviewing Roshi for the film. As we have done a number of times over the years, the Center will be hosting the annual meeting of the American Zen Teachers' Association this summer. The meeting will take place the first week of August and will be held at Chapin Mill.

- ◆ Roshi introduced those Zen Center Trustees and Officers who were present at the meeting and mentioned that Sangha members who have questions or comments regarding the Center's finances or governance should always feel free to discuss such matters with any of the Center's Trustees or Officers.
- ◆ The Center's Secretary announced that the polls, which had been open for more than one hour, were about to close and that any member as of the April 16, 2015, record date who had not yet turned in his or her ballot should do so.

The results of the election for Trustee were as follows:

Tom Kowal	64
David Kernan	39
Spoiled Ballot	1

*Total:* 104 members present and voting in person or by written proxy; 441 members eligible to vote as of the record date.

*Quorum:* Under Article VII(E) of the Center's by-laws = lesser of 100 or one-tenth of the members eligible to vote = 44.

Accordingly, Roshi announced that Tom Kowal had been elected to a three-year term as Trustee.

Submitted to the Board of Trustees on July 23, 2015  
by Scott Jennings, Secretary of the Center.

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Appendix A



ROCHESTER ZEN CENTER  
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# Annual Report of Trustees

Pursuant to  
New York Not-for-Profit Corporation Law  
Section 519

Presented at the Forty-Ninth  
Annual Corporate Meeting  
May 23, 2015



The record date for the Center's 2015 Annual Meeting was April 16, 2015. As of that date, the Center had 441 members. The record date for the Center's 2014 Annual Meeting was April 23, 2014. As of that date, the Center had 447 members. Accordingly, the Center's membership has decreased by six during this period.

The names and places of residence of the Center's current members may be found in the records of the Center's Secretary.

	2014		2013	
	As of December 31, 2014	12/31/14 as % of 2014 Budget	As of December 31, 2013	12/31/13 as % of 2013 Budget
Year-to-Date Operating Revenue	\$395,975	100%	\$399,810	103%
Year-to Date Operating Expenses	<u>\$461,804</u>	99%	<u>\$456,637</u>	98%
YTD Revenue Less Expenses	(\$65,830)		(\$56,827)	
YTD Operating Draw from Investments (5%)	<u>\$57,371</u>		<u>\$54,795</u>	
<b>YTD Net Operating Surplus (Loss)</b>	<b>(\$8,458)</b>		<b>(\$2,033)</b>	
Membership Contributions	\$180,600	99%	\$182,649	104%
Accumulated Operating Surplus (Loss) at 5% draw since 2009 Inception of Current System	\$31,587		\$40,045	
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YTD Investment Gain (Loss)	\$102,045		\$172,162	
YTD Operating Draw from Investments (5%)	<u>(\$57,371)</u>		<u>(\$54,795)</u>	
YTD Net Investment Gain (Loss)	\$44,674		\$117,368	
YTD Legacies and Special Donations	<u>\$0</u>		<u>\$6,500</u>	
<b>YTD Total Investment Fund Change</b>	<b>\$44,674</b>		<b>\$123,868</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	80,597.26	155,121.89	13,024.64	0.00	248,743.79
Inventories	5,122.44	0.00	0.00	0.00	5,122.44
Accounts Receivable	2,058.35	0.00	0.00	0.00	2,058.35
Prepaid Expenses	12,824.75	0.00	0.00	0.00	12,824.75
Earmarked Donations (Contra)	(4,231.45)	0.00	0.00	0.00	(4,231.45)
Earmarked Bldg Fund (Contra)	(1,120.08)	0.00	0.00	0.00	(1,120.08)
<i>Total Current Assets</i>	<i>95,251.27</i>	<i>155,121.89</i>	<i>13,024.64</i>	<i>0.00</i>	<i>263,397.80</i>
<b>NON-CURRENT ASSETS</b>					
Non-Equity Investments (At Book)	0.00	195,064.55	0.00	0.00	195,064.55
Equity Investments (At Market)	0.00	851,797.70	0.00	0.00	851,797.70
Mortgage Loans Outstanding	0.00	86,894.95	0.00	0.00	86,894.95
Depreciable Fixed Assets (Net)	247,831.65	0.00	0.00	0.00	247,831.65
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>247,831.65</i>	<i>1,133,757.20</i>	<i>0.00</i>	<i>5,484,581.34</i>	<i>6,866,170.19</i>
<b>TOTAL ASSETS</b>	<b>343,082.92</b>	<b>1,288,879.09</b>	<b>13,024.64</b>	<b>5,484,581.34</b>	<b>7,129,567.99</b>
<b>LIABILITIES &amp; EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Taxes, Medicare, SS Payable	1,914.02	0.00	0.00	0.00	1,914.02
Other Current Liabilities	5,755.00	0.00	0.00	0.00	5,755.00
<i>Total Current Liabilities</i>	<i>7,669.02</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>7,669.02</i>
<b>LONG-TERM LIABILITIES</b>					
Auckland Zen Centre Fund	0.00	0.00	62.50	0.00	62.50
Abbot's Scholarship Fund	0.00	0.00	12,962.14	0.00	12,962.14
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>13,024.64</i>	<i>0.00</i>	<i>13,024.64</i>
<b>EQUITY</b>					
»» Year-to-Date Revenues	395,974.84	102,045.09	0.00	0.00	498,019.93
»» (Less Year-to-Date Expenses)	461,804.36	0.00	0.00	0.00	461,804.36
» YTD Revenues Less Expenses	(65,829.52)	102,045.09	0.00	0.00	36,215.57
» YTD Investment Draw (5% per annum)	57,371.16	(57,371.16)	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	(8,458.36)	44,673.93	0.00	0.00	36,215.57
Extraordinary Income & Expenses	0.00	0.00	0.00	0.00	0.00
Capitalized from Building Fund	0.00	0.00	0.00	1,582.06	1,582.06
Interfund Transfers In (Out)	0.00	0.00	0.00	0.00	0.00
Previous Year-End Fund Balances	343,872.26	1,244,205.16	0.00	5,482,999.28	7,071,076.70
<i>Total Equity (Current Fund Balances)</i>	<i>335,413.90</i>	<i>1,288,879.09</i>	<i>0.00</i>	<i>5,484,581.34</i>	<i>7,108,874.33</i>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>343,082.92</b>	<b>1,288,879.09</b>	<b>13,024.64</b>	<b>5,484,581.34</b>	<b>7,129,567.99</b>

Account		4Q2014 Actual	2014 Budget	% of Budget	4Q2013 Actual
GENERAL OPERATING FUND - INCOME ACCOUNTS					
	Net Item Sales Income	\$1,565	\$1,000	156%	\$821
	Net Special Events Income	\$0	\$0		\$601
40143G	Royalty Income	\$7,025	\$6,500	108%	\$7,323
40150G	Zen Bow Income	\$535	\$800	67%	\$377
40151G	Membership Contributions	\$180,600	\$183,000	99%	\$182,649
4C151G	CM Operating Donations	\$38,644	\$45,000	86%	\$38,800
40152G	Workshop Income	\$13,707	\$15,000	91%	\$13,213
40153G	Training Program Income	\$7,593	\$5,000	152%	\$5,280
4C153G	CM Training Program Income	\$0	\$500	0%	\$0
40159G	Buddha Hall Rental Income	\$13,646	\$13,500	101%	\$13,544
4C159G	Net CM Rental Income	\$60,532	\$50,000	121%	\$58,507
40160/2G	Misc. Income & Contributions	\$12,342	\$12,500	99%	\$12,448
4C160G	CM Miscellaneous Income	\$92	\$0		\$800
40161G	Sesshin Income	\$59,694	\$63,000	95%	\$65,447
	Total Operating Revenue	\$395,975	\$395,800	100%	\$399,810
GENERAL OPERATING FUND - EXPENSE ACCOUNTS					
60170G	Charity Expenses	\$0	\$500	0%	\$719
60171G	Zen Bow Expenses	\$5,845	\$6,000	97%	\$6,368
60172G	Teaching Expenses	\$2,135	\$5,600	38%	\$4,059
6C172G	CM Teaching Expenses	\$62	\$200	31%	\$137
60175G	Medical & Health Insurance	\$81,948	\$71,100	115%	\$78,102
6C175G	CM Medical & Health Insurance	\$15,696	\$22,900	69%	\$13,153
60176G	Staff Salary Expense	\$64,170	\$60,100	107%	\$63,210
6C176G	CM Staff Salary Expense	\$13,175	\$15,000	88%	\$12,732
60177G	Kitchen Expenses	\$41,706	\$40,000	104%	\$43,424
6C177G	CM Kitchen Expenses	\$7,374	\$10,000	74%	\$8,754
60178G	Housekeeping Expenses	\$4,434	\$6,500	68%	\$4,896
6C178G	CM Housekeeping Expenses	\$2,393	\$3,000	80%	\$1,372
60179G	To Staff Departure Fund	\$18,856	\$19,300	98%	\$21,629
6C179G	CM Staff Departure Fund	\$5,324	\$5,400	99%	\$5,324
60180G	Misc Administrative Expenses	\$911	\$2,000	46%	\$1,471
6C180G	CM Misc Administrative Expense	\$225	\$100	225%	\$155
60181G	Office Expenses	\$4,241	\$5,500	77%	\$3,012
6C181G	CM Office Expenses	\$575	\$500	115%	\$14
60182G	Telecommunications Expenses	\$5,642	\$5,300	106%	\$6,733
6C182G	CM Telecommunications Expenses	\$4,388	\$3,600	122%	\$3,479
60183G	Gas & Electricity Expenses	\$10,028	\$8,500	118%	\$8,901
6C183G	CM Utility Expenses	\$17,209	\$14,000	123%	\$13,621
60184G	Repair & Maintenance Expenses	\$11,799	\$22,000	54%	\$21,294
6C184G	CM Rep & Maintenance Expenses	\$18,678	\$17,000	110%	\$18,386
60186G	Insurance Expenses	\$34,680	\$32,200	108%	\$28,387
6C186G	CM Insurance Expenses	\$20,590	\$19,000	108%	\$16,405
60187G	Fundraising & Advertising Exp.	\$1,255	\$2,000	63%	\$1,589
60188G	Garden & Grounds Expenses	\$3,563	\$2,700	132%	\$2,586
6C188G	CM Garden & Grounds Expenses	\$3,547	\$6,000	59%	\$5,675
60189G	Library Expenses	\$287	\$300	96%	\$142
60190G	Automobile Expenses	\$12,157	\$10,000	122%	\$16,004
6C190G	CM Automobile Expenses	\$4,358	\$5,000	87%	\$2,956
60191G	Taxes & Municipal Fees	\$6,780	\$6,800	100%	\$6,649
6C191G	CM Tax & User Fee Expenses	\$5,347	\$4,000	134%	\$4,946
60192G	Computer Expenses	\$3,014	\$3,000	100%	\$2,512
60193G	Banking, PayPal & Crdt Crd Fees	\$203	\$0		\$0

Account		4Q2014 Actual	2014 Budget	% of Budget	4Q2013 Actual
6C192G	CM Computer Expenses	\$877	\$500	175%	\$446
60300G	Bad Debt Expense	\$0	\$0		\$385
60389G	Depreciation Expense	\$20,532	\$19,700	104%	\$19,190
6C389G	CM Depreciation Expense	\$7,800	\$7,700	101%	\$7,820
60500G	Contingency (Budget Use Only)		\$5,000		
<b>Total Operating Expenses</b>		<b>\$461,804</b>	<b>\$468,000</b>	<b>99%</b>	<b>\$456,637</b>
<b>Operating Revenue Less Expenses</b>		<b>(\$65,830)</b>	<b>(\$72,200)</b>		<b>(\$56,827)</b>
40168G	Operating Draw from Investments	\$57,371	\$56,400	102%	\$54,795
<b>Total Net Operating Surplus (Loss)</b>		<b>(\$8,458)</b>	<b>(\$15,800)</b>		<b>(\$2,033)</b>
<b>Extraordinary Income &amp; Expenses</b>		<b>\$0</b>			<b>\$0</b>
<b><i>CAPITAL EXPENDITURES</i></b>					
15000G	Furniture and Fixtures	\$0			\$938
15100G	Equipment and Computers	\$953			\$746
15200G	Motor Vehicles	\$8,179			\$3,684
Non-CM Capital Expenditures		\$9,132	\$13,179	69%	\$5,369
1C500G	CM Capital Expenditures	\$14,433	\$12,708	114%	\$6,963
<b>Total Capital Expenditures</b>		<b>\$23,565</b>	<b>\$25,887</b>	<b>91%</b>	<b>\$12,332</b>
<b><i>INVESTMENT FUND</i></b>					
40167I	ML Equity YTD Gain (Loss)	\$89,085			\$164,376
40168I	Interest Income (IF)	\$12,950			\$7,772
40170I	Other Income (IF)	\$10			\$14
Gross Investment Income		\$102,045			\$172,162
60168I	Operating Draw from Investments	(\$57,371)			(\$54,795)
Investment Income Less Draw		\$44,674			\$117,368
40155I	Legacies & Special Donations	\$0			\$6,500
<b>Total Net Investment Fund Gain (Loss)</b>		<b>\$44,674</b>			<b>\$123,868</b>

**ROCHESTER ZEN CENTER**  
**Past-Year Comparison – December 31, 2014**

	31-Dec-14	Average 2009-2013	31-Dec-13	31-Dec-12	31-Dec-11	31-Dec-10	31-Dec-09
<b>GENERAL OPERATING FUND – INCOME</b>							
Net Item Sales Income	1,565	1,277	821	1,251	2,035	878	1,401
Net Special Events Income	0	(1,699)	601	316	(5,551)	(7,148)	3,288
40143G Royalty Income	7,025	7,047	7,323	5,662	7,189	8,348	6,715
40150G Zen Bow Income	535	544	377	627	277	835	603
40151G Membership Contributions	180,600	178,449	182,649	180,040	176,032	171,554	181,969
4C151G CM Operating Donations	38,644	41,121	38,800	39,141	40,514	43,835	43,318
40152G Workshop Income	13,707	14,149	13,213	16,145	16,150	14,590	10,647
40153G Training Program Income	7,593	4,152	5,280	4,605	3,825	3,690	3,360
4C153G CM Training Program Income	0	80	0	300	15	15	70
40159G Buddha Hall Rental Income	13,646	12,900	13,544	12,941	12,912	12,681	12,420
Net CM Rental Income	60,532	43,182	58,507	49,269	40,490	42,290	25,355
40160/2G Misc. Income & Contributions	12,342	13,179	12,448	12,930	13,745	13,904	12,868
4C160G CM Miscellaneous Income	92	180	800	100	0	0	0
40161G Sesshin Income	59,694	60,111	65,447	63,715	63,659	59,049	48,685
<b>Total YTD Operating Income</b>	<b>395,975</b>	<b>374,672</b>	<b>399,810</b>	<b>387,041</b>	<b>371,293</b>	<b>364,520</b>	<b>350,698</b>
<b>GENERAL OPERATING FUND – EXPENSES</b>							
60170G Charity Expenses	0	596	719	0	442	1,321	500
60171G Zen Bow Expenses	5,845	6,127	6,368	4,452	9,561	3,939	6,314
60172G Teaching Expenses	2,135	5,888	4,059	2,071	1,924	11,768	9,617
6C172G CM Teaching Expenses	62	139	137	153	292	80	31
60175G Medical & Health Insurance	81,948	64,016	78,102	66,426	52,654	53,878	69,021
6C175G CM Medical & Health Insurance	15,696	12,922	13,153	13,725	13,189	11,323	13,219
60176G Staff Salary Expense	64,170	55,897	63,210	55,481	51,688	52,896	56,209
6C176G CM Staff Salary Expense	13,175	9,873	12,732	9,931	9,388	9,007	8,308
60177G Kitchen Expenses	41,706	35,624	43,424	38,401	33,349	31,125	31,820
6C177G CM Kitchen Expenses	7,374	6,561	8,754	5,906	6,705	5,611	5,831
60178G Housekeeping Expenses	4,434	5,585	4,896	6,853	3,605	5,639	6,934
6C178G CM Housekeeping Expenses	2,393	2,014	1,372	2,585	1,936	2,004	2,175
60179G To Staff Departure Fund	18,856	15,856	21,629	17,081	13,070	12,866	14,634
6C179G CM Staff Departure Fund	5,324	4,060	5,324	3,549	4,548	3,993	2,884
60180G Misc Administrative Expenses	911	1,796	1,471	1,206	1,212	3,366	1,726
6C180G CM Misc Administrative Expense	225	91	155	0	100	100	100
60181G Office Expenses	4,241	5,032	3,012	5,638	5,447	4,929	6,132
6C181G CM Office Expenses	575	236	14	371	238	387	168
60182G Telecommunications Expenses	5,642	5,317	6,733	5,233	4,786	4,946	4,889
6C182G CM Telecommunications Expenses	4,388	3,752	3,479	3,731	3,842	3,462	4,246
60183G Gas & Electricity Expenses	10,028	9,655	8,901	6,414	10,460	11,627	10,875
6C183G CM Utility Expenses	17,209	16,481	13,621	12,207	16,641	18,993	20,945
60184G Repair & Maintenance Expenses	11,799	22,431	21,294	27,527	24,482	26,712	12,142
6C184G CM Rep & Maintenance Expenses	18,678	15,286	18,386	16,969	16,919	9,097	15,060
60186G Insurance Expenses	34,680	29,068	28,387	31,112	32,743	26,322	26,776
6C186G CM Insurance Expenses	20,590	17,146	16,405	17,873	21,456	14,988	15,009
60187G Fundraising & Advertising Exp.	1,255	940	1,589	1,400	1,060	225	425
6C187G CM Fundraising & Adv Expenses	0	18	0	0	0	90	0
60188G Garden & Grounds Expenses	3,563	3,402	2,586	2,941	7,256	2,610	1,615
6C188G CM Garden & Grounds Expenses	3,547	4,528	5,675	6,298	2,851	5,409	2,405
60189G Library Expenses	287	76	142	0	0	256	(20)
60190G Automobile Expenses	12,157	15,534	16,004	14,152	13,921	19,584	14,008
6C190G CM Automobile Expenses	4,358	2,953	2,956	2,351	2,492	3,626	3,340
60191G Taxes & Municipal Fees	6,780	6,663	6,649	6,645	6,690	6,620	6,711
6C191G CM Tax & User Fee Expenses	5,347	3,837	4,946	4,296	4,137	2,871	2,934
60192G Computer Expenses	3,014	2,019	2,512	2,697	944	1,861	2,083
6C192G CM Computer Expenses	877	284	446	338	89	200	345
60193G Banking, PayPal & Crdt Crd Fees	203						
60300G Bad Debt & Theft Expense	0	110	385	163	0	0	0
60389G Depreciation Expense	20,532	15,267	19,190	17,008	13,996	13,018	13,122
6C389G CM Depreciation Expense	7,800	8,613	7,820	9,183	8,111	7,784	10,166
<b>Total YTD Operating Expenses</b>	<b>461,804</b>	<b>415,691</b>	<b>456,637</b>	<b>422,366</b>	<b>402,225</b>	<b>394,531</b>	<b>402,696</b>
<b>YTD Operating Income Less Expenses</b>	<b>(65,830)</b>	<b>(41,019)</b>	<b>(56,827)</b>	<b>(35,326)</b>	<b>(30,932)</b>	<b>(30,011)</b>	<b>(51,998)</b>
40168G Operating Draw from Investments	57,371	49,028	54,795	51,861	50,347	46,336	41,801
<b>Total Net Operating Surplus (Loss)</b>	<b>(8,458)</b>	<b>8,009</b>	<b>(2,033)</b>	<b>16,536</b>	<b>19,415</b>	<b>16,324</b>	<b>(10,197)</b>
<b>Extraordinary Income &amp; Expenses</b>	<b>0</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>

ROCHESTER ZEN CENTER  
Past-Year Comparison – December 31, 2014

	31-Dec-14	Average 2009-2013	31-Dec-13	31-Dec-12	31-Dec-11	31-Dec-10	31-Dec-09
<b><i>CAPITAL EXPENDITURES</i></b>							
15000G Furniture and Fixtures	0	23,487	938	61,746	4,111	49,575	1,064
15100G Equipment and Computers	953	3,735	746	5,209	9,589	1,068	2,065
15200G Motor Vehicles	8,179	1,505	3,684	0	0	3,838	0
1C500G CM Capital Expenditures	14,433	11,592	6,963	32,831	7,436	6,178	4,551
<b>Total YTD Capital Expenditures</b>	<b>23,565</b>	<b>40,318</b>	<b>12,332</b>	<b>99,786</b>	<b>21,136</b>	<b>60,659</b>	<b>7,680</b>
<b><i>INVESTMENT FUND</i></b>							
40167I ML Equity YTD Gain (Loss)	89,085	100,020	164,376	112,076	2,726	77,784	143,138
40168I Interest Income (IF)	12,950	13,521	7,772	13,941	14,369	16,582	14,942
40170I Other Income (IF)	10	45	14	87	46	77	0
40181I W&R YTD Gain (Loss)	0	109	0	73	18	252	202
<b>Gross YTD Investment Fund Income</b>	<b>102,045</b>	<b>113,695</b>	<b>172,162</b>	<b>126,178</b>	<b>17,160</b>	<b>94,694</b>	<b>158,282</b>
60168I Operating Draw from Investments	(57,371)	(49,028)	(54,795)	(51,861)	(50,347)	(46,336)	(41,801)
<b>Net Investment Fund Gain (Loss)</b>	<b>44,674</b>	<b>64,667</b>	<b>117,368</b>	<b>74,317</b>	<b>(33,187)</b>	<b>48,359</b>	<b>116,481</b>
40155I Legacies and Special Donations	0	15,513	6,500	10,000	0	46,113	14,950
<b>Total YTD Investment Fund Change</b>	<b>44,674</b>	<b>80,180</b>	<b>123,868</b>	<b>84,317</b>	<b>(33,187)</b>	<b>94,472</b>	<b>131,431</b>

<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>
14052I	Equity Investments*	<i>At Market</i>						
	Merrill Lynch Equities Account**	\$851,798		\$851,798	\$239,330	\$612,468		
	IF Equities	\$851,798	66%	\$851,798	\$239,330	\$612,468		
10006I	Cash & Money Market						<i>Current Int Rate</i>	
	IF Share of Money Market Funds & Cash**	\$155,122		\$155,122	\$155,122		0.03%	\$50
	IF Cash & Money Market	\$155,122	12%	\$155,122	\$155,122		0.03%	\$50
13200I	Fixed-Income Investments	<i>Cost Basis</i>					<i>Crrnt Rtrn on Basis</i>	
	Merrill Lynch Fixed-Income Account**	\$195,065		\$197,983	\$195,065	\$2,919	4.03%	\$7,863
	Total Fixed-Income Investments	\$195,065	15%	\$197,983	\$195,065	\$2,919	4.03%	\$7,863
14100I	Loans	<i>Outstanding</i>			<i>Original</i>		<i>Loan Rate</i>	
	Zengården Mtg Loan (variable %) 3/31/25	\$76,620			\$135,637		2.92%	\$2,166
	Mdsn ZC Mtg Loan 5.08% 7/31/18	\$10,275			\$35,739		5.08%	\$460
	Total Loans	\$86,895	7%		\$171,376			\$2,627
<b>Investment Fund Total</b>		<b>\$1,288,879</b>	<b>100%</b>					<b>\$10,539</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 10006I



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Peter (Bodhin) Kjolhede  
President, Rochester Zen Center

State of New York       )  
  ) ss.  
County of Monroe       )

On the       day of May in the year 2015, before me personally came Peter (Bodhin) Kjolhede, to me known, who, being by me duly sworn, did depose and say that he resides at 308 San Gabriel Dr., Rochester, NY 14610; that he is the President of the Rochester Zen Center, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Trustees of said corporation, and that he signed his name thereto by like order.

In Witness Whereof, I have hereunto set my hand and affixed my official seal.

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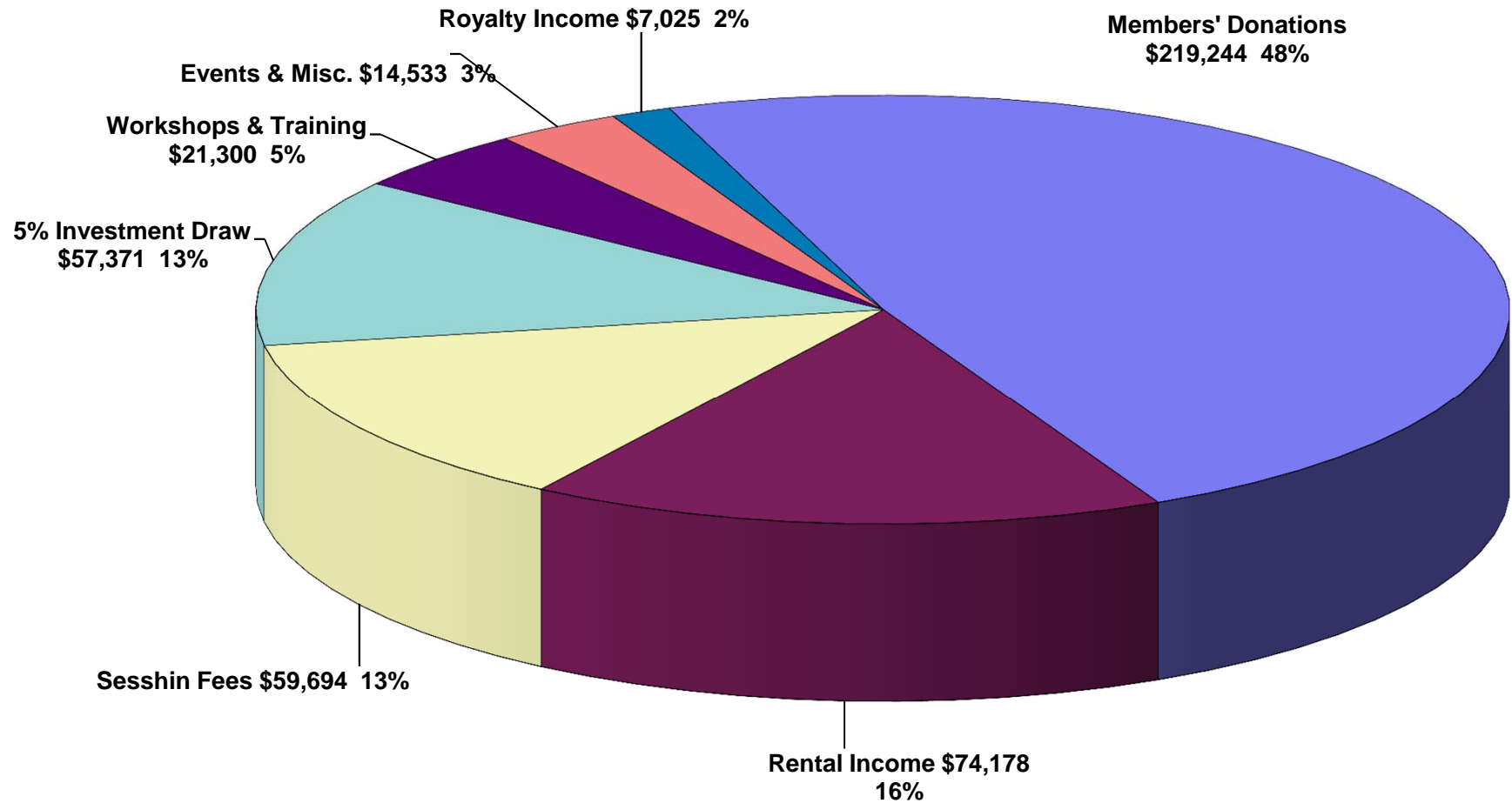
Colleen O'Brien  
Treasurer, Rochester Zen Center

State of New York       )  
  ) ss.  
County of Monroe       )

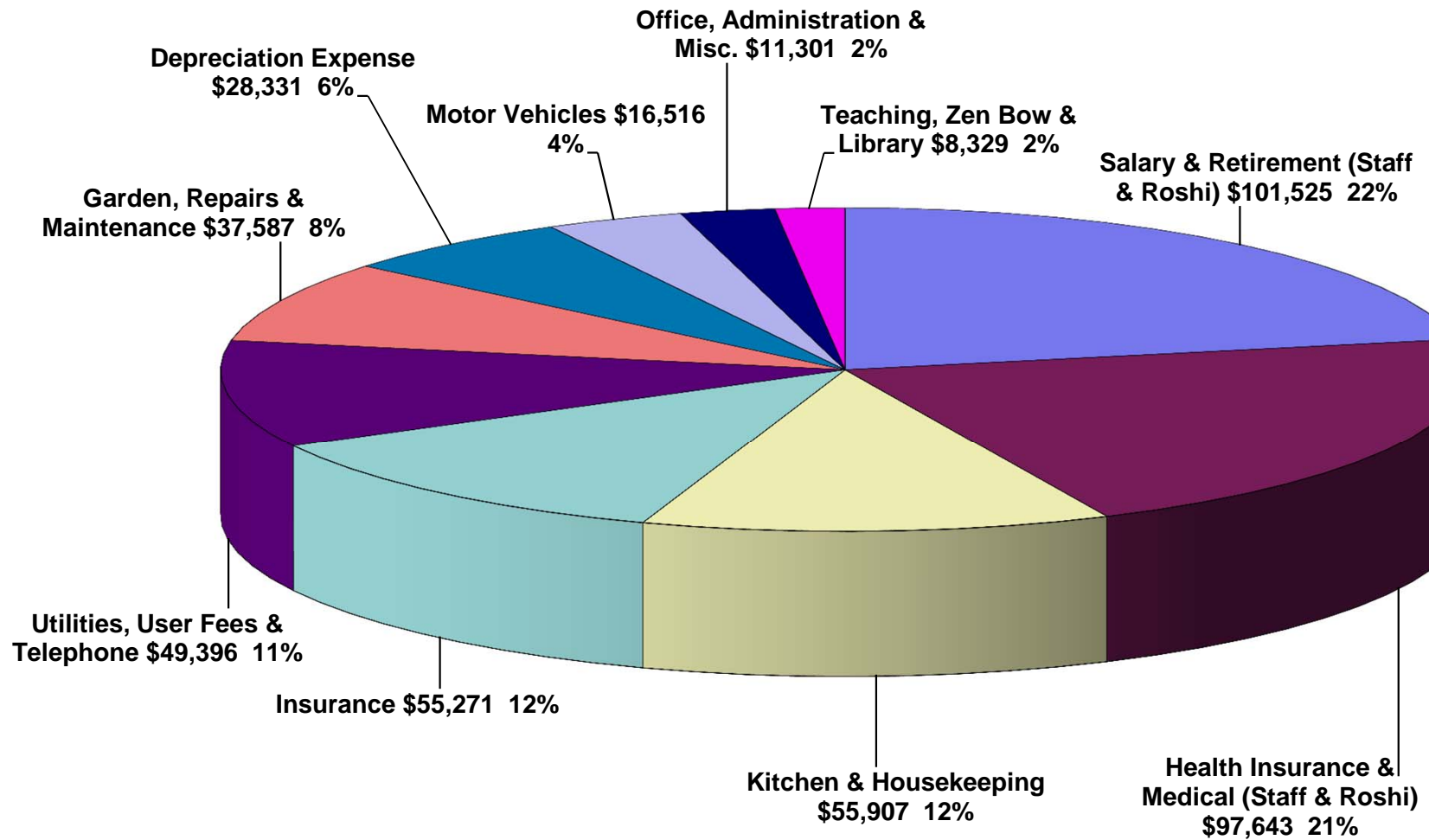
On the       day of May in the year 2015, before me personally came Colleen O'Brien, to me known, who, being by me duly sworn, did depose and say that she resides at 115 Edgerton Street, Rochester, NY 14607; that she is the Treasurer of the Rochester Zen Center, the corporation described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Trustees of said corporation, and that she signed her name thereto by like order.

In Witness Whereof, I have hereunto set my hand and affixed my official seal.

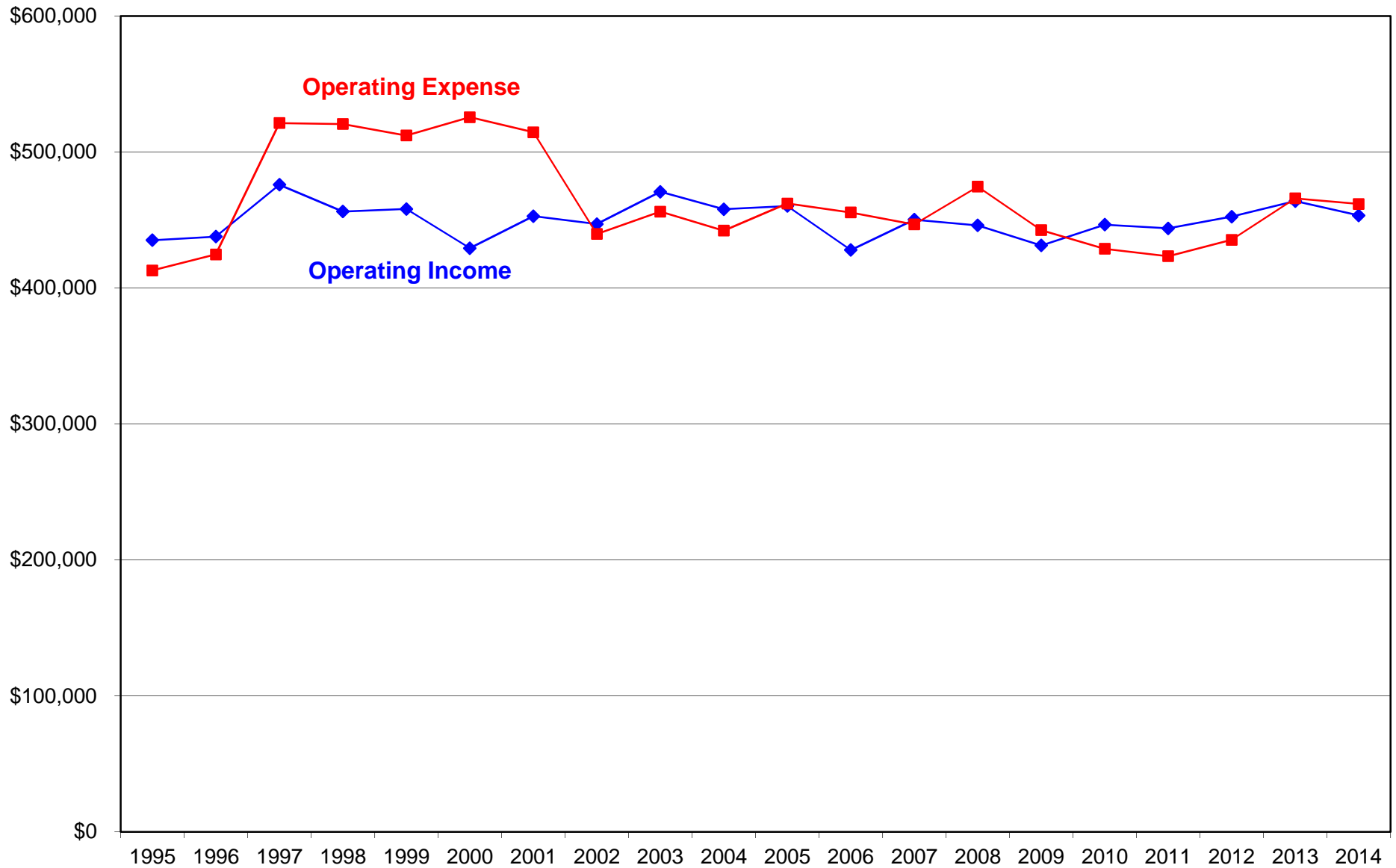
**ROCHESTER ZEN CENTER  
2014 Operating Revenue  
(\$453,346 Total)**



**ROCHESTER ZEN CENTER  
2014 Operating Expenses  
(\$461,804 Total)**



**ROCHESTER ZEN CENTER**  
**Total Operating Income and Expense 1995-2014**  
**(All Amounts Are Stated in Constant 2014 Dollars)**



# **ROCHESTER ZEN CENTER** **Combined Operating and Investment Funds 1995-2014** **(All Amounts Are Stated in Constant 2014 Dollars)**

