



ROCHESTER ZEN CENTER
A BUDDHIST COMMUNITY

Annual Report of Trustees

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

Presented at the Fiftieth
Annual Corporate Meeting
May 28, 2016

The record date for the Center's 2016 Annual Meeting was April 28, 2016. As of that date, the Center had 445 members. The record date for the Center's 2015 Annual Meeting was April 16, 2015. As of that date, the Center had 441 members. Accordingly, the Center's membership has increased by four 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.

ROCHESTER ZEN CENTER SUMMARY OF 2015 ANNUAL FINANCIAL RESULTS

	2015		2014	
	As of December 31, 2015	12/31/15 as % of 2015 Budget	As of December 31, 2014	12/31/14 as % of 2014 Budget
Year-to-Date Operating Revenue	\$403,546	102%	\$395,975	100%
Year-to Date Operating Expenses	<u>\$475,003</u>	98%	<u>\$461,804</u>	99%
YTD Revenue Less Expenses	(\$71,457)		(\$65,830)	
YTD Operating Draw from Investments (5%)	<u>\$60,788</u>		<u>\$57,371</u>	
YTD Net Operating Surplus (Loss)	(\$10,668)		(\$8,458)	
Membership Contributions	\$177,426	96%	\$180,600	99%
Accumulated Operating Surplus (Loss) at 5% draw since 2009 Inception of Current System	\$20,919		\$31,587	
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YTD Investment Gain (Loss)	\$21,493		\$102,045	
YTD Operating Draw from Investments (5%)	<u>(\$60,788)</u>		<u>(\$57,371)</u>	
YTD Net Investment Gain (Loss)	(\$39,296)		\$44,674	
YTD Legacies and Special Donations	<u>\$0</u>		<u>\$0</u>	
YTD Total Investment Fund Change	(\$39,296)		\$44,674	

	Operating Fund	Investment Fund	Held for Others	Realty and Art (Carried at Cost)	Total
ASSETS					
CURRENT ASSETS					
Cash & Money Market*	156,373.53	173,619.30	268,359.41	0.00	598,352.24
Inventories	5,421.87	0.00	0.00	0.00	5,421.87
Accounts Receivable	22,735.79	0.00	0.00	0.00	22,735.79
Prepaid Expenses	28,268.93	0.00	0.00	0.00	28,268.93
Earmarked Donations (Contra)	(109,027.51)	0.00	0.00	0.00	(109,027.51)
<i>Total Current Assets</i>	<i>103,772.61</i>	<i>173,619.30</i>	<i>268,359.41</i>	<i>0.00</i>	<i>545,751.32</i>
NON-CURRENT ASSETS					
Non-Equity Investments (At Book)	0.00	197,781.83	0.00	0.00	197,781.83
Equity Investments (At Market)	0.00	800,479.79	0.00	0.00	800,479.79
Mortgage Loans Outstanding	0.00	77,702.54	0.00	0.00	77,702.54
Depreciable Fixed Assets (Net)	255,319.69	0.00	0.00	0.00	255,319.69
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>255,319.69</i>	<i>1,075,964.16</i>	<i>0.00</i>	<i>5,484,581.34</i>	<i>6,815,865.19</i>
TOTAL ASSETS	359,092.30	1,249,583.46	268,359.41	5,484,581.34	7,361,616.51
LIABILITIES & EQUITY					
CURRENT LIABILITIES					
Taxes, Medicare, SS Payable	2,353.70	0.00	0.00	0.00	2,353.70
Prepaid Income	28,600.00	0.00	0.00	0.00	28,600.00
Other Current Liabilities	3,393.00	0.00	0.00	0.00	3,393.00
<i>Total Current Liabilities</i>	<i>34,346.70</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>34,346.70</i>
LONG-TERM LIABILITIES					
Accrued Staff Departure Fund	0.00	0.00	1,109.89	0.00	1,109.89
Auckland Zen Centre Fund	0.00	0.00	243.40	0.00	243.40
Louisville Zen Center Fund	0.00	0.00	250,064.60	0.00	250,064.60
Abbot's Scholarship Fund	0.00	0.00	16,941.52	0.00	16,941.52
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>268,359.41</i>	<i>0.00</i>	<i>268,359.41</i>
EQUITY					
»»Year-to-Date Revenues	403,546.19	21,492.69	0.00	0.00	425,038.88
»»(Less Year-to-Date Expenses)	475,002.81	0.00	0.00	0.00	475,002.81
»YTD Revenues Less Expenses	(71,456.62)	21,492.69	0.00	0.00	(49,963.93)
»YTD Investment Draw (5% per annum)	60,788.32	(60,788.32)	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	(10,668.30)	(39,295.63)	0.00	0.00	(49,963.93)
Previous Year-End Fund Balances	335,413.90	1,288,879.09	0.00	5,484,581.34	7,108,874.33
<i>Total Equity (Current Fund Balances)</i>	<i>324,745.60</i>	<i>1,249,583.46</i>	<i>0.00</i>	<i>5,484,581.34</i>	<i>7,058,910.40</i>
TOTAL LIABILITIES & EQUITY	359,092.30	1,249,583.46	268,359.41	5,484,581.34	7,361,616.51

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

ROCHESTER ZEN CENTER

Income and Expense Statement for the Quarter Ended December 31, 2015

Account		4Q2015 Actual	2015 Budget	% of Budget	4Q2014 Actual
GENERAL OPERATING FUND - INCOME ACCOUNTS					
	Net Item Sales Income	\$468	\$1,000	47%	\$1,565
	Net Special Events Income	\$0	\$0		\$0
40143G	Royalty Income	\$7,904	\$6,500	122%	\$7,025
40150G	Zen Bow Income	\$420	\$600	70%	\$535
40151G	Membership Contributions	\$177,426	\$185,000	96%	\$180,600
4C151G	CM Operating Donations	\$39,518	\$40,000	99%	\$38,644
40152G	Workshop Income	\$13,470	\$15,000	90%	\$13,707
40153G	Training Program Income	\$3,788	\$6,000	63%	\$7,593
4C153G	CM Training Program Income	\$45	\$200	23%	\$0
40159G	Buddha Hall Rental Income	\$13,847	\$13,500	103%	\$13,646
4C159G	Net CM Rental Income	\$67,884	\$52,000	131%	\$60,532
40160/2G	Misc. Income & Contributions	\$14,538	\$12,500	116%	\$12,342
4C160G	CM Miscellaneous Income	\$523	\$300	174%	\$92
40161G	Sesshin Income	\$63,715	\$63,000	101%	\$59,694
	Total Operating Revenue	\$403,546	\$395,600	102%	\$395,975
GENERAL OPERATING FUND - EXPENSE ACCOUNTS					
60170G	Charity Expenses	\$435	\$500	87%	\$0
60171G	Zen Bow Expenses	\$4,472	\$6,000	75%	\$5,845
60172G	Teaching Expenses	\$3,244	\$3,500	93%	\$2,135
6C172G	CM Teaching Expenses	\$66	\$200	33%	\$62
60175G	Medical & Health Insurance	\$78,672	\$83,800	94%	\$81,948
6C175G	CM Medical & Health Insurance	\$22,210	\$18,500	120%	\$15,696
60176G	Staff Salary Expense	\$66,294	\$68,300	97%	\$64,170
6C176G	CM Staff Salary Expense	\$12,731	\$12,500	102%	\$13,175
60177G	Kitchen Expenses	\$42,258	\$43,000	98%	\$41,706
6C177G	CM Kitchen Expenses	\$9,801	\$7,000	140%	\$7,374
60178G	Housekeeping Expenses	\$4,327	\$6,000	72%	\$4,434
6C178G	CM Housekeeping Expenses	\$1,880	\$2,300	82%	\$2,393
60179G	To Staff Departure Fund	\$21,185	\$21,200	100%	\$18,856
6C179G	CM Staff Departure Fund	\$5,324	\$5,300	100%	\$5,324
60180G	Misc Administrative Expenses	\$2,393	\$1,500	160%	\$911
6C180G	CM Misc Administrative Expense	\$97	\$100	97%	\$225
60181G	Office Expenses	\$4,541	\$4,400	103%	\$4,241
6C181G	CM Office Expenses	\$975	\$500	195%	\$575
60182G	Telecommunications Expenses	\$4,957	\$5,300	94%	\$5,642
6C182G	CM Telecommunications Expenses	\$3,586	\$4,400	81%	\$4,388
60183G	Gas & Electricity Expenses	\$7,762	\$9,700	80%	\$10,028
6C183G	CM Utility Expenses	\$13,080	\$16,100	81%	\$17,209
60184G	Repair & Maintenance Expenses	\$15,122	\$17,000	89%	\$11,799
6C184G	CM Rep & Maintenance Expenses	\$21,562	\$15,300	141%	\$18,678
60186G	Insurance Expenses	\$37,053	\$37,200	100%	\$34,680
6C186G	CM Insurance Expenses	\$22,032	\$22,300	99%	\$20,590
60187G	Fundraising & Advertising Exp.	\$1,800	\$1,500	120%	\$1,255
60188G	Garden & Grounds Expenses	\$2,266	\$3,200	71%	\$3,563
6C188G	CM Garden & Grounds Expenses	\$3,101	\$5,500	56%	\$3,547
60189G	Library Expenses	\$139	\$300	46%	\$287
60190G	Automobile Expenses	\$8,671	\$9,000	96%	\$12,157
6C190G	CM Automobile Expenses	\$6,134	\$3,000	204%	\$4,358
60191G	Taxes & Municipal Fees	\$7,006	\$6,700	105%	\$6,780
6C191G	CM Tax & User Fee Expenses	\$5,732	\$4,200	136%	\$5,347
60192G	Computer Expenses	\$2,532	\$3,000	84%	\$3,014
60193G	Banking, PayPal & Crdt Crd Fees	\$503	\$500	101%	\$203

ROCHESTER ZEN CENTER
Income and Expense Statement for the Quarter Ended December 31, 2015

Account	4Q2015 Actual	2015 Budget	% of Budget	4Q2014 Actual
6C192G CM Computer Expenses	\$379	\$500	76%	\$877
60300G Bad Debt Expense	\$100	\$0		\$0
60389G Depreciation Expense	\$21,385	\$21,200	101%	\$20,532
6C389G CM Depreciation Expense	\$9,197	\$8,400	109%	\$7,800
60500G Contingency (Budget Use Only)		\$5,000		
Total Operating Expenses	\$475,003	\$483,900	98%	\$461,804
Operating Revenue Less Expenses	(\$71,457)	(\$88,300)		(\$65,830)
40168G Operating Draw from Investments	\$60,788	\$60,400	101%	\$57,371
Total Net Operating Surplus (Loss)	(\$10,668)	(\$27,900)	38%	(\$8,458)
Extraordinary Income & Expenses	\$0			\$0
<i>CAPITAL EXPENDITURES</i>				
15000G Furniture and Fixtures	\$33,053			\$0
15100G Equipment and Computers	\$0			\$953
15200G Motor Vehicles	\$0			\$8,179
Non-CM Capital Expenditures	\$33,053	\$36,278	91%	\$9,132
1C500G CM Capital Expenditures	\$5,017	\$5,000	100%	\$14,433
Total Capital Expenditures	\$38,070	\$41,278	92%	\$23,565
<i>INVESTMENT FUND</i>				
40167I ML Equity YTD Gain (Loss)	\$10,651			\$89,085
40168I Interest Income (IF)	\$10,841			\$12,950
40170I Other Income (IF)	\$0			\$10
Gross Investment Income	\$21,493			\$102,045
60168I Operating Draw from Investments	(\$60,788)			(\$57,371)
Investment Income Less Draw	(\$39,296)			\$44,674
40155I Legacies & Special Donations	\$0			\$0
Total Net Investment Fund Gain (Loss)	(\$39,296)			\$44,674

ROCHESTER ZEN CENTER
Past-Year Comparison – December 31, 2015

	31-Dec-15	Average 2010-2014	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	31-Dec-10
GENERAL OPERATING FUND – INCOME							
Net Item Sales Income	468	1,310	1,565	821	1,251	2,035	878
Net Special Events Income	0	(2,356)	0	601	316	(5,551)	(7,148)
40143G Royalty Income	7,904	7,109	7,025	7,323	5,662	7,189	8,348
40150G Zen Bow Income	420	530	535	377	627	277	835
40151G Membership Contributions	177,426	178,175	180,600	182,649	180,040	176,032	171,554
4C151G CM Operating Donations	39,518	40,187	38,644	38,800	39,141	40,514	43,835
40152G Workshop Income	13,470	14,761	13,707	13,213	16,145	16,150	14,590
40153G Training Program Income	3,788	4,999	7,593	5,280	4,605	3,825	3,690
4C153G CM Training Program Income	45	66	0	0	300	15	15
40159G Buddha Hall Rental Income	13,847	13,145	13,646	13,544	12,941	12,912	12,681
Net CM Rental Income	67,884	50,218	60,532	58,507	49,269	40,490	42,290
40160/2G Misc. Income & Contributions	14,538	13,074	12,342	12,448	12,930	13,745	13,904
4C160G CM Miscellaneous Income	523	198	92	800	100	0	0
40161G Sesshin Income	63,715	62,313	59,694	65,447	63,715	63,659	59,049
Total YTD Operating Income	403,546	383,728	395,975	399,810	387,041	371,293	364,520
GENERAL OPERATING FUND – EXPENSES							
60170G Charity Expenses	435	496	0	719	0	442	1,321
60171G Zen Bow Expenses	4,472	6,033	5,845	6,368	4,452	9,561	3,939
60172G Teaching Expenses	3,244	4,391	2,135	4,059	2,071	1,924	11,768
6C172G CM Teaching Expenses	66	145	62	137	153	292	80
60175G Medical & Health Insurance	78,672	66,602	81,948	78,102	66,426	52,654	53,878
6C175G CM Medical & Health Insurance	22,210	13,417	15,696	13,153	13,725	13,189	11,323
60176G Staff Salary Expense	66,294	57,489	64,170	63,210	55,481	51,688	52,896
6C176G CM Staff Salary Expense	12,731	10,847	13,175	12,732	9,931	9,388	9,007
60177G Kitchen Expenses	42,258	37,601	41,706	43,424	38,401	33,349	31,125
6C177G CM Kitchen Expenses	9,801	6,870	7,374	8,754	5,906	6,705	5,611
60178G Housekeeping Expenses	4,327	5,085	4,434	4,896	6,853	3,605	5,639
6C178G CM Housekeeping Expenses	1,880	2,058	2,393	1,372	2,585	1,936	2,004
60179G To Staff Departure Fund	21,185	16,700	18,856	21,629	17,081	13,070	12,866
6C179G CM Staff Departure Fund	5,324	4,548	5,324	5,324	3,549	4,548	3,993
60180G Misc Administrative Expenses	2,393	1,633	911	1,471	1,206	1,212	3,366
6C180G CM Misc Administrative Expense	97	116	225	155	0	100	100
60181G Office Expenses	4,541	4,654	4,241	3,012	5,638	5,447	4,929
6C181G CM Office Expenses	975	317	575	14	371	238	387
60182G Telecommunications Expenses	4,957	5,468	5,642	6,733	5,233	4,786	4,946
6C182G CM Telecommunications Expenses	3,586	3,780	4,388	3,479	3,731	3,842	3,462
60183G Gas & Electricity Expenses	7,762	9,486	10,028	8,901	6,414	10,460	11,627
6C183G CM Utility Expenses	13,080	15,734	17,209	13,621	12,207	16,641	18,993
60184G Repair & Maintenance Expenses	15,122	22,363	11,799	21,294	27,527	24,482	26,712
6C184G CM Rep & Maintenance Expenses	21,562	16,010	18,678	18,386	16,969	16,919	9,097
60186G Insurance Expenses	37,053	30,649	34,680	28,387	31,112	32,743	26,322
6C186G CM Insurance Expenses	22,032	18,262	20,590	16,405	17,873	21,456	14,988
60187G Fundraising & Advertising Exp.	1,800	1,106	1,255	1,589	1,400	1,060	225
6C187G CM Fundraising & Adv Expenses	0	18	0	0	0	0	90
60188G Garden & Grounds Expenses	2,266	3,791	3,563	2,586	2,941	7,256	2,610
6C188G CM Garden & Grounds Expenses	3,101	4,756	3,547	5,675	6,298	2,851	5,409
60189G Library Expenses	139	137	287	142	0	0	256
60190G Automobile Expenses	8,671	15,164	12,157	16,004	14,152	13,921	19,584
6C190G CM Automobile Expenses	6,134	3,156	4,358	2,956	2,351	2,492	3,626
60191G Taxes & Municipal Fees	7,006	6,677	6,780	6,649	6,645	6,690	6,620
6C191G CM Tax & User Fee Expenses	5,732	4,319	5,347	4,946	4,296	4,137	2,871
60192G Computer Expenses	2,532	2,206	3,014	2,512	2,697	944	1,861
6C192G CM Computer Expenses	379	390	877	446	338	89	200
60193G Banking, PayPal & Crdt Crd Fees	503		203				
60300G Bad Debt & Theft Expense	100	110	0	385	163	0	0
60389G Depreciation Expense	21,385	16,749	20,532	19,190	17,008	13,996	13,018
6C389G CM Depreciation Expense	9,197	8,140	7,800	7,820	9,183	8,111	7,784
Total YTD Operating Expenses	475,003	427,513	461,804	456,637	422,366	402,225	394,531
YTD Operating Income Less Expenses	(71,457)	(43,785)	(65,830)	(56,827)	(35,326)	(30,932)	(30,011)
40168G Operating Draw from Investments	60,788	52,142	57,371	54,795	51,861	50,347	46,336
Total Net Operating Surplus (Loss)	(10,668)	8,357	(8,458)	(2,033)	16,536	19,415	16,324
Extraordinary Income & Expenses	0	2,000	0	0	0	10,000	0

ROCHESTER ZEN CENTER
Past-Year Comparison – December 31, 2015

	31-Dec-15	Average 2010-2014	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11	31-Dec-10
CAPITAL EXPENDITURES							
15000G Furniture and Fixtures	33,053	23,274	0	938	61,746	4,111	49,575
15100G Equipment and Computers	0	3,513	953	746	5,209	9,589	1,068
15200G Motor Vehicles	0	3,140	8,179	3,684	0	0	3,838
1C500G CM Capital Expenditures	5,017	13,568	14,433	6,963	32,831	7,436	6,178
Total YTD Capital Expenditures	38,070	43,495	23,565	12,332	99,786	21,136	60,659
INVESTMENT FUND							
40167I ML Equity YTD Gain (Loss)	10,651	89,209	89,085	164,376	112,076	2,726	77,784
40168I Interest Income (IF)	10,841	13,123	12,950	7,772	13,941	14,369	16,582
40170I Other Income (IF)	0	47	10	14	87	46	77
40181I W&R YTD Gain (Loss)	0	69	0	0	73	18	252
Gross YTD Investment Fund Income	21,493	102,448	102,045	172,162	126,178	17,160	94,694
60168I Operating Draw from Investments	(60,788)	(52,142)	(57,371)	(54,795)	(51,861)	(50,347)	(46,336)
Net Investment Fund Gain (Loss)	(39,296)	50,306	44,674	117,368	74,317	(33,187)	48,359
40155I Legacies and Special Donations	0	12,523	0	6,500	10,000	0	46,113
Total YTD Investment Fund Change	(39,296)	62,829	44,674	123,868	84,317	(33,187)	94,472

ROCHESTER ZEN CENTER INVESTMENT FUND – December 31, 2015

<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**	\$800,480		\$800,480	\$177,361	\$623,119		
	IF Equities	\$800,480	64%	\$800,480	\$177,361	\$623,119		
10006I	Cash & Money Market						<i>Current Int Rate</i>	
	IF Share of Money Market Funds & Cash**	\$173,819		\$173,819	\$173,819		0.07%	\$122
	IF Cash & Money Market	\$173,819	14%	\$173,819	\$173,819		0.07%	\$122
13200I	Fixed-Income Investments	<i>Cost Basis</i>					<i>Crrnt Rtrn on Basis</i>	
	Merrill Lynch Fixed-Income Account**	\$197,782		\$190,499	\$197,782	(\$7,283)	4.03%	\$7,978
	Total Fixed-Income Investments	\$197,782	16%	\$190,499	\$197,782	(\$7,283)	4.03%	\$7,978
14100I	Loans	<i>Outstanding</i>			<i>Original</i>		<i>Loan Rate</i>	
	Zengården Mtg Loan (variable %) 3/31/25	\$70,110			\$135,637		2.92%	\$2,246
	Mdsn ZC Mtg Loan 5.08% 7/31/18	\$8,276			\$35,739		5.08%	\$321
14106I	Total Loans	\$78,386	6%		\$171,376			\$2,566
Investment Fund Total		\$1,250,467	100%					\$10,666

* 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

Peter (Bodhin) Kjolhede
President, Rochester Zen Center

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

On the day of May in the year 2016, 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 Drive, 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.

Colleen O'Brien
Treasurer, Rochester Zen Center

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

On the day of May in the year 2016, before me personally came Colleen O'Brien, to me known, who, being by me duly sworn, did depose and say that she resides at 100 7th Street, Apartment 1009, Pittsburgh, PA 15222; 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.