

DRAFT – Subject  
to Approval by  
Board of Trustees



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

## BOARD OF TRUSTEES MEETING

May 18-19, 2019

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., was unable to attend.)
- Officers:* Roshi Bodhin Kjolhede, Abbot and President; Jeanette Prince-Cherry, Vice President; Scott Jennings, Esq., Secretary and Business Manager; Jefferson Scott, Treasurer
- Others:* Tom Kowal, Klava House Project Manager; Eryl Kubicka, Chapin Mill Rental Coordinator and Chair of Workplace Safety Committee; Wayman Kubicka, Chapin Mill Caretaker and Head of Zendo; Bill Lindenfelser, Chair of Facilities and Sustainable Operations Committee; John Pulleyn, Head of Zendo, Emeritus ; Ven. Trueman Taylor, Head of Zendo; Devin Wiesner, Chair of Sangha Engagement Committee

- ◆ The Board welcomed the Center's new Head of Zendo, Ven. Trueman Taylor, to the meeting.
- ◆ On behalf of the Center and its members, the Board thanked Sangha member David Fernandez and his business, Cayuga Landscape Company, for all their generosity in helping the Center with various garden and landscape needs over the years. Most recently, David has been of real help in replacing the dying boxwood hedge in front of the Center with an attractive new hedge of compact inkberry, a form of dwarf holly.
- ◆ At the Board's request, the Center's Business Manager, Scott Jennings, reported as follows regarding the earmarked donations accounts currently carried on the Center's books:

<i>Klava House Project</i>		<i>Mindfulness Outreach Fund</i>	
Given to Date	\$128,476.46	Fund Balance	\$4,642.62
Outstanding Pledges	\$26,543.24		
Total Budget	\$155,019.70	<i>Kapleau-roshi Grave Site Fund</i>	
	<i>[later raised to \$200K]</i>	Fund Balance	\$2,037.45
Spent to Date	\$150,507.99		
		<i>Prison Dharma Fund</i>	
Remaining Budget	\$4,511.71	Fund Balance	\$190.35
<i>Chapin Mill Retreat Center Building Fund</i>		<i>Accessibility Fund</i>	
Remaining Balance	\$1,483.16	Fund Balance	\$2,491.82

- ◆ The Board approved the Trustees' annual financial report for the year 2018, to be presented at the Center's annual corporate meeting of members on May 26, 2019. The Board authorized the Center's President and Treasurer to execute the report and affix the Center's seal thereto. A copy of that report is filed with these minutes as Appendix A.

The Business Manager reported that the Center's 2018 operating revenues were \$353,173, or 84 percent of the total budgeted. Operating expenses were \$435,661, or 99 percent of the total budgeted. Accordingly, after including as operating income a four-percent operating draw of \$56,184 from investments, the Center had an operating deficit of \$26,304 for 2018, rather than the \$34,000 surplus that had been projected when the 2018 budget was approved. If no operating draw had been taken from investments, the 2018 operating deficit would have been \$82,488. The principal reasons for the 2018 operating deficit are the following: (1) There was a substantial decrease in membership contributions. The decrease was likely caused by a change in federal tax law that made it much more advantageous for many taxpayers to contribute to non-profit organizations in 2017, rather than in subsequent years. This explanation is supported by the fact that the average of 2017 and 2018 membership contributions (\$192,968) was actually higher than the average of membership contributions in the 5 preceding years (\$181,533). (2) The Ralph B. Chapin Family Foundation made a double donation in 2017 to cover both 2017 and 2018. (3) Chapin Mill rental income was substantially lower than expected, due to a large number of rental cancellations. Despite the 2018 operating deficit, from 2009 (the year we instituted our current accounting procedures) through 2018, the Center has accumulated an operating surplus of \$123,321, taking into account annual operating draws from investments. (With no annual operating draw from investments, there would be an accumulated operating deficit of some \$359,000.)

On the expense side, staff salary expenses and kitchen expenses at Arnold Park were higher than predicted because one staff member who had planned on leaving decided to stay and an additional staff member came on board. When the staff salary expense accounts for both Arnold Park and Chapin Mill are combined, total staff salary expense for the year was \$72,825, or 105 percent of the amount budgeted. However, when the medical and health insurance expense accounts for both Arnold Park

and Chapin Mill are combined, total medical, dental, and health insurance expenses for the year were \$54,524, or 83 percent of the amount budgeted. Motor vehicle expenses were high, reflecting major unexpected repairs to a number of our vehicles. However, we have subsequently sold one of the Center's older vehicles, and vehicle expenses for the first quarter of 2019 have decreased substantially. Although Arnold Park garden-and-grounds expenses were higher than expected due to considerable work on the garden that had been deferred from previous years, repair and maintenance expenses were lower than predicted both for Arnold Park and for Chapin Mill.

With regard to extraordinary income and expenses, we received a \$2,500 legacy from the estate of Audrey Fernandez, who at her death on September 22, 2018, was the last surviving founding member of the Center. We also received \$30,716 in net income from the harvesting of timber at Chapin Mill, having learned that selective harvesting of mature trees, as part of a proper forest management plan, promotes the long-term health and stability of a forest. The Center made a \$4,000 donation to Bukkoku-ji temple in Japan in memory of its long-time Abbot, Tangen Harada Roshi, who died at the age of 93 on March 12, 2018. An additional \$650 was donated by Sangha members. Tangen-roshi was a friend of and fellow monastic with Roshi Philip Kapleau, and over the years a number of Center members have spent time in training at Bukkoku-ji. In addition, Tangen-roshi and Bukkoku-ji made a substantial memorial donation to the Rochester Zen Center at the time of Kapleau-roshi's death.

- ◆ In 2018 the Center's Investment Fund decreased by \$21,101, or 1.4 percent, before subtracting an operating draw of \$56,184. The total decrease after the operating draw was \$77,285, or 5.2 percent of the Fund's beginning balance. The decrease was due to a substantial decline in the stock market during the fourth quarter of 2018. As of year's end, 66 percent of the Investment Fund was invested in equities, 25 percent in fixed-income investments (including mortgage loans), and 10 percent in money-market funds and cash. However, when cash reserves held in the Operating Fund (\$173,381 at year's end) are taken into account, equities represented 59 percent of the Center's investments, which was below the 60 percent upper limit previously set by the Board.
- ◆ The Board approved the Business Manager's financial report for the first quarter of 2019, a copy of which is filed with these minutes as Appendix B. Scott reported that first-quarter 2019 income (\$108,566, or 28 percent of the total budgeted) was higher than anticipated, largely because of an increase in membership contributions and in Chapin Mill rental income. Scott and John pointed out that because the tax-law change mentioned above has – for many taxpayers – removed the incentive to donate at the end of a calendar year, some Center members may now be making contributions in the first quarter that they would previously have made in the fourth quarter of the preceding year. On the other hand, first-quarter 2019 expenses (\$103,111, or 22 percent of the total budgeted) were slightly lower than anticipated. Scott also reported that the Center had received extraordinary income of \$3,786 from the sale of a gravesite in the City of Rochester's Mt. Hope Cemetery that had long ago been purchased as a possible burial site for Kapleau-roshi. (Instead, Kapleau-roshi was buried at Chapin Mill.) Finally, Scott reported that during the first quarter, the Investment Fund's value increased

by \$147,839 (about 10 percent) before subtracting the four-percent operating draw. This increase was largely due to the strong first-quarter performance of the stock market.

- ◆ The members of the Finance Committee, Jonathan Hager, Scott Jennings, John Pulleyn, and Jeff Scott, reported to the meeting. The Committee had recently met with the Center's Merrill Lynch investment advisor in order to review the Center's investments. At that time, the Center's "investment-type assets" (cash, money-market funds, certificates of deposit, stocks, bonds, mutual funds, and mortgage loans) were allocated as follows: equity investments, 60 percent; fixed-income investments (bonds, mortgage loans and certificates of deposit), 33 percent; cash and money market funds, 7 percent. The Committee continues to monitor the allocation of the Center's investments in order to conform to the Board's policy decision that, in order to avoid excessive risk of volatility, no more than 60 percent of such assets should be invested in equities. Scott noted that certificates of deposit were currently a more attractive investment vehicle for the Center than were bonds and that, in conformity with the Center's Ethical Investment Guidelines, we had sold the oil company stocks previously donated to the Center.
- ◆ The Business Manager reported that the Center had recently received a \$10,000 legacy from the estate of Kenneth Kraft, who had been a member of the Center for close to half a century when he died on October 1, 2018. Dr. Kraft contributed to the Center in many ways: as a writer for *Zen Bow*, a member of the Center's Board of Trustees, and a translator of Japanese. He was a Professor in the Department of Religion Studies at Lehigh University, which wrote in its obituary that "Ken's numerous publications had significant international influence both in scholarly circles and more broadly for a general public interested in East Asian spirituality." On May 4, 2019, the Center held a memorial service for Ken Kraft that was attended by many of his family, friends, and colleagues.

The Board confirmed its policy that unrestricted legacies and extraordinary donations will generally be credited to the Investment Fund, in order to make the best use of those gifts in maintaining the long-term financial health of the Center. Accordingly, the Board directed that the Business Manager credit to the Investment Fund the legacy from Dr. Kraft's estate, as well as last year's legacy from the estate of founding member Audrey Fernandez.

- ◆ Having previously determined that the Auckland Zen Centre (AZC) constitutes an "Approved Organization" within the meaning of the Rochester Zen Center's Guidelines for Funding Foreign Organizations, the Board ratified and confirmed its previous approval, via e-mail, of the Business Manager's recommendation that \$5,090.67 be disbursed from the monies donated to the Rochester Zen Center (RZC) to help support AZC projects and activities. The requested disbursement was to help the AZC support its two full-time priests. In taking this action, the Board found that the requested disbursement fulfilled the tax-exempt religious purposes of the Rochester Zen Center and satisfied the criteria set forth in the Guidelines. Accordingly, the Board accepted the Business Manager's recommendation that the disbursement be approved.

- ◆ All Trustees present executed annual disclosure statements pursuant to section 715-a(c) of the New York Not-for-Profit Corporation Law. Each Trustee stated that to the best of his or her knowledge, there is no entity of which he or she is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Center has a relationship, and no transaction in which the Center is a participant and in which the Trustee might have a conflicting interest. [Trustee Thomas Roberts, who was unable to be present, subsequently executed his statement as well.]
- ◆ The Board approved the minutes of its October 19-20, 2018, meeting, as submitted by the Secretary on December 4, 2018.
- ◆ Roshi left the meeting. Acting pursuant to Article II(E) of the Center's by-laws, the Board acquiesced in the Compensation Committee's proposal that the Abbot's salary continue as follows: (1) a base salary of \$22,500 per annum, plus (2) any bonuses proposed by the Committee and acquiesced in by the Board, plus (3) any donations to the Center that may be earmarked to supplement the Abbot's base pay. The Board also acquiesced in the Compensation Committee's proposal that the Abbot be granted a one-time salary bonus of \$2,637. If Roshi so chooses, he may use this bonus to help him pay for endodontic root-canal treatment that was not covered under the Center's Dental Health Reimbursement Arrangement (HRA). Roshi returned to the meeting.

The Board then discussed Roshi's clergy housing allowance, which is authorized under section 107 of the Internal Revenue Code and affords a significant tax benefit. Roshi confirmed that his housing expenses remain greater than \$25,000 per annum and that he expects to use a total of \$4,000 from his annual pay as elective deferrals (employee contributions) to his section 403(b) retirement account. The Board confirmed that, until such time as the Board may determine otherwise, Roshi's annual clergy housing allowance will continue to be the lesser of (1) the entire amount of his salary, minus \$2,500, minus the year's total non-elective (employer) contributions to Roshi's 403(b) account, or (2) \$25,000.

- ◆ Roshi announced that he was re-appointing Chris Pulleyn to a three-year term as Trustee beginning as of the Center's May 26, 2019, annual corporate meeting of members. The Board thanked Chris for her many years of service to the Center and asked her to continue serving as the Board's Chair. [*Secretary's note:* Article III(A)(1) of the Center's by-laws provides that "The Board shall elect a Chairman from among its members ...."]
- ◆ Roshi requested that the Board grant staff members Ven. Trueman Taylor and Cecily Fuhr an exemption from the general requirement that the Center's religious employees live on the premises in order to maintain a strong spiritual training environment. In view of their intention to marry, Cecily's recent purchase of a house in anticipation of her leaving staff in a few months, and Trueman's seniority and his value to the Center as Head of Zendo, as well as Roshi's judgment that granting the requested

exemption would not materially impair spiritual training at the Center, the Board approved Roshi's request.

- ◆ The Center's President, Vice President, Secretary, and Treasurer left the meeting. Upon their return, Chris Pulleyn reported that the Board had elected the following to serve until the Board next elects Officers:

President: Roshi Bodhin Kjolhede

Vice President: Jeanette Prince-Cherry

Secretary: Scott Jennings

Treasurer: Jefferson Scott

- ◆ The Board reviewed the Center's standing committees and task forces. The Board noted a vacancy in one of the two positions on the Trustee Nominating Committee reserved for Center members who are not the Abbot, an Officer, or a Trustee. The Board decided to wait until its fall meeting to fill the vacancy.
- ◆ John Pulleyn reported on behalf of the Philip Kapleau Archive Task Force, which has been working with Dr. Richard Jaffe, Associate Professor of Religious Studies at Duke University, regarding the archiving of Roshi Philip Kapleau's papers at Duke. Most of the papers have been delivered to Duke, with the Center's having retained scanned copies of important documents. However, a few more boxes of documents have been discovered and will be sent to Duke after being scanned. Duke plans to host a symposium dedicated to Roshi Philip Kapleau and his teaching on Saturday, October 12, 2019. Bodhin-roshi will participate in the symposium, as will a number of other Buddhist teachers and scholars, including Roshi Mitra Bishop, who, along with Bodhin-roshi, is one of Kapleau-roshi's Dharma heirs. John noted that all members and former members of the Center are invited to attend the symposium.
- ◆ Roshi reported to the meeting regarding spiritual affairs. The Center's staff is at its smallest in about 20 years. Joey Wustner, who had been working in the Center's kitchen, left staff in mid-April and is now working at a local vegan restaurant. After some 11 years on staff, Ven. Sudama Ngo is planning to leave at the end of May in order to move back to southern California to be with her family – sisters, sons, and grandchildren. Come fall, Cecily Fuhr will also be leaving staff in order to focus on her work for a legal publishing house. Ven. Ananta Brückner has been away on an open-ended leave of absence since last November. On the other hand, Center Vice President Jeanette Prince-Cherry plans to train at the Center for three months, and Sangha members Alan and Anna Belle Leiserson plan to train at the Center for extended periods later this year. In other staff news, Head Cook Dené Granger will be marrying Sangha member Scott Redding in July; Dené plans to remain on staff, and Scott, who is a professional arborist, plans to continue as a regular volunteer at the Center. Chapin Mill Caretaker and Head of Zendo, Ven. Wayman Kubicka, is having surgery to replace one of his ankles. Wayman will be handing over the position of Chapin Mill Caretaker to Tom Kowal once Tom has fin-

ished building the Klava House. Tom's wife, Donna, who is a Professor of Communication at The College at Brockport, has volunteered to manage the Center's social media presence on platforms such as Facebook and Instagram. Roshi also reported that we have received largely positive reactions to the new layout of *Zen Bow*.

In other news, Roshi reported that Head of Zendo Ven. Trueman Taylor continues to lead monthly all-day sittings at the Center. Chris Pulleyn, John Pulleyn, Jonathan Hager, and Kathy Collina continue to lead "Hello Pain," a wellness initiative of the Center's Community Mindfulness Outreach Program that helps participants deal with chronic pain. In March, the Center co-hosted "Movies & Dharma: A Zen Perspective" with the Visual Studies Workshop (VSW), whose mission is to support makers and interpreters of images through education, publications, exhibitions, and collections. The screening, comprising five short films from the VSW's collection, was presented as part of the VSW's Community Curator Program. This well-received event was coordinated by Sangha member Tara Nelson, who works as a curator at VSW.

Roshi next reported regarding affiliates, sitting groups, and sister centers. Our sole formal affiliate, the Madison Zen Center, continues on a stable course, as do our two 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. The Auckland Zen Centre, our sister center in Auckland, New Zealand, led by Sensei Amala Wrightson, continues to contend with Auckland's high cost of living. Roshi, Trueman, and Jeanette recently visited the Cleveland Zazen Group for its annual weekend of intensive zazen. The Group is currently raising money for the purpose of purchasing the house in which it meets.

Gerardo-sensei reported regarding Casa Zen, our sister center that he leads in Mexico City. Gerardo reported that although attendance at daily sittings is low, sesshin attendance has been increasing. Casa Zen's new location on the upper floor of the building that houses Gerardo's publishing business, Editorial Pax México, has been very convenient and has allowed Gerardo to devote more time to the group. Although the facility in Tapalehui, south of Mexico City, used for sesshin by Casa Zen was severely damaged in an earthquake, it is being repaired and rebuilt. Gerardo also reported that he had travelled to Peru in March to attend a three-day meeting of Latin American Zen groups, most of which are affiliated with the Soto school of Zen. At the meeting, Gerardo gave a talk on the Ten Ox-herding Pictures, which depict the stages of Zen practice leading to enlightenment.

Jeanette reported regarding the Louisville Zen Center, a sitting group in Louisville, Kentucky that she leads. The group currently holds three formal sittings per week, either at Jeanette's house or at a local church. The group now has 18 members, and approximately the same number of non-members often attend sittings. Although attendance at regular sittings is low, the group's retreats have generally been full.

- ◆ Devin Wiesner, who serves as Chair of the Sangha Engagement Committee, joined the meeting and reported on behalf of the Committee. The Committee's written report, which describes the programs

sponsored by the Committee, is filed with these minutes as Appendix C. Devin reported that these programs have been operating smoothly and that the Committee is also organizing a series of hikes, the first of which is scheduled for mid-June. Roshi and Trueman added that the Finding-Your-Seat program, which helps members and trial members who are getting started at the Center to establish a daily meditation practice, has been meeting most Saturdays. The hour-long sessions are led by senior students, who answer questions, offer advice and encouragement, and lead a short round of sitting.

- ◆ Rebecca Gilbert, who is a member of the Youth and Family Task Force, joined the meeting. Betsy Friedman, who serves as Chair of the Task Force, presented the Task Force's report, the body of which is filed with these minutes as Appendix D (the report's appendices are not included). The Trustees have chartered the Task Force (1) to provide the Trustees and Abbot with the information necessary to structure an effective program for Sangha families and children, (2) to review the Center's current policies and practices regarding the involvement of families and children at the Center and make recommendations for possible changes, (3) to formulate options for a restructured program, and (4) to propose a set of clear guidelines regarding children's access to and use of the Center's Arnold Park and Chapin Mill facilities. Betsy and Rebecca noted that effective programming for families and children provides several benefits to the Sangha: (1) many families hope to raise their children within the framework of Zen Buddhist traditions such as mindfulness, ethical and moral behavior, and selflessness; (2) more structured and regular programming would likely attract young families, thereby enhancing the long-term health of the Sangha; and (3) more robust programming would help those with families engage more fully with their Zen practice. Betsy noted that an effective youth and family program will require the commitment and support of Roshi, the Trustees, and the Center's senior staff. Although the recommendations of the Task Force remain a "work in progress," Betsy highlighted the following proposals: (1) appointment of a staff liaison to the Center's youth program (Trueman and Eryl Kubicka have agreed to serve jointly in this role); (2) weekend events at Chapin Mill that support the needs of Sangha families; (3) addition of a youth section to the Center's library; (4) children's ceremonies and activities, as well as inclusion – where appropriate – of children in adult ceremonies and activities; and (5) development of a formal curriculum for the youth program. The Trustees expressed their support for the continuing work of the Task Force and for the implementation of effective and appropriate programming for Sangha families and children.
- ◆ Chris Pulleyn, who serves as Chair of the Development Committee, reported to the meeting that the Committee plans to develop a comprehensive proposal to raise money for a suite of Chapin Mill projects that need to be undertaken over the next few years: landscaping for the Klava House; repair of the culvert through the mill pond dam over which the access drive passes; repairs to the collapsing concrete wall at the east end of the pond; painting of the Farm House, Mill House and Guest Cottage; and work to integrate buildings, landscape, signage, parking, roadways, and walkways in the area near the pond. Such integration is the charge of the Gateway Task Force that the Board created at its October 2018 meeting. Chris, who is also Chair of that Task Force, reported that the Task Force is in the early stages of developing a proposal for the Board's consideration. Chris also reported that, with



Donna Kowal's help, the Center is strengthening its presence on social media such as Facebook and Instagram. Finally, Chris noted that the Development Committee continues to look for ways to encourage younger Sangha members to become more involved with the Center.

- ◆ All participants other than the Trustees left the meeting, and the Board met in executive session, whereafter the Board adjourned for the day.
- ◆ The meeting was reconvened the following morning at Chapin Mill. Tom Kowal, Klava House Project Manager; Eryl Kubicka, Chapin Mill Rental Coordinator and Chair of the Workplace Safety Committee; Wayman Kubicka, Chapin Mill Caretaker and Head of Zendo; and Bill Lindenfelser, Chair of the Facilities and Sustainable Operations Committee joined the meeting.
- ◆ The Board directed that Wayman, Eryl, and Tom create a list of major projects and “big-ticket” purchases that will be required at Chapin Mill in the foreseeable future. The Board asked that each item be listed with a priority, estimated cost, and estimate of staff time required. Examples of such projects and purchases are the exterior painting of houses, purchase of a new commercial dishwasher for the Retreat Center, and eventual replacement of the pickup truck used at Chapin Mill.
- ◆ Bill Lindenfelser reported on behalf of the Facilities and Sustainable Operations Committee. The Committee's written report is filed with these minutes as Appendix E. Bill's oral presentation focused on replacement of the culvert through the dam at the Chapin Mill pond. The mill pond was created by constructing an earthen dam in the first decade of the nineteenth century. The pond is fed both by springs on the Chapin Mill property and by water flowing from the spring-fed pond at the neighboring Seven Springs Country Club. An outflow of several million gallons of water per day passes from the Chapin Mill pond, across a weir, through the culvert, and into the origin of the Chapin Mill creek. The culvert is severely deteriorated, and the access road passing over the culvert to the buildings at Chapin Mill is failing. Of the contractors we approached, two submitted bids for the work. One bid was not for a fixed amount, but was instead highly dependent on what the contractor might discover in the course of carrying out the work. This contractor failed to respond to our follow-up requests to make a more definite bid. The other bid – from a contractor who has long had a relationship with Chapin Mill – is for \$58,000 and assumes that the pond will be drained while the work is undertaken. At Bill's request, an expert consulting engineer viewed the culvert and pond, met with the latter contractor, and reviewed the bid and proposed work. The consulting engineer expressed the opinion both that the contractor's proposal constitutes a proper way to replace the culvert and that the contractor's price is reasonable.

Because the project involves wetlands regulated under both state and federal law, it has been necessary to submit a joint permit application to the New York Department of Environmental Conservation (DEC) and the United States Army Corps of Engineers. The DEC rejected our proposal to drain the pond in order to undertake the project: A DEC biologist visited the pond and expressed concern regarding the effect that draining would have on aquatic animal life. If the pond is not drained, but

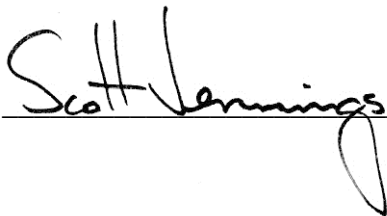
instead only lowered by several feet, a coffer dam will have to be constructed in order to provide a dry work area for the project. This would increase the cost of the project from \$58,000 to \$113,000. In addition, repairing the collapsing concrete wall at the east end of the pond while the pond level is lowered would add an additional \$20,000 to the project's cost.

Bill noted that there may be alternatives to replacing the culvert as described above, but that additional testing and engineering advice would be needed to explore possible alternatives. The Board directed the Committee to explore possible alternatives, to compare the cost, effectiveness, and expected life of various potential solutions, and to report back to the Board.

- ◆ Wayman Kubicka, who serves as Chapin Mill Caretaker and Head of Zendo, reported on developments at Chapin Mill. Wayman's written report is filed with these minutes as Appendix F. Wayman's oral presentation focused on security at Chapin Mill. Physical security has been increased, and the Chapin Mill staff continue to pay attention to vehicles entering the property. In addition, the staff maintain close relations with the neighbors to facilitate the exchange of information regarding any suspicious activity in the area. Wayman noted, however, that no questionable activity has been observed recently.
- ◆ The meeting participants visited both the site of the mill pond culvert and the Klava House construction site. Klava House Project Manager Tom Kowal reported to the meeting regarding the project. Tom's written report (excluding attached articles discussing an unexpected bubble in the lumber market) is filed with these minutes as Appendix G. After reviewing Tom's report, the Trustees expressed the view that Tom (1) had made a reasonable initial estimate of the project's cost given the information that was available at the time and (2) had been reasonable and prudent in purchasing materials and labor for the project. The Board thereupon increased the Klava House budget to \$200,000. The previous budget was the total of earmarked donations for the project. (As of March 31, 2019, \$155,000 had been received or pledged.) The Board also directed that the Business Manager provide a monthly financial report on the project to the Klava House Construction Task Force. The members of the Task Force are Gerardo-sensei (Chair), Tom, Roshi, Wayman, Chris Pulleyn, and John Pulleyn.
- ◆ Tom and Wayman reported that the most cost-effective way to replace the severely deteriorated roof on the Chapin Mill Farm House is to have the work done at the same time that the roof is installed on the Klava House. Accordingly, the Board increased the 2019 Chapin Mill capital expense budget from \$5,000 to \$10,000, since the new Farm House roof is expected to cost between \$5,000 and \$6,000.
- ◆ The Chair of the Retreat Center Refurbishment Task Force, Chris Pulleyn, reported on behalf of the Task Force. The Board has charged the Task Force 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. Chris reported that the Task Force, which comprises Chris, Wayman, Roshi, Tom Kowal, and Eryl Kubicka, had so far spent approximately \$1,600 of the \$10,000 budgeted for the project. Purchases so far include luggage racks and bedside lamps.

- ◆ The Board reviewed the written report of Trustee Thomas Roberts, Chair of the Ethics and Advisory Committee. The report reads in full as follows: “The Ethics and Advisory Committee [EAC] meets regularly during the course of the year to discuss issues relating to the Center, with its most recent meeting having taken place on May 8, 2019. 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.”
- ◆ Eryl Kubicka, who serves as Chapin Mill Rental Coordinator and Chair of the Chapin Mill Rental Committee, reported regarding the Chapin Mill rental program. The rental program is doing well in 2019, with robust bookings and no cancellations. We have a total of 59 scheduled rental days, with projected gross rental revenue of \$75,000. All but four of the 18 scheduled rentals are returning or affiliated groups, including the University of California San Diego School of Medicine, returning for a six-day rental after a year’s lapse. Eryl reported that we have been experimenting with a number of different rental options. In addition, the Committee is in the process of implementing recommendations made at the October 2018 Board meeting, including adjusting rental fees in appropriate cases, implementing a more stringent cancellation policy, and improving the content of the Center’s website as it relates to Chapin Mill and the rental program.
- ◆ The written report of the Columbarium Task Force is filed with these minutes as Appendix H. In that report, submitted by Co-Chair Eryl Kubicka, the Task Force recommends postponing further work on the columbarium project until 2020, in view of other more pressing projects at Chapin Mill.
- ◆ The written report of the Workplace Safety Committee is filed with these minutes as Appendix I. One safety-related incident occurred since the Committee’s last report: A staff member cut his finger while working in the kitchen; fortunately, the injury required no more than a first-aid visit to an urgent care facility.
- ◆ The Board confirmed Friday afternoon and all day Saturday, October 18 and 19, as the dates for its fall 2019 meeting. The Board also tentatively set all day Saturday and Sunday morning, May 16 and 17, as the dates for its spring 2020 meeting. The Board thereupon adjourned the meeting.

Submitted to the Board of Trustees on July 27, 2019  
by Scott Jennings, Secretary of the Center.



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Appendix A



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

# Annual Report of Trustees

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

Presented at the Fifty-Third  
Annual Corporate Meeting  
May 26, 2019

The record date for the Center's 2018 Annual Meeting was April 23, 2019. As of that date, the Center had 437 members. The record date for the Center's 2018 Annual Meeting was May 6, 2018. As of that date, the Center had 449 members. Accordingly, the Center's membership has decreased by 12 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 2018 ANNUAL FINANCIAL RESULTS

	2018		2017	
	As of December 31, 2018	12/31/18 as % of 2018 Budget	As of December 31, 2017	12/31/17 as % of 2017 Budget
Year-to-Date Operating Revenue	\$353,173	84%	\$444,779	107%
Year-to Date Operating Expenses	<u>\$435,661</u>	99%	<u>\$424,640</u>	97%
YTD Revenue Less Expenses	(\$82,488)		\$20,139	
YTD Operating Draw from Investments (2018 at 4%; 2017 at 5%)	<u>\$56,184</u>		<u>\$67,403</u>	
<b>YTD Net Operating Surplus (Loss)</b>	<b>(\$26,304)</b>		<b>\$87,542</b>	
Membership Contributions (included in operating revenue)	\$175,472	89%	\$210,463	111%
Extraordinary Income (not included in operating revenue)	\$33,216		\$10,000	
Extraordinary expenses (not included in operating revenue)	(\$4,000)			
Accumulated Operating Surplus (Loss) including operating draw since 2009 Inception of Current System	\$123,321		\$149,625	
<hr/>				
YTD Investment Gain (Loss)	(\$21,101)		\$215,607	
YTD Operating Draw from Investments (2018 at 4%; 2017 at 5%)	<u>(\$56,184)</u>		<u>(\$67,403)</u>	
YTD Net Investment Gain (Loss)	(\$77,285)		\$148,204	
YTD Legacies and Special Donations	<u>\$0</u>		<u>\$83</u>	
<b>YTD Total Investment Fund Change</b>	<b>(\$77,285)</b>		<b>\$148,287</b>	

ROCHESTER ZEN CENTER BALANCE SHEET – December 31, 2018

	Operating Fund	Investment Fund	Held for Others	Realty and Art (Carried at Cost)	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash & Money Market	173,381.26	140,400.17	109,809.72	0.00	423,591.15
Inventories	11,754.81	0.00	0.00	0.00	11,754.81
Accounts Receivable	(692.73)	0.00	0.00	0.00	(692.73)
Prepaid Expenses	14,073.92	0.00	0.00	0.00	14,073.92
Earmarked Donations (Contra)	(5,506.03)	0.00	0.00	0.00	(5,506.03)
<i>Total Current Assets</i>	<i>193,011.23</i>	<i>140,400.17</i>	<i>109,809.72</i>	<i>0.00</i>	<i>443,221.12</i>
<b>NON-CURRENT ASSETS</b>					
Certificates of Deposit	0.00	312,000.00	168,000.00	0.00	480,000.00
Other Non-Equity Investments (At Book)	0.00	21,066.70	0.00	0.00	21,066.70
Equity Investments (At Market)	0.00	951,890.73	0.00	0.00	951,890.73
Mortgage Loans Outstanding	0.00	22,148.16	0.00	0.00	22,148.16
Depreciable Fixed Assets (Net)	235,222.49	0.00	0.00	0.00	235,222.49
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	123,419.07	123,419.07
<i>Total Non-Current Assets</i>	<i>235,222.49</i>	<i>1,307,105.59</i>	<i>168,000.00</i>	<i>5,489,581.34</i>	<i>7,199,909.42</i>
<b>TOTAL ASSETS</b>	<b>428,233.72</b>	<b>1,447,505.76</b>	<b>277,809.72</b>	<b>5,489,581.34</b>	<b>7,643,130.54</b>
<b>LIABILITIES &amp; EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Taxes, Medicare, SS Payable	2,027.01	0.00	0.00	0.00	2,027.01
Prepaid Income	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities	4,853.38	0.00	0.00	0.00	4,853.38
<i>Total Current Liabilities</i>	<i>6,880.39</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>6,880.39</i>
<b>LONG-TERM LIABILITIES</b>					
Accrued Staff Departure Fund	0.00	0.00	110.92	0.00	110.92
Auckland Zen Centre Fund	0.00	0.00	5,101.94	0.00	5,101.94
Louisville Zen Center Fund	0.00	0.00	255,631.07	0.00	255,631.07
Abbot's Scholarship Fund	0.00	0.00	16,965.79	0.00	16,965.79
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>277,809.72</i>	<i>0.00</i>	<i>277,809.72</i>
<b>EQUITY</b>					
»» Year-to-Date Revenues	353,172.92	(21,100.77)	0.00	0.00	332,072.15
»»(Less Year-to-Date Expenses)	435,661.26	0.00	0.00	0.00	435,661.26
» YTD Revenues Less Expenses	(82,488.34)	(21,100.77)	0.00	0.00	(103,589.11)
» YTD Investment Draw (4% per annum)	56,184.44	(56,184.44)	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	(26,303.90)	(77,285.21)	0.00	0.00	(103,589.11)
Extraordinary Income & Expenses	29,215.53	0.00	0.00	0.00	29,215.53
Capitalized from Building Fund	0.00	0.00	0.00	0.00	0.00
Interfund Transfers In (Out)	(55,000.00)	50,000.00	0.00	5,000.00	0.00
Previous Year-End Fund Balances	473,441.70	1,474,790.97	0.00	5,484,581.34	7,432,814.01
<i>Total Equity (Current Fund Balances)</i>	<i>421,353.33</i>	<i>1,447,505.76</i>	<i>0.00</i>	<i>5,489,581.34</i>	<i>7,358,440.43</i>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>428,233.72</b>	<b>1,447,505.76</b>	<b>277,809.72</b>	<b>5,489,581.34</b>	<b>7,643,130.54</b>

ROCHESTER ZEN CENTER  
Income and Expense Statement for the Year Ended December 31, 2018

Account	4Q2018 Actual	2018 Budget	% of Budget	4Q2017 Actual	
<b>GENERAL OPERATING FUND - INCOME ACCOUNTS</b>					
	Net Item Sales Income	\$1,166	\$800	146%	\$1,151
	Net Special Events Income	\$533	\$0		(\$8,091)
40143G	Royalty Income	\$11,506	\$7,000	164%	\$10,859
40150G	Zen Bow Income	\$730	\$500	146%	\$740
40151G	Membership Contributions	\$175,472	\$198,000	89%	\$210,463
4C151G	CM Operating Donations	\$19,635	\$38,600	51%	\$53,855
40152G	Workshop Income	\$11,198	\$12,000	93%	\$10,890
40153G	Training Program Income	\$3,620	\$4,000	91%	\$3,220
4C153G	CM Training Program Income	\$0	\$100	0%	\$0
40159G	Buddha Hall Rental Income	\$14,555	\$14,000	104%	\$14,276
4C159G	Net CM Rental Income	\$32,168	\$69,000	47%	\$58,694
40160/2G	Misc. Income & Contributions	\$18,165	\$12,500	145%	\$16,024
4C160G	CM Miscellaneous Income	\$0	\$200	0%	\$0
40161G	Sesshin Income	\$64,425	\$63,000	102%	\$72,699
	<b>Total Operating Revenue</b>	<b>\$353,173</b>	<b>\$419,700</b>	<b>84%</b>	<b>\$444,779</b>
<b>GENERAL OPERATING FUND - EXPENSE ACCOUNTS</b>					
60170G	Charity Expenses	\$0	\$500	0%	\$250
60171G	Zen Bow Expenses	\$8,275	\$6,500	127%	\$6,955
60172G	Teaching Expenses	\$8,488	\$8,100	105%	\$1,375
6C172G	CM Teaching Expenses	\$25	\$200	12%	\$82
60175G	Medical & Health Insurance	\$45,407	\$43,800	104%	\$46,314
6C175G	CM Medical & Health Insurance	\$9,117	\$21,800	42%	\$12,141
60176G	Staff Salary Expense	\$62,392	\$56,700	110%	\$57,604
6C176G	CM Staff Salary Expense	\$10,433	\$12,500	83%	\$10,484
60177G	Kitchen Expenses	\$44,204	\$37,000	119%	\$41,266
6C177G	CM Kitchen Expenses	\$9,967	\$9,500	105%	\$7,711
60178G	Housekeeping Expenses	\$6,708	\$5,000	134%	\$5,631
6C178G	CM Housekeeping Expenses	\$2,108	\$2,300	92%	\$2,155
60179G	To Staff Departure Fund	\$19,452	\$24,800	78%	\$21,656
6C179G	CM Staff Departure Fund	\$6,655	\$6,700	99%	\$6,322
60180G	Misc Administrative Expenses	\$1,084	\$1,500	72%	\$1,139
6C180G	CM Misc Administrative Expense	\$0	\$100	0%	\$0
60181G	Office Expenses	\$3,163	\$4,400	72%	\$4,041
6C181G	CM Office Expenses	\$198	\$500	40%	\$17
60182G	Telecommunications Expenses	\$6,495	\$6,100	106%	\$6,098
6C182G	CM Telecommunications Expenses	\$4,678	\$4,500	104%	\$3,916
60183G	Gas & Electricity Expenses	\$8,979	\$8,200	109%	\$9,777
6C183G	CM Utility Expenses	\$12,879	\$13,700	94%	\$12,177
60184G	Repair & Maintenance Expenses	\$12,899	\$18,000	72%	\$13,688
6C184G	CM Rep & Maintenance Expenses	\$18,353	\$22,000	83%	\$18,904
60186G	Insurance Expenses	\$39,438	\$38,800	102%	\$37,769
6C186G	CM Insurance Expenses	\$22,415	\$22,200	101%	\$21,435
60187G	Fundraising & Advertising Exp.	\$1,400	\$1,500	93%	\$500
60188G	Garden & Grounds Expenses	\$4,253	\$2,700	158%	\$3,331
6C188G	CM Garden & Grounds Expenses	\$1,456	\$3,500	42%	\$3,151
60189G	Library Expenses	\$213	\$300	71%	\$0
60190G	Automobile Expenses	\$13,995	\$9,400	149%	\$11,157
6C190G	CM Automobile Expenses	\$3,904	\$3,000	130%	\$11,152
60191G	Taxes & Municipal Fees	\$6,717	\$6,600	102%	\$6,448
6C191G	CM Tax & User Fee Expenses	\$6,848	\$5,300	129%	\$6,350
60192G	Computer Expenses	\$3,702	\$3,500	106%	\$3,429
60193G	Banking, PayPal & Crdt Crd Fees	\$934	\$1,000	93%	\$1,052



ROCHESTER ZEN CENTER  
Income and Expense Statement for the Year Ended December 31, 2018

Account	4Q2018 Actual	2018 Budget	% of Budget	4Q2017 Actual
6C192G    CM Computer Expenses	\$782	\$1,000	78%	\$623
60300G    Bad Debt Expense	\$0	\$0		(\$53)
60389G    Depreciation Expense	\$21,172	\$21,200	100%	\$21,813
6C389G    CM Depreciation Expense	\$6,473	\$6,100	106%	\$6,782
<b>Total Operating Expenses</b>	<b>\$435,661</b>	<b>\$440,500</b>	<b>99%</b>	<b>\$424,640</b>
<b>Operating Revenue Less Expenses</b>	<b>(\$82,488)</b>	<b>(\$20,800)</b>		<b>\$20,139</b>
40168G    Operating Draw from Investments	\$56,184	\$54,800	103%	\$67,403
<b>Total Net Operating Surplus (Loss)</b>	<b>(\$26,304)</b>	<b>\$34,000</b>		<b>\$87,542</b>
<b>Extraordinary Income &amp; Expenses</b>	<b>\$29,216</b>			<b>\$10,000</b>
<b>CAPITAL EXPENDITURES</b>				
15000G    Furniture and Fixtures	\$9,042			\$9,251
15100G    Equipment and Computers	\$7,880			\$975
15200G    Motor Vehicles	\$0			\$0
Non-CM Capital Expenditures	\$16,922	\$25,542	66%	\$10,226
1C500G    CM Capital Expenditures	\$18,223	\$21,800	84%	\$0
<b>Total Capital Expenditures</b>	<b>\$35,145</b>	<b>\$47,342</b>	<b>74%</b>	<b>\$10,226</b>
<b>INVESTMENT FUND</b>				
40167I    ML Equity YTD Gain (Loss)	(\$25,651)			\$206,582
40168I    Interest Income (IF)	\$4,784			\$9,025
40170I    Other Income (IF)	(\$234)			\$0
Gross Investment Income	(\$21,101)			\$215,607
60168I    Operating Draw from Investments	(\$56,184)			(\$67,403)
Investment Income Less Draw	(\$77,285)			\$148,204
40155I    Legacies & Special Donations	\$0			\$83
<b>Total Net Investment Fund Gain (Loss)</b>	<b>(\$77,285)</b>			<b>\$148,287</b>

ROCHESTER ZEN CENTER  
Past-Year Comparison – December 31, 2018

	31-Dec-18	Average 2013-2017	31-Dec-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13	
<b>GENERAL OPERATING FUND – INCOME</b>								
	Net Item Sales Income	1,166	1,059	1,151	1,290	468	1,565	821
	Net Special Events Income	533	(2,747)	(8,091)	(6,244)	0	0	601
40143G	Royalty Income	11,506	8,947	10,859	11,622	7,904	7,025	7,323
40150G	Zen Bow Income	730	459	740	220	420	535	377
40151G	Membership Contributions	175,472	187,618	210,463	186,953	177,426	180,600	182,649
4C151G	CM Operating Donations	19,635	41,519	53,855	36,779	39,518	38,644	38,800
40152G	Workshop Income	11,198	12,889	10,890	13,167	13,470	13,707	13,213
40153G	Training Program Income	3,620	4,816	3,220	4,200	3,788	7,593	5,280
4C153G	CM Training Program Income	0	9	0	0	45	0	0
40159G	Buddha Hall Rental Income	14,555	13,839	14,276	13,884	13,847	13,646	13,544
	Net CM Rental Income	32,168	62,346	58,694	66,114	67,884	60,532	58,507
40160/2G	Misc. Income & Contributions	18,165	13,687	16,024	13,085	14,538	12,342	12,448
4C160G	CM Miscellaneous Income	0	283	0	0	523	92	800
40161G	Sesshin Income	64,425	63,752	72,699	57,205	63,715	59,694	65,447
	<b>Total YTD Operating Income</b>	<b>353,173</b>	<b>408,477</b>	<b>444,779</b>	<b>398,275</b>	<b>403,546</b>	<b>395,975</b>	<b>399,810</b>
<b>GENERAL OPERATING FUND – EXPENSES</b>								
60170G	Charity Expenses	0	281	250	0	435	0	719
60171G	Zen Bow Expenses	8,275	5,300	6,955	2,858	4,472	5,845	6,368
60172G	Teaching Expenses	8,488	3,080	1,375	4,587	3,244	2,135	4,059
6C172G	CM Teaching Expenses	25	71	82	10	66	62	137
60175G	Medical & Health Insurance	45,407	66,476	46,314	47,342	78,672	81,948	78,102
6C175G	CM Medical & Health Insurance	9,117	15,166	12,141	12,629	22,210	15,696	13,153
60176G	Staff Salary Expense	62,392	63,136	57,604	64,403	66,294	64,170	63,210
6C176G	CM Staff Salary Expense	10,433	11,902	10,484	10,387	12,731	13,175	12,732
60177G	Kitchen Expenses	44,204	41,327	41,266	37,979	42,258	41,706	43,424
6C177G	CM Kitchen Expenses	9,967	8,215	7,711	7,433	9,801	7,374	8,754
60178G	Housekeeping Expenses	6,708	4,926	5,631	5,342	4,327	4,434	4,896
6C178G	CM Housekeeping Expenses	2,108	2,012	2,155	2,261	1,880	2,393	1,372
60179G	To Staff Departure Fund	19,452	21,146	21,656	22,405	21,185	18,856	21,629
6C179G	CM Staff Departure Fund	6,655	5,524	6,322	5,324	5,324	5,324	5,324
60180G	Misc Administrative Expenses	1,084	1,480	1,139	1,486	2,393	911	1,471
6C180G	CM Misc Administrative Expense	0	95	0	0	97	225	155
60181G	Office Expenses	3,163	3,904	4,041	3,683	4,541	4,241	3,012
6C181G	CM Office Expenses	198	357	17	203	975	575	14
60182G	Telecommunications Expenses	6,495	5,940	6,098	6,273	4,957	5,642	6,733
6C182G	CM Telecommunications Expenses	4,678	3,901	3,916	4,134	3,586	4,388	3,479
60183G	Gas & Electricity Expenses	8,979	8,495	9,777	6,008	7,762	10,028	8,901
6C183G	CM Utility Expenses	12,879	13,612	12,177	11,971	13,080	17,209	13,621
60184G	Repair & Maintenance Expenses	12,899	14,682	13,688	11,506	15,122	11,799	21,294
6C184G	CM Rep & Maintenance Expenses	18,353	18,814	18,904	16,543	21,562	18,678	18,386
60186G	Insurance Expenses	39,438	35,902	37,769	41,622	37,053	34,680	28,387
6C186G	CM Insurance Expenses	22,415	20,855	21,435	23,814	22,032	20,590	16,405
60187G	Fundraising & Advertising Exp.	1,400	1,289	500	1,300	1,800	1,255	1,589
6C187G	CM Fundraising & Adv Expenses	0	0	0	0	0	0	0
60188G	Garden & Grounds Expenses	4,253	2,771	3,331	2,109	2,266	3,563	2,586
6C188G	CM Garden & Grounds Expenses	1,456	3,737	3,151	3,210	3,101	3,547	5,675
60189G	Library Expenses	213	119	0	29	139	287	142
60190G	Automobile Expenses	13,995	11,257	11,157	8,297	8,671	12,157	16,004
6C190G	CM Automobile Expenses	3,904	6,012	11,152	5,461	6,134	4,358	2,956
60191G	Taxes & Municipal Fees	6,717	6,778	6,448	7,007	7,006	6,780	6,649
6C191G	CM Tax & User Fee Expenses	6,848	5,634	6,350	5,797	5,732	5,347	4,946
60192G	Computer Expenses	3,702	2,868	3,429	2,855	2,532	3,014	2,512
6C192G	CM Computer Expenses	782	646	623	904	379	877	446
60193G	Banking, PayPal & Crdt Crd Fees	934		1,052	807	503	203	
60300G	Bad Debt & Theft Expense	0	86	(53)	0	100	0	385
60389G	Depreciation Expense	21,172	21,217	21,813	23,168	21,385	20,532	19,190
6C389G	CM Depreciation Expense	6,473	8,079	6,782	8,798	9,197	7,800	7,820
	<b>Total YTD Operating Expenses</b>	<b>435,661</b>	<b>447,606</b>	<b>424,640</b>	<b>419,945</b>	<b>475,003</b>	<b>461,804</b>	<b>456,637</b>
	<b>YTD Operating Income Less Expenses</b>	<b>(82,488)</b>	<b>(39,129)</b>	<b>20,139</b>	<b>(21,670)</b>	<b>(71,457)</b>	<b>(65,830)</b>	<b>(56,827)</b>
40168G	Operating Draw from Investments	56,184	60,638	67,403	62,834	60,788	57,371	54,795
	<b>Total Net Operating Surplus (Loss)</b>	<b>(26,304)</b>	<b>21,509</b>	<b>87,542</b>	<b>41,164</b>	<b>(10,668)</b>	<b>(8,458)</b>	<b>(2,033)</b>
	<b>Extraordinary Income &amp; Expenses</b>	<b>29,216</b>	<b>4,000</b>	<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

## ROCHESTER ZEN CENTER INVESTMENT FUND – December 31, 2018

<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>						
Merrill Lynch Equities Account	\$951,891		\$951,891	\$88,018	\$863,872		
<b>Total Equities</b>	\$951,891	66%	\$951,891	\$88,018	\$863,872		
<b>Cash &amp; Money Market</b>						<i>Current Int Rate</i>	
IF Share of Money Market Funds & Cash	\$140,400		\$140,400	\$140,400		2.00%	\$2,808
<b>Total IF Cash &amp; Money Market</b>	\$140,400	10%	\$140,400	\$140,400		2.00%	\$2,808
<b>Fixed-Income Investments</b>						<i>Crrnt Rtrn on Basis</i>	
Certificates of Deposit	\$312,000		\$312,000	\$312,000		2.48%	\$7,729
Bonds	\$10,083		\$10,112	\$10,083	\$29	8.18%	\$825
Cash Awaiting Fixed-Income Investment	\$10,984		\$10,984	\$10,984		0.60%	\$66
<b>Total Fixed-Income Investments</b>	\$333,067	23%	\$333,096	\$333,067	\$29	2.59%	\$8,620
<b>Loans</b>				<i>Original</i>		<i>Loan Rate</i>	
Mdsn ZC Mtg Loan 3.34% 2/29/32	\$22,148			\$24,287		3.34%	\$712
<b>Total Loans</b>	\$22,148	2%		\$24,287			\$712
<b>Investment Fund Total</b>	<b>\$1,447,506</b>	<b>100%</b>					<b>\$12,140</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.							
<b>Additional "Investment-Like" Assets</b>							
Operating Fund Money Market Funds & Cash	\$173,381						
Operating Fund Certificates of Deposit	\$0						
<b>Total Additional</b>	<b>\$173,381</b>						
<b>Grand Total "Investment-Like Assets"</b>	<b>\$1,620,887</b>						
IF Equities as Percentage of Grand Total		58.7%					

ROCHESTER ZEN CENTER  
Past-Year Comparison – December 31, 2018

	31-Dec-18	Average 2013-2017	31-Dec-17	31-Dec-16	31-Dec-15	31-Dec-14	31-Dec-13
<b>CAPITAL EXPENDITURES</b>							
15000G Furniture and Fixtures	9,042	11,898	9,251	16,250	33,053	0	938
15100G Equipment and Computers	7,880	1,792	975	6,285	0	953	746
15200G Motor Vehicles	0	2,373	0	0	0	8,179	3,684
1C500G CM Capital Expenditures	18,223	6,285	0	5,010	5,017	14,433	6,963
<b>Total YTD Capital Expenditures</b>	<b>35,145</b>	<b>22,348</b>	<b>10,226</b>	<b>27,545</b>	<b>38,070</b>	<b>23,565</b>	<b>12,332</b>
<b>INVESTMENT FUND</b>							
40167I ML Equity YTD Gain (Loss)	(25,651)	106,103	206,582	59,822	10,651	89,085	164,376
40168I Interest Income (IF)	4,784	10,102	9,025	9,919	10,841	12,950	7,772
40170I Other Income (IF)	(234)	7	0	14	0	10	14
40181I W&R YTD Gain (Loss)	0	0	0	0	0	0	0
<b>Gross YTD Investment Fund Income</b>	<b>(21,101)</b>	<b>116,212</b>	<b>215,607</b>	<b>69,755</b>	<b>21,493</b>	<b>102,045</b>	<b>172,162</b>
60168I Operating Draw from Investments	(56,184)	(60,638)	(67,403)	(62,834)	(60,788)	(57,371)	(54,795)
<b>Net Investment Fund Gain (Loss)</b>	<b>(77,285)</b>	<b>55,574</b>	<b>148,204</b>	<b>6,920</b>	<b>(39,296)</b>	<b>44,674</b>	<b>117,368</b>
40155I Legacies and Special Donations	0	15,317	83	70,000	0	0	6,500
<b>Total YTD Investment Fund Change</b>	<b>(77,285)</b>	<b>70,891</b>	<b>148,287</b>	<b>76,920</b>	<b>(39,296)</b>	<b>44,674</b>	<b>123,868</b>



Appendix B



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

# Financial Report

## First Quarter 2019

ROCHESTER ZEN CENTER  
SUMMARY OF 2019 FIRST QUARTER FINANCIAL RESULTS

	First Quarter 2019		First Quarter 2018	
	As of March 31, 2019	3/31/19 as % of 2019 Budget	As of March 31, 2018	3/31/18 as % of 2018 Budget
Year-to-Date Operating Revenue	\$108,566	28%	\$68,806	16%
Year-to Date Operating Expenses	\$103,111	22%	\$106,375	24%
YTD Revenue Less Expenses	\$5,455		(\$37,569)	
YTD Operating Draw from Investments (4%)	\$14,557		\$13,679	
<b>YTD Net Operating Surplus (Loss)</b>	<b>\$20,013</b>		<b>(\$23,891)</b>	
Membership Contributions (included in operating revenue)	\$58,213	31%	\$37,938	19%
Extraordinary Income (not included in operating revenue)	\$3,786		\$30,716	
Extraordinary Expenses (not included in operating revenue)				
<hr/>				
YTD Investment Gain (Loss)	\$147,839		(\$14,684)	
YTD Operating Draw from Investments (4%)	(\$14,557)		(\$13,679)	
YTD Net Investment Gain (Loss)	\$133,282		(\$28,363)	
YTD Legacies and Special Donations	\$0		\$0	
<b>YTD Total Investment Fund Change</b>	<b>\$133,282</b>		<b>(\$28,363)</b>	

ROCHESTER ZEN CENTER BALANCE SHEET – March 31, 2019

	Operating Fund	Investment Fund	Held for Others	Realty and Art (Carried at Cost)	Total
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash & Money Market	114,575.16	10,480.71	107,535.71	0.00	232,591.58
Inventories	12,461.55	0.00	0.00	0.00	12,461.55
Accounts Receivable	10,120.04	0.00	0.00	0.00	10,120.04
Prepaid Expenses	15,148.16	0.00	0.00	0.00	15,148.16
Earmarked Donations (Contra)	11,086.13	0.00	0.00	0.00	11,086.13
<i>Total Current Assets</i>	<i>163,391.04</i>	<i>10,480.71</i>	<i>107,535.71</i>	<i>0.00</i>	<i>281,407.46</i>
<b>NON-CURRENT ASSETS</b>					
Certificates of Deposit	60,000.00	382,000.00	168,000.00	0.00	610,000.00
Other Non-Equity Investments (At Book)	0.00	70,711.87	0.00	0.00	70,711.87
Equity Investments (At Market)	0.00	1,095,889.25	0.00	0.00	1,095,889.25
Mortgage Loans Outstanding	0.00	21,706.02	0.00	0.00	21,706.02
Depreciable Fixed Assets (Net)	228,203.95	0.00	0.00	0.00	228,203.95
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	123,419.07	123,419.07
<i>Total Non-Current Assets</i>	<i>288,203.95</i>	<i>1,570,307.14</i>	<i>168,000.00</i>	<i>5,489,581.34</i>	<i>7,516,092.43</i>
<b>TOTAL ASSETS</b>	<b>451,594.99</b>	<b>1,580,787.85</b>	<b>275,535.71</b>	<b>5,489,581.34</b>	<b>7,797,499.89</b>
<b>LIABILITIES &amp; EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Taxes, Medicare, SS Payable	1,870.01	0.00	0.00	0.00	1,870.01
Prepaid Income	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities	4,573.38	0.00	0.00	0.00	4,573.38
<i>Total Current Liabilities</i>	<i>6,443.39</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>6,443.39</i>
<b>LONG-TERM LIABILITIES</b>					
Auckland Zen Centre Fund	0.00	0.00	1,270.54	0.00	1,270.54
Louisville Zen Center Fund	0.00	0.00	256,582.44	0.00	256,582.44
Abbot's Scholarship Fund	0.00	0.00	17,682.73	0.00	17,682.73
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>275,535.71</i>	<i>0.00</i>	<i>275,535.71</i>
<b>EQUITY</b>					
»» Year-to-Date Revenues	108,566.29	147,839.45	0.00	0.00	256,405.74
»»(Less Year-to-Date Expenses)	103,111.11	0.00	0.00	0.00	103,111.11
» YTD Revenues Less Expenses	5,455.18	147,839.45	0.00	0.00	153,294.63
» YTD Investment Draw (4% per annum)	14,557.36	(14,557.36)	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	20,012.54	133,282.09	0.00	0.00	153,294.63
Extraordinary Income & Expenses	3,785.73	0.00	0.00	0.00	3,785.73
Interfund Transfers In (Out)	0.00	0.00	0.00	0.00	0.00
Previous Year-End Fund Balances	421,353.33	1,447,505.76	0.00	5,489,581.34	7,358,440.43
<i>Total Equity (Current Fund Balances)</i>	<i>445,151.60</i>	<i>1,580,787.85</i>	<i>0.00</i>	<i>5,489,581.34</i>	<i>7,515,520.79</i>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>451,594.99</b>	<b>1,580,787.85</b>	<b>275,535.71</b>	<b>5,489,581.34</b>	<b>7,797,499.89</b>



ROCHESTER ZEN CENTER  
Income and Expense Statement for the Year Ended March 31, 2019

Account	1Q2019 Actual	2019 Budget	% of Budget	1Q2018 Actual	
<b>GENERAL OPERATING FUND - INCOME ACCOUNTS</b>					
	Net Item Sales Income	\$313	\$800	39%	\$68
	Net Special Events Income	\$0	\$0		\$0
40143G	Royalty Income	\$987	\$7,000	14%	\$0
40150G	Zen Bow Income	\$180	\$500	36%	\$0
40151G	Membership Contributions	\$58,213	\$187,100	31%	\$37,938
4C151G	CM Operating Donations	\$276	\$35,000	1%	\$175
40152G	Workshop Income	\$3,376	\$12,000	28%	\$2,980
40153G	Training Program Income	\$735	\$4,000	18%	\$1,435
4C153G	CM Training Program Income	\$0	\$100	0%	\$0
40159G	Buddha Hall Rental Income	\$3,642	\$14,800	25%	\$3,567
4C159G	Net CM Rental Income	\$17,969	\$50,000	36%	\$7,527
40160/2G	Misc. Income & Contributions	\$2,849	\$12,500	23%	\$2,397
4C160G	CM Miscellaneous Income	\$0	\$200	0%	\$0
40161G	Sesshin Income	\$20,026	\$63,000	32%	\$12,719
	<b>Total Operating Revenue</b>	<b>\$108,566</b>	<b>\$387,000</b>	<b>28%</b>	<b>\$68,806</b>
<b>GENERAL OPERATING FUND - EXPENSE ACCOUNTS</b>					
60170G	Charity Expenses	\$0	\$500	0%	\$0
60171G	Zen Bow Expenses	\$2,317	\$8,500	27%	\$2,556
60172G	Teaching Expenses	\$530	\$2,500	21%	\$3,968
6C172G	CM Teaching Expenses	\$0	\$200	0%	\$0
60175G	Medical & Health Insurance	\$9,602	\$50,000	19%	\$10,623
6C175G	CM Medical & Health Insurance	\$3,465	\$19,100	18%	\$2,319
60176G	Staff Salary Expense	\$14,805	\$65,900	22%	\$14,462
6C176G	CM Staff Salary Expense	\$3,660	\$13,100	28%	\$2,466
60177G	Kitchen Expenses	\$7,590	\$41,000	19%	\$9,283
6C177G	CM Kitchen Expenses	\$2,435	\$9,600	25%	\$2,765
60178G	Housekeeping Expenses	\$1,224	\$5,500	22%	\$1,417
6C178G	CM Housekeeping Expenses	\$511	\$2,300	22%	\$408
60179G	To Staff Departure Fund	\$4,880	\$27,500	18%	\$5,269
6C179G	CM Staff Departure Fund	\$1,664	\$7,200	23%	\$1,664
60180G	Misc Administrative Expenses	\$184	\$1,500	12%	\$168
6C180G	CM Misc Administrative Expense	\$0	\$100	0%	\$0
60181G	Office Expenses	\$1,794	\$4,400	41%	\$2,598
6C181G	CM Office Expenses	\$52	\$500	10%	\$100
60182G	Telecommunications Expenses	\$1,378	\$6,600	21%	\$1,618
6C182G	CM Telecommunications Expenses	\$1,052	\$4,500	23%	\$448
60183G	Gas & Electricity Expenses	\$3,902	\$8,200	48%	\$3,203
6C183G	CM Utility Expenses	\$5,175	\$12,000	43%	\$4,466
60184G	Repair & Maintenance Expenses	\$2,529	\$18,000	14%	\$2,969
6C184G	CM Rep & Maintenance Expenses	\$5,037	\$22,000	23%	\$1,312
60186G	Insurance Expenses	\$9,837	\$39,500	25%	\$9,703
6C186G	CM Insurance Expenses	\$5,622	\$22,600	25%	\$5,532
60187G	Fundraising & Advertising Exp.	\$200	\$1,500	13%	\$300
60188G	Garden & Grounds Expenses	\$82	\$5,000	2%	\$0
6C188G	CM Garden & Grounds Expenses	\$0	\$3,500	0%	\$206
60189G	Library Expenses	\$135	\$300	45%	\$136
60190G	Automobile Expenses	\$158	\$9,000	2%	\$2,586
6C190G	CM Automobile Expenses	\$598	\$3,000	20%	\$568
60191G	Taxes & Municipal Fees	\$2,733	\$7,400	37%	\$2,648
6C191G	CM Tax & User Fee Expenses	\$1,868	\$5,500	34%	\$2,283
60192G	Computer Expenses	\$884	\$4,000	22%	\$1,241
60193G	Banking, PayPal & Crdt Crd Fees	\$190	\$1,000	19%	\$199

ROCHESTER ZEN CENTER  
Income and Expense Statement for the Year Ended March 31, 2019

Account	1Q2019 Actual	2019 Budget	% of Budget	1Q2018 Actual
6C192G    CM Computer Expenses	\$0	\$1,000	0%	\$320
60300G    Bad Debt Expense	\$0	\$0		\$0
60389G    Depreciation Expense	\$5,278	\$20,300	26%	\$5,201
6C389G    CM Depreciation Expense	\$1,740	\$6,900	25%	\$1,371
60500G    Contingency (budget use only)	\$0	\$5,000	0%	\$0
<b>Total Operating Expenses</b>	<b>\$103,111</b>	<b>\$466,200</b>	<b>22%</b>	<b>\$106,375</b>
<b>Operating Revenue Less Expenses</b>	<b>\$5,455</b>	<b>(\$79,200)</b>		<b>(\$37,569)</b>
40168G    Operating Draw from Investments	\$14,557	\$59,700	24%	\$13,679
<b>Total Net Operating Surplus (Loss)</b>	<b>\$20,013</b>	<b>(\$19,500)</b>		<b>(\$23,891)</b>
<b>Extraordinary Income &amp; Expenses</b>	<b>\$3,786</b>			<b>\$30,716</b>
<b>CAPITAL EXPENDITURES</b>				
15000G    Furniture and Fixtures	\$0			\$0
15100G    Equipment and Computers	\$0			\$0
15200G    Motor Vehicles	\$0			\$0
Non-CM Capital Expenditures	\$0	\$5,000	0%	\$0
1C500G    CM Capital Expenditures	\$0	\$5,000	0%	\$0
<b>Total Capital Expenditures</b>	<b>\$0</b>	<b>\$10,000</b>	<b>0%</b>	<b>\$0</b>
<b>INVESTMENT FUND</b>				
40167I    ML Equity YTD Gain (Loss)	\$147,555			(\$15,562)
40168I    Interest Income (IF)	\$285			\$878
40170I    Other Income (IF)	\$0			\$0
Gross Investment Income	\$147,839			(\$14,684)
60168I    Operating Draw from Investments	(\$14,557)			(\$13,679)
Investment Income Less Draw	\$133,282			(\$28,363)
40155I    Legacies & Special Donations	\$0			\$0
<b>Total Net Investment Fund Gain (Loss)</b>	<b>\$133,282</b>			<b>(\$28,363)</b>

ROCHESTER ZEN CENTER  
Past-Year Comparison – March 31, 2019

	31-Mar-19	Average 2014-2018	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	
<b>GENERAL OPERATING FUND – INCOME</b>								
	Net Item Sales Income	313	172	68	139	97	336	221
	Net Special Events Income	0	(1,110)	0	0	(5,548)	0	0
40143G	Royalty Income	987	0	0	0	0	0	0
40150G	Zen Bow Income	180	66	0	140	40	110	40
40151G	Membership Contributions	58,213	45,128	37,938	52,636	45,141	43,483	46,445
4C151G	CM Operating Donations	276	161	175	252	171	140	65
40152G	Workshop Income	3,376	3,815	2,980	3,990	3,973	4,490	3,640
40153G	Training Program Income	735	961	1,435	220	553	883	1,713
4C153G	CM Training Program Income	0	9	0	0	0	45	0
40159G	Buddha Hall Rental Income	3,642	3,470	3,567	3,471	3,471	3,447	3,396
	Net CM Rental Income	17,969	11,674	7,527	13,740	8,443	16,386	12,273
40160/2G	Misc. Income & Contributions	2,849	2,498	2,397	2,042	2,757	2,620	2,674
4C160G	CM Miscellaneous Income	0	0	0	0	0	0	0
40161G	Sesshin Income	20,026	13,897	12,719	11,591	19,882	12,766	12,530
	<b>Total YTD Operating Income</b>	<b>108,566</b>	<b>80,741</b>	<b>68,806</b>	<b>88,219</b>	<b>78,979</b>	<b>84,705</b>	<b>82,996</b>
<b>GENERAL OPERATING FUND – EXPENSES</b>								
60170G	Charity Expenses	0	0	0	0	0	0	0
60171G	Zen Bow Expenses	2,317	1,782	2,556	1,901	2,221	0	2,231
60172G	Teaching Expenses	530	1,019	3,968	(288)	343	117	956
6C172G	CM Teaching Expenses	0	4	0	0	0	18	0
60175G	Medical & Health Insurance	9,602	15,640	10,623	15,085	14,160	21,052	17,280
6C175G	CM Medical & Health Insurance	3,465	4,185	2,319	3,892	3,778	6,192	4,741
60176G	Staff Salary Expense	14,805	15,220	14,462	13,857	17,203	16,152	14,425
6C176G	CM Staff Salary Expense	3,660	2,773	2,466	2,513	2,541	2,965	3,379
60177G	Kitchen Expenses	7,590	9,944	9,283	7,423	10,361	10,847	11,806
6C177G	CM Kitchen Expenses	2,435	2,334	2,765	2,071	2,253	2,749	1,830
60178G	Housekeeping Expenses	1,224	1,286	1,417	2,006	1,126	1,042	840
6C178G	CM Housekeeping Expenses	511	446	408	202	487	642	492
60179G	To Staff Departure Fund	4,880	5,174	5,269	4,853	5,990	4,880	4,880
6C179G	CM Staff Departure Fund	1,664	1,398	1,664	1,331	1,331	1,331	1,331
60180G	Misc Administrative Expenses	184	289	168	288	422	388	179
6C180G	CM Misc Administrative Expense	0	0	0	0	0	0	0
60181G	Office Expenses	1,794	1,715	2,598	1,250	1,558	1,247	1,924
6C181G	CM Office Expenses	52	234	100	17	1,023	0	30
60182G	Telecommunications Expenses	1,378	1,350	1,618	988	1,543	1,382	1,220
6C182G	CM Telecommunications Expenses	1,052	996	448	1,056	1,061	1,004	1,411
60183G	Gas & Electricity Expenses	3,902	3,541	3,203	2,935	2,457	3,944	5,167
6C183G	CM Utility Expenses	5,175	4,504	4,466	4,253	3,637	4,354	5,811
60184G	Repair & Maintenance Expenses	2,529	3,563	2,969	5,681	2,564	4,469	2,135
6C184G	CM Rep & Maintenance Expenses	5,037	3,482	1,312	3,799	4,825	5,832	1,641
60186G	Insurance Expenses	9,837	9,370	9,703	9,618	9,599	9,892	8,039
6C186G	CM Insurance Expenses	5,622	5,465	5,532	5,476	5,767	5,822	4,727
60187G	Fundraising & Advertising Exp.	200	246	300	300	200	200	230
60188G	Garden & Grounds Expenses	82	180	0	0	0	46	852
6C188G	CM Garden & Grounds Expenses	0	252	206	138	632	284	0
60189G	Library Expenses	135	35	136	0	19	22	0
60190G	Automobile Expenses	158	1,854	2,586	2,435	2,036	1,276	937
6C190G	CM Automobile Expenses	598	1,569	568	3,944	867	1,566	901
60191G	Taxes & Municipal Fees	2,733	2,656	2,648	2,591	2,651	2,732	2,659
6C191G	CM Tax & User Fee Expenses	1,868	1,910	2,283	1,749	1,933	1,827	1,756
60192G	Computer Expenses	884	1,158	1,241	1,510	905	1,133	1,003
6C192G	CM Computer Expenses	0	116	320	0	(20)	282	0
60193G	Banking, PayPal & Crdt Crd Fees	190	159	199	170	153	113	
60300G	Bad Debt Expense	0	9	0	(53)	0	100	0
60389G	Depreciation Expense	5,278	5,291	5,201	5,598	5,505	5,259	4,891
6C389G	CM Depreciation Expense	1,740	1,942	1,371	1,795	2,345	2,268	1,931
	<b>Total YTD Operating Expenses</b>	<b>103,111</b>	<b>113,060</b>	<b>106,375</b>	<b>110,381</b>	<b>113,477</b>	<b>123,432</b>	<b>111,636</b>
	<b>YTD Operating Income Less Expenses</b>	<b>5,455</b>	<b>(32,319)</b>	<b>(37,569)</b>	<b>(22,162)</b>	<b>(34,498)</b>	<b>(38,727)</b>	<b>(28,640)</b>
40168G	Operating Draw from Investments	14,557	14,996	13,679	16,725	15,597	14,885	14,096
	<b>Total Net Operating Surplus (Loss)</b>	<b>20,013</b>	<b>(17,323)</b>	<b>(23,891)</b>	<b>(5,437)</b>	<b>(18,901)</b>	<b>(23,842)</b>	<b>(14,544)</b>
	<b>Extraordinary Income &amp; Expenses</b>	<b>3,786</b>	<b>8,143</b>	<b>30,716</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

ROCHESTER ZEN CENTER  
Past-Year Comparison – March 31, 2019

	31-Mar-19	Average 2014-2018	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	
<b>CAPITAL EXPENDITURES</b>								
15000G	Furniture and Fixtures	0	1,850	0	9,251	0	0	0
15100G	Equipment and Computers	0	1,293	2,800	0	2,710	0	953
15200G	Motor Vehicles	0	0	0	0	0	0	0
1C500G	CM Capital Expenditures	0	603	0	0	1,787	0	1,229
<b>Total YTD Capital Expenditures</b>		<b>0</b>	<b>3,746</b>	<b>2,800</b>	<b>9,251</b>	<b>4,497</b>	<b>0</b>	<b>2,182</b>
<b>INVESTMENT FUND</b>								
40167I	ML Equity YTD Gain (Loss)	147,555	22,700	(15,562)	79,765	9,702	34,777	4,817
40168I	Interest Income (IF)	285	1,096	878	(217)	1,604	1,546	1,668
40170I	Other Income (IF)	0	0	0	0	0	0	0
40181I	W&R YTD Gain (Loss)	0	0	0	0	0	0	0
<b>Gross YTD Investment Fund Income</b>		<b>147,839</b>	<b>23,796</b>	<b>(14,684)</b>	<b>79,548</b>	<b>11,306</b>	<b>36,324</b>	<b>6,486</b>
60168I	Operating Draw from Investments	(14,557)	(14,996)	(13,679)	(16,725)	(15,597)	(14,885)	(14,096)
<b>Net Investment Fund Gain (Loss)</b>		<b>133,282</b>	<b>8,800</b>	<b>(28,363)</b>	<b>62,823</b>	<b>(4,291)</b>	<b>21,439</b>	<b>(7,610)</b>
40155I	Legacies and Special Donations	0	4,000	0	0	20,000	0	0
<b>Total YTD Investment Fund Change</b>		<b>133,282</b>	<b>12,800</b>	<b>(28,363)</b>	<b>62,823</b>	<b>15,709</b>	<b>21,439</b>	<b>(7,610)</b>

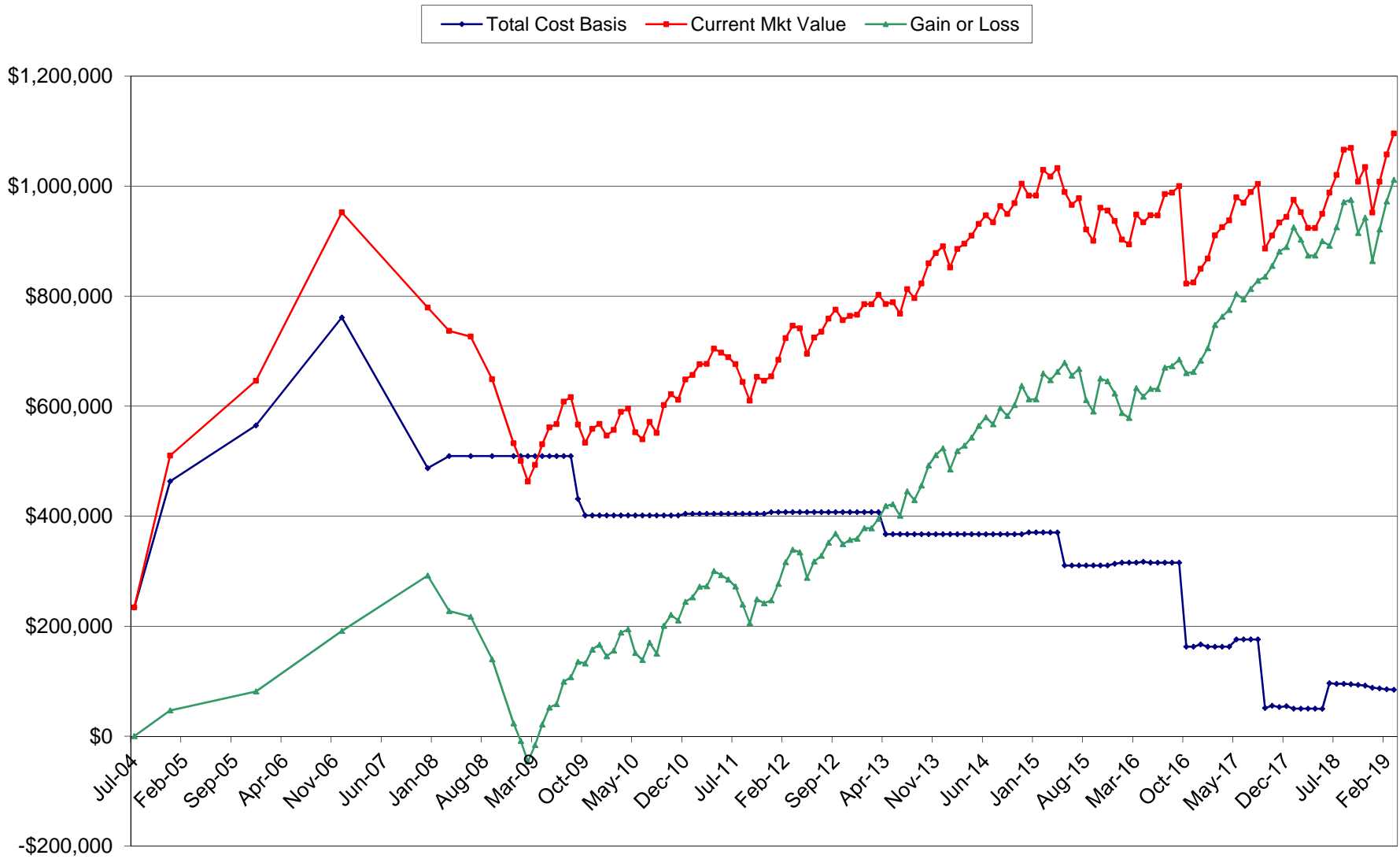
## ROCHESTER ZEN CENTER INVESTMENT FUND – March 31, 2019

<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>						
Merrill Lynch Equities Account	\$1,095,889		\$1,095,889	\$84,462	\$1,011,427		
<b>Total Equities</b>	\$1,095,889	69%	\$1,095,889	\$84,462	\$1,011,427		
<b>Cash &amp; Money Market</b>						<i>Current Int Rate</i>	
IF Share of Money Market Funds & Cash	\$10,481		\$10,481	\$10,481		2.07%	\$217
<b>Total IF Cash &amp; Money Market</b>	\$10,481	1%	\$10,481	\$10,481		2.07%	\$217
<b>Fixed-Income Investments</b>						<i>Crrnt Rtrn on Basis</i>	
Certificates of Deposit	\$382,000		\$382,000	\$382,000		2.49%	\$9,519
Bonds	\$49,942		\$49,961	\$49,942	\$19	3.80%	\$1,900
Cash Awaiting Fixed-Income Investment	\$20,770		\$20,770	\$20,770		0.60%	\$125
<b>Total Fixed-Income Investments</b>	\$452,712	29%	\$431,961	\$431,942	\$19	2.64%	\$11,419
<b>Loans</b>				<i>Original</i>		<i>Loan Rate</i>	
Mdsn ZC Mtg Loan 3.34% 2/29/32	\$21,706			\$24,287		3.34%	\$712
<b>Total Loans</b>	\$21,706	1%		\$24,287			\$712
<b>Investment Fund Total</b>	<b>\$1,580,788</b>	<b>100%</b>					<b>\$12,348</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.

<b>Additional "Investment-Like" Assets</b>		<b>Rate</b>
Operating Fund Money Market Funds & Cash	\$114,575	1.85%
Operating Fund Certificates of Deposit	\$60,000	2.32%
<b>Total Additional</b>	<b>\$174,575</b>	
<b>Grand Total "Investment-Like Assets"</b>	<b>\$1,755,363</b>	
IF Equities as Percentage of Grand Total		62.4%

### Merrill Lynch Equity Account



Abbot's Scholarship Fund  
Summary for Fourth Quarter 2018 and First Quarter 2019

<b>Beginning balance 10/1/2018</b>		<b>18,380.85</b>
Contributions to Fund	2,436.00	
Interest income	176.88	
<b>Total fund income</b>	<u><b>2,612.88</b></u>	<b>2,612.88</b>
Train ticket for trainee	181.00	
Sesshin fees	3,130.00	
<b>Total fund disbursements</b>	<u><b>3,311.00</b></u>	<b>(3,311.00)</b>
<b>Ending balance 3/31/19</b>		<u><u><b>17,682.73</b></u></u>

Auckland Zen Centre Fund  
Summary for Fourth Quarter 2108 and First Quarter 2019

<b>Beginning balance 10/1/2018</b>		<b>1,753.67</b>
Contributions to Fund	4,542.00	
Interest income	40.87	
Sale of T-shirts	25.00	
<b>Total fund income</b>	<u><b>4,607.87</b></u>	<b>4,607.87</b>
Disbursement for support of AZC priests	5,091.00	
<b>Total fund disbursements</b>	<u><b>5,091.00</b></u>	<b>(5,091.00)</b>
<b>Ending balance 3/31/19</b>		<u><u><b>1,270.54</b></u></u>



Louisville Zen Center Fund  
Summary for Fourth Quarter 2108 and First Quarter 2019

<b>Beginning balance 10/1/2018</b>		<b>253,969.34</b>
Contributions to Fund	0.00	
Interest income	2,613.10	
<b>Total fund income</b>	<u>2,613.10</u>	<b>2,613.10</b>
<b>Total fund disbursements</b>	<u>0.00</u>	<b>0.00</b>
<b>Ending balance 3/31/19</b>		<u><u>256,582.44</u></u>

## Appendix C

### Report of Sangha Engagement Committee – May 2019

**Zen of Living & Dying** - Led by Wayman & Eryl, meets about once a month and seems to have a steady and loyal following of about 12 to 15 people for each meeting.

**Seeing Through Racism** - Led by Jim Thompson, meets about once a month, and attendance seems to consistently be between 4 and 7 people.

**Book Club** - Led by Susanna Guerino, meets periodically and has a tight-knit group of between 5 and 8 participants.

**Finding Your Seat** - Led by Zen Center staff, meets on Saturdays when the Center's schedule permits. Attendance has declined significantly over the last 6 months, typically 0 to 3 people.

**Sangha Dinners** (4 times a year) - Attendance for the Lentils & Rice and Potluck seems to be consistently around 15 to 20 people. To facilitate cleaning we moved up the prep time up by 30 minutes for the last Lentils & Rice dinner and this was helpful.

**Rainbow Sangha** - Led by Angela Hakkila, meets periodically for various activities. Attendance is consistently around 4 to 6 people. We would like to request a small budget for their operations.

**Kannon Committee** - Led by Joanne Sheldon & Angela Hakkila, the Committee met multiple times during the 4th quarter of last year to add more structure and improve outreach.

Submitted by Devin Wiesner, Committee Chair

May 11, 2019

Appendix D

**Youth and Family Task Force Report – May 2019**

[Body Only – Appendices Omitted]

**Recommendations to Roshi and the Trustees for Implementing a More Structured Program To Better Serve the Needs of the Rochester Zen Center’s Families with Children**

**A Report on the Work of the Youth and Family Task Force**

**May 2019**

**Table of Contents**

I. Why Is Providing Support to Families with Children Important? .....2

II. Overview of the Work of the Task Force .....3

III. Recommendations for Moving Forward.....4

*Note:* Since this Report is intended to serve as a comprehensive resource for the Center’s continuing efforts to structure an effective program for Sangha families and children, it includes considerable supporting material in its appendices. The body of the report is set forth in sections I through III.

## **I. Why Is Providing Support to Families with Children Important? What Are Its Benefits?**

The Youth and Family Task Force (hereafter referred to as the Task Force) views the inclusion of families as vital to the ongoing life of the Rochester Zen Center, and recommends that youth and family programming should be established as an integral part of the Rochester Zen Center. As top priorities, the Youth Task Force recommends both establishing among other things a regular Sunday youth program, and creating a webpage welcoming families and providing information about the RZC's youth programming.

The Youth Task Force has conducted outreach to other Buddhist centers around the country, which suggests that successful youth programs often entail only minimal financial costs of around a few hundred dollars per year. On the other hand, youth and family programming may have significant benefits for the Rochester Zen Center. With a steady or increasingly smaller membership made up primarily of long-standing members, youth programming may enable the RZC to cultivate an active group of local lay members in the early stages of their lives. Already, the Youth Task Force has brought current members with children together as more active participants at the RZC. Prospective members with children, including local workshop participants, are also more likely to become active in the RZC if a youth and family program is offered. Recently we have lost three families that we know of because we did not have a robust program for youth. All have chosen to go to the Unitarian Church instead. We don't know about others who have chosen not to come because of the lack of activities for their families.

One critical step in establishing a successful youth program will be the support of Rochester Zen Center leadership. The Youth Task Force's outreach to other Buddhist centers suggests that youth programs are most successful when they are institutionalized, rather than run by volunteers or on an ad-hoc basis. Our conversations suggest that the most critical type of institutional support is the identification of a priest or senior staff member who will commit to directing youth and family programs on an on-going basis. Other types of institutional support will include integrating youth events into quarterly calendars, and getting out the word about youth and family programming at workshops, emails, and other venues.

The Rochester Zen Center's mission statement identifies youth programs as a second-level priority, and states that the RZC will "provide, whenever resources are available, activities and programs for Sangha children and families." In addition to meeting this secondary priority, establishing a youth program also directly fulfills the RZC's primary mission of providing training and fostering the teaching of Zen Buddhism. (See Appendix A – RZC Mission Statement and By-Laws.) Children who have participated in occasional youth events over the past year have greatly benefited from the opportunity to learn meditation, mindfulness, and chanting, and several self-identify as Buddhist. Parents of participating children have also benefited from increased access to Zen training and instruction through the ability to attend occasional sittings and Sunday teishos. Establishing a regular Sunday youth program will enable consistency of practice for parents and children alike.

Pending approval from the Board of Trustees, the Youth and Family Task Force requests that RZC take the necessary steps to establish a regular Sunday youth program, to continue youth programs at Chapin Mill, to develop other activities as appropriate, and to create a webpage welcoming families and informing them about the RZC's program for youth and families.

The process of participating in the Youth Task Force has brought parents together, forming bonds that will ultimately strengthen the Sangha as a whole. Parent members of the Task Force are immensely grateful to Betsy Friedman for facilitating our work, and for the time, energy, and support of senior RZC staff members Eryl Kubicka and Trueman Taylor. We are pleased that the Board of Trustees is attending to how our Sangha can be strengthened through the inclusion of families and youth. Thank you.

## **II. Overview of the Work of the Youth and Family Task Force**

### Call for Action

While the number of active families with children in the Sangha is encouraging now, and our hope is that over time the number of families in the Sangha will continue to grow. With a current membership that is stable or slightly declining composed of older, long time students of RZC, it is important to attract new, younger members. We believe that implementing a more structured program for families with children now will become, as a measure of its success, the foundation of a vigorous program that will enrich the life of the Sangha moving forward.

Success will, among other factors, depend on:

- ❖ Endorsement from Roshi and the Trustees that a more structured program for families with children will benefit the overall health of the Sangha
- ❖ Commitment from senior staff to support the needs and growth of the program
- ❖ Visibility through Sangha communication, e.g., the website, articles in *Zen Bow*, the calendar, at workshops, etc., that families are welcome and that programs are available to support their practice.
- ❖ Revision of the Mission Statement and/or By-Laws to highlight the Center's commitment to support the needs of families with children as valued members of the Sangha.

### Members of the Task Force

The Task Force met regularly and participation was enthusiastic and focused. Because of the interest in the initiative, the membership expanded to include most of our active families. The members of the Task Force are:

Jennifer Byrnes  
 Rebecca Gilbert  
 Eryl Kubica  
 Jennifer Kyker  
 Jennifer Petix  
 Sasha Pulleyn  
 Scott Redding  
 Trueman Taylor  
 Betsy Friedman, Facilitator

### The Work Product

Members of the Task Force have:

- ❖ Used the results of the Family Survey (sent to members as the Task Force convened) to better understand how the Center’s current culture related to children and families is perceived, what families want, and for setting priorities. (See Appendix B – Results of the RZC Family Survey.)
- ❖ Interviewed past Sangha members to learn about previous RZC programs for youth and families. (See Appendix C – Interviews with Former RZC Members about Prior Programs.)
- ❖ Gathered information through interviews and from websites about programs for youth and families from a number of spiritual and religious organizations including 11 other Zen Centers (See Appendix D – Interviews with and Supporting Materials from Other Zen Centers and Appendix E – Interviews with and Supporting Materials from Other Religious Organizations.)
- ❖ Investigated curricula being used at other Zen Centers
- ❖ Reviewed websites of these organizations to understand how RZC might best present its offerings for families with children
- ❖ Weighed options for different types of offerings

### **III. Recommendations for Moving Forward**

The Task Force recommends for consideration and approval by Roshi and the Trustees:

- ❖ Implementing the following programs:
  - Beginning in the fall of 2019 twice monthly programs for children and youth during Sunday sittings that will include age-appropriate activities, including practicing the

practice [sitting, chanting, storytelling led by an experienced lay person assisted by two adults. (See Appendix F – Proposed Schedule for Sunday Morning Youth Program).

- Our goal is to work toward the ultimate vision of weekly youth programming, with the exception of sesshin dates. A weekly youth program is likely to best support the needs of a wide range of families, including those with joint custody agreements. It is also most likely to become a habit among Sangha members with children. While it may not be feasible at the current moment, our parents want to maintain this vision for the youth program, and to continue working with the Board of Trustees and senior RZC leadership toward making it a reality.
  - Our discussions with other Zen Centers suggest that they have not had good experiences bringing in activity leaders that are not well versed in the practice. Eryl will do the initial program planning and will be responsible for recruiting classroom leaders and assistants.
  - Up to this point, the program has been held in the library. However, if current participation levels continue or expand, another space will be required. The Buddha Hall is the best alternative and has recently been used with great success. Quoting Eryl: “It was a million times better than the library, with access to the garden, open space for physical activities and bolsters to sit on.” We will work with Open Sky Yoga to coordinate scheduling.
- Continuation of Chapin Mill weekends plus experimenting with a weekend camp for kids and families. This is tentatively scheduled for the end of August. (See Appendix G – Proposed Schedule for Youth Program Family Retreats at Chapin Mill)
  - Having a resource library for children, families, and on parenting both in our library and on-line.
  - Review of RZC ceremonies with an eye towards ones that can be adapted to include families and/or separate ceremonies for kids.
  - Inclusion in other Sangha activities which are family-appropriate with assurance that families feel welcome to participate.
  - Including children in work projects and having kids’ projects that benefit the Sangha.
    - Note: Our research indicates that this might include working with kids in the kitchen and for set-up and clean-up. This is very successful at some other Zen Centers.
  - Re-instituting a brief sitting for kids with their families in the zendo on some Sundays with chanting and a kid friendly Dharma talk.

- ❖ Appointing a senior staff person to oversee the program. Trueman and Eryl have agreed to share this responsibility. (See Appendix H – Lead Liaison – Job Description.)
- ❖ Review and endorse moving forward on completion of a curriculum for the youth program by fall 2019. Trueman and Eryl have prepared an outline to guide them in this work. [See Appendix I – ZC Youth Program Curriculum Outline (An Example).]
  - Note that the Curriculum includes programs designed for older children and teenagers, most likely in the form of a coming-of-age program. As several of our families have children who will be ready for this in the next few years, it will be important to develop the resources needed to implement and sustain this program when they are ready.
- ❖ Continuing the work of the Youth Task Force through regular meetings to address issues and opportunities related to the RZC's integration of families and youth, and the necessary parent energy to sustain this work. Even meetings held on a quarterly basis would go a long way to ensuring the sustainability of the nascent youth program.
  - This will include, in January 2020, completing a program evaluation. Participation by families with children and availability of leadership resources will be important ingredients in the Task Force's recommendations about how to move forward.
- ❖ Recognizing that a major function of RZC is the residential training program, establishing clear guidelines for family use of Arnold Park and Chapin Mill that respect the boundaries of the residential program. (See Appendix J – Guidelines for Families for Use of Arnold Park and Chapin Mill.)
- ❖ Additions to the website to include RZC's offerings for youth and families (See Appendix K – Recommendations for Additions to Website)
- ❖ Integrating information about the youth program as a routine part of Introductory Workshops to make potential new Sangha members immediately aware of these programs.
- ❖ Changes to our mission statement and by-laws which will position RZC as a center for residential training and for support of individuals and families in their day to day practice. (See Appendix L – Proposed Change to the Mission Statement)



## Appendix E

### Report of Facilities and Sustainable Operations Committee – May 2019

Committee Members: Bill Lindenfelser, Tom Kowal, Wayman Kubicka, Jeanette Prince-Cherry, John Pulleyn, Devin Wiesner

#### Chapin Mill pond culvert repair

The New York State Department of Environmental Conservation (DEC) returned our application for a project permit, since the DEC has decided that the mill pond may not be drained, as we had originally planned. Two DEC staff members met at Chapin Mill with Wayman, Bill, and our intended contractor, Greg Post, on 30 April. From that meeting, it was clear that the pond would have to be left at least partially filled, and that a coffer dam would have to be constructed just upstream of the culvert weir. Greg Post will develop incremental plans to accomplish that. The incremental cost is unclear, as is DEC approval of the revision, as well as the project schedule. This continues to evolve. The culvert continues to deteriorate, but the roadway above it is still useable.

#### Arnold Park wooden fence

Part of the fence along the parking lot collapsed in a wind storm in February. The root cause was the decay of the posts at the point of entry into the ground. In addition, the concrete footings for the posts are fractured, probably due to freeze/thaw cycles of the water contained in the post sockets. Further inspection leads to the conclusion that the rest of the fence (around the Founder's Garden and the trash area) is in a similar state. Repair of the fence (using the existing posts, trimmed off and mounted via galvanized pipe into new footings) is possible, but would entail a lot of labor. We are evaluating possible replacement of the downed portion of the fence with a suitable evergreen hedge. We'll continue to monitor the state of the fence sections still standing.

#### Replacement of boxwood hedge in front of the Center

The low boxwood hedge in front of the Center was dying because of multiple problems and has been removed. With help from landscape architect David Fernandez, we are replacing it with a hedge of dwarf inkberry holly, an attractive plant that is easier to grow and more tolerant of a variety of conditions.

#### Arnold Park Repair and Maintenance

John Pulleyn has stepped in to manage the place, but we need a staff person skilled in this area. Projects and routine maintenance are largely being handled by volunteers.

Submitted by Bill Lindenfelser, Committee Chair

## Appendix F

### Chapin Mill Caretaker's Report – May 2019

#### The New Retreat Center Boiler

It's taken quite some time for us to get the new, very advanced, 96.5% efficient LAARS Neotherm boiler properly adjusted, both because we sized down from the use of two boilers and because of an unrelated partial failure of a circulation pump.

We do have one remaining problem, and that's a noise problem quite likely coming from the air intake just beneath the bedroom usually used by the head monitor. It's not a major noise, but recently some occupants of Room 1A have found their sleep disturbed. So we will need some kind of additional intake muffler.

#### Culvert/Road Rebuild at the Mill House Dam

I believe Bill Lindenfesler will be giving a report on the progress toward a culvert/road rebuild at the Mill House dam site. I will simply report that due to a required visit by Department of Environmental Conservation representatives, we will be obliged to build a coffer dam so that a significant amount of water remains in the pond while we are rebuilding the culvert and road. Additionally, at the time that we do the culvert and road work we will need to add about 25 feet of wall inside a portion of the existing swimming pool wall, to rectify the collapsing condition of the old wall. To add this wall at a later date would involve another pond drainage, possibly an additional coffer dam, and therefore significantly greater expense.

Repairing the swimming pool wall is, I believe, part of our obligation to maintain what we were given.

At this time we are unable to know just when the culvert/road work and the swimming pool wall rebuild can begin. It depends on how much water is flowing into the pond. Greg Post knows the low flowage that will be required, and will not begin until he is pretty sure that the low flow will be maintained for a sufficient period of time to accomplish the work, without needing to resort to renting large expensive pumps to save the project. Therefore, we do not know that the work can be done this year, or even next year.

But if it can be done this year we need to be ready, if financially possible, to go ahead without delay. The road is continuing to break up, and the corrugated steel culvert supporting the road has been in there since the mid-1950s, according to Greg Post's best estimate. This means that we do not know the condition of the present culvert or whether it can continue to be used for Greg's proposed additional support structure, or needs to be replaced.

Also, the present condition of the road means that Greg Post may determine that we need to place large steel plates down over the culvert area before the arrival of Todd McGrain's sculptures and the large crane that will be used to hoist the sculptures over the 49-foot span of the west side roof of the courtyard. We don't yet know the dates that Todd's sculptures might arrive; they may arrive sometime in the latter half of July.

### Steel Radiator Replacement in the Phase I Portion of the Retreat Center

I got in touch with Baker Plumbing of Rochester, the firm that originally purchased and installed the hot water wall radiators in the rooms and halls of the Phase I building. The person I talked to remembered that his dad had talked about the job they did a maybe 16 or 17 years ago, and he said they would look for the files. So I asked Arctic of Batavia to price a full replacement of all those wall radiators, but don't yet have their estimate. I also suggested that they get in touch with Baker Plumbing, to see if they can learn anything about the original purchase. Three radiators failed earlier this year, but none since then. The problem is that it puts our renters and rental program at some risk, and failures in the winter would be especially nasty.

### Infrastructure for the Todd McGrain Sculptures/Further Development of the Courtyard

We recommended Dana Stringham, a contractor who has done considerable work here at Chapin Mill over many years, to Todd McGrain for the foundational structures for the sculptures. Dana thinks he can get the work done in a 10-day window, but he'll have to avoid our June sesshin and one 4-day rental. Todd has determined that the existing Japanese maple will have to be removed from the courtyard.

### Exhaust Fan in the Retreat Center Attic above the Piano Room

A couple of months ago, we installed an exhaust fan in the attic above the Piano Room. The fan will exhaust air from the attic in certain winter conditions and prevent large amounts of water from running down the inside of the windows; this will also prevent destruction of ceiling drywall at the south windows.

### Farm House Roof Replacement

The same contractor who will install the metal roofing on the Klava House will be installing a new metal roof on the Farm House. The roofs will be a dark color in order to prevent their being too conspicuous from the Retreat Center. Roshi kindly picked the color for us!

(This report does not include discussion of the Klava House project, about which Tom Kowal will report .)

Submitted by Wayman Kubicka

10 May 2019

# Klava House Report

May 10, 2019

Prepared by Tom Kowal

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Unfortunately, there is more bad news than good news to report, so I will start with the good. There have not been any major surprises or setbacks during the construction process so far (unrelated to the financial matters and labor challenges described below). Likewise, there have not been any major injuries or accidents to report, just the occasional splinter or minor cut, which are to be expected.

This past winter was a good test-run for the expected performance of the house. There were a few stretches of time that were in the teens and single-digit temperatures. Even though the the insulation was not completely installed at the time and the finish exterior doors are not yet hung, I was able to keep the inside temperature at a stable 60°F using just two basic, electric single-room space heaters. I am very optimistic that the house will require very little energy to keep comfortable in the years to come.

Now for the bad news. Last week, I was quite surprised to discover that the Klava House costs so far have already reached the total budget of \$150,000, with several major items that still need to be installed. I was surprised not so much by the possibility of a miscalculation in my original estimate, but by how far off the expenses thus far are from the mental tally I've been keeping. I knew that I was under budget on a few big purchases, such as sourcing reclaimed insulation compared to budgeting for new and using leftover steel rebar from the Retreat Center construction, which saved a couple thousand dollars. I also knew that I wasn't purchasing much more than was expected because I've been getting accurate measurements from my computer drawings. I did have to make a few unexpected tool purchases, like a flooring nailer, and framing nail gun, because the ones that we already owned were not working properly and were significantly slowing down progress. The paragraphs that follow show what I discovered after digging into the numbers.

Below are the most significant discrepancies between my estimates and the actual costs, along with explanations for each:

- Heat Recovery Ventilation System

Budgeted: \$5,000    Actual: \$6,800

This is a key piece of equipment for tight, high-performance buildings. The cost of the system usually makes up the difference for the significantly-reduced cost for heating/cooling. It provides a continuous exchange of fresh outside air with stale indoor air, while at the same time transferring over 90% of the heat that was added to the house in the winter or removed in the summer.

My original estimate was based on a \$4,800 quote for a smaller system that fit with my initial proposal of a smaller house without a basement. When the decision was made to make a larger home with a basement, I did not factor in that the cost of the system would be higher to cover the additional floor. If I were to have installed the smaller system, it would have only been suitable for the upper floor of the final house design. I decided that the additional cost of a slightly larger system was worth it to pay upfront, instead of potentially having to add another \$4,800 unit in the future to accommodate the basement level.

- Windows and Doors

Budgeted \$18,000    Actual \$21,000

My original budget was based on the options available in the United States. Like the HRV above, the windows in a high-performance building play a large role in energy efficiency. The two U.S. companies that I checked out used a licensed German process and German materials to make their windows. One was located in Colorado and would have required special “breather tubes” in the glass to compensate for the elevation difference, which I was leery of.

The second company was based in Wisconsin, and I drove to Michigan to visit a couple of their customers who agreed to show me their windows. The quality was very good, and I was expecting to go with them. However, I noticed there was a lot of turnover in employees based on the number of sales representatives I had to deal with. Eventually, I was put in touch with the owner, who wasn't very eager to respond, and therefore I wasn't comfortable using them.

In the end, I chose a Canadian firm that imports windows from Austria and has a great reputation. The strength of the U.S. dollar versus the Canadian dollar at the time was helpful in defraying some of the extra cost, and I am confident that we got a much better product for the additional expense.

- Site work and excavation

Budgeted: \$5,500 Actual: \$9,500

The difference here is probably due to a combination of lack of prior experience of my part and the nature of the work. I received some ballpark numbers from local contractors, Greg Post and Dana Stringham, and checked their calculation against the [RSMeans](#) estimating data, which is the national standard for construction estimations for specific regions. In hindsight, I was overly optimistic in the extent of work that I would be able to do myself using our own Kubota tractor. In the interest of time, after getting a later than expected start on the project at the end of 2017, I decided to have the professionals do more of the work than I had originally planned, which in turn increased the cost.

- Forklift rental

Budgeted: \$2,000 Actual: \$10,700

I originally expected to need the lift only for the roofing portion of the project; however, due to the reduced availability of able-bodied help from the continually shrinking ZC staff, it seemed like a worthy expense to use the forklift rental to accomplish more work with fewer people. (For reference, when I made the original budget just before the Center's 50th anniversary, there were 5-7 staff members that were well suited for construction work and expressed interest in helping with the project.)

- Lumber

It would be time-intensive to report the budgeted amount because the cost of the lumber was folded into discrete building elements, such as a wall system calculated by square footage. Additionally, at the time of writing this report, I haven't yet calculated the approximate amount of additional expense, but I may be able to do so in time for the Trustees meeting. As one example, the cost of an individual panel of roof and wall sheathing was estimated at \$20 and the amount that was spent was nearly \$30 per panel. The difference in price for solid lumber is probably more drastic because the production of sheet goods involves more steps that aren't directly related to lumber prices.

The largest chunk of additional expense appears to have come from the surge in lumber pricing from the time that I made my estimates to the time that I made the actual purchases. A more experienced construction estimator would have likely factored in a bit more cushion for price changes than I did, but it appears that the main reason for the added expense is due to a major change in the lumber market. The attached articles describe a bubble in the lumber market caused by a combination of increased U.S. duties placed on Canadian lumber imports, and the three major hurricanes that struck the U.S. at the end of 2017. The graph gives a visual sense of the market shift.

Moving Ahead**The following items are still necessary to obtain the Certificate of Occupancy:**

\$1,400	Basement and garage drywall (required for code)
\$8,500	Roof
\$4,500	Siding
\$1600	Plumbing and Bathroom fixtures
\$1000	Electrical
\$1000	Misc.
<b>\$18,000</b>	<b>Total</b>

These items could probably be significantly minimized to obtain the C of O, but would be necessary/desired not too far down the road:

**\$6,000-8,500 Kitchen**

We could likely postpone installing the final cabinets and appliances and make do with temporary shelving and appliances.

**\$4,500-5,500 Mudroom/Entry & Screen porch**

Depending on the inspector's assessment, this could possibly be delayed. The roof for this portion is already built. The floors and walls could be built as funding permits; however, a code-approved stair and landing would be necessary for the entry.

**\$4,500 HVAC**

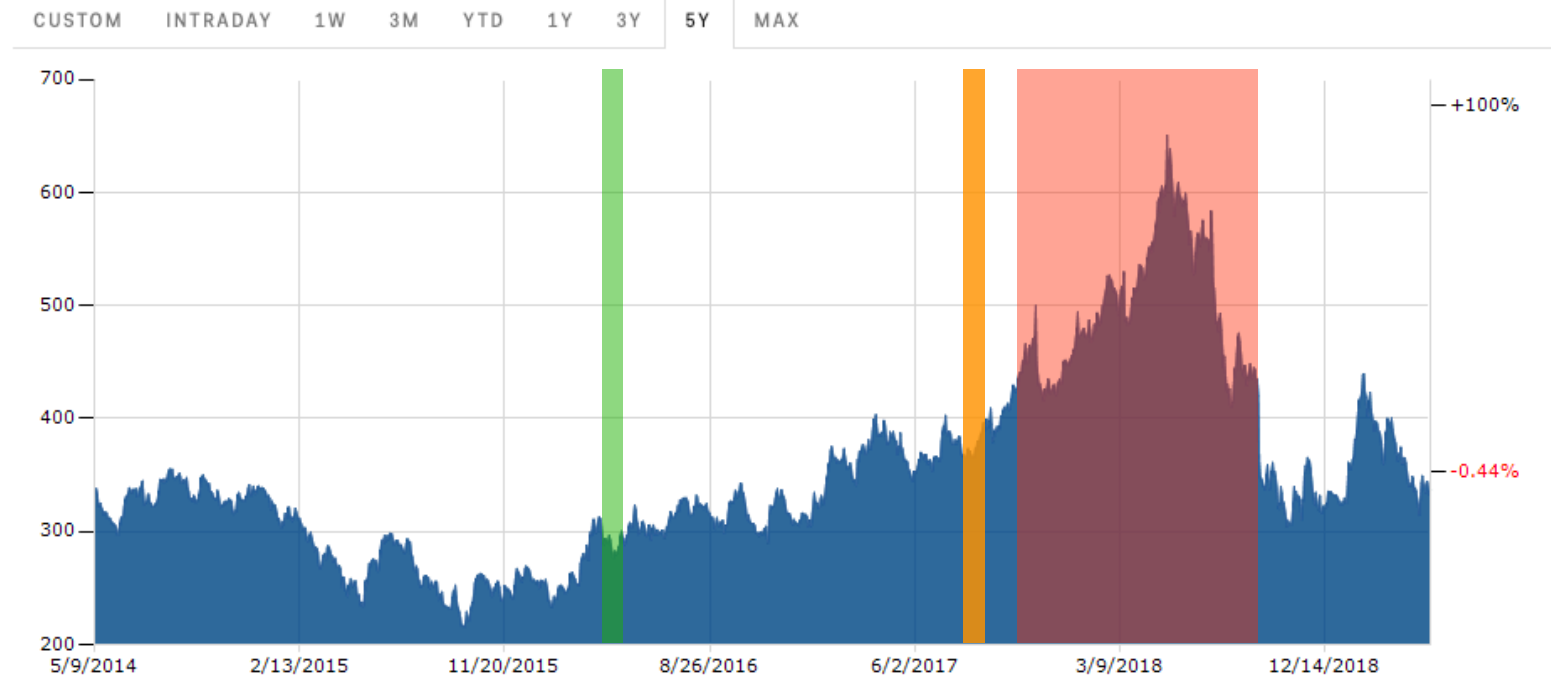
This cost would be for a ductless mini-split system similar to what was installed in the AP zendo and Sand Room last year. I was planning to postpone this purchase so that we could use the house for a full year to get a sense of what would be necessary. We would still need to install some form of fixed heating that meets code, but based on this past winter with the space heaters, I'm convinced a couple of cheap electric baseboards would suffice.

**\$3,500 Garage floor/doors**

We could simply put down gravel on the floor for the time being and keep the garage open like a carport, if necessary.

**TOTAL: \$18,500 - \$22,000**

## LUMBER PRICE CHART



## LUMBER IN USD - HISTORICAL PRICES

<https://markets.businessinsider.com/commodities/historical-prices/lumber-price>

- Estimates for lumber pricing in Klava House were made
- Hurricanes: Harvey (8/25/17), Irma (9/5/17), Maria (9/19/17)
- Majority of lumber purchases for Klava House were made