

DRAFT – Subject
to Approval by
Board of Trustees



ROCHESTER ZEN CENTER
A BUDDHIST COMMUNITY

BOARD OF TRUSTEES MEETING

October 21-22, 2022

Minutes recorded by the Secretary and the Trustee Chair Emerita.

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

The following were present at the meeting:

Trustees: Jonathan Hager (Chair), Chris Pulleyn (Trustee Chair Emerita), Sensei Gerardo Gally, Rebecca Gilbert, Luka Häkkinä, Ven. Lila Redding, Thomas Roberts

Officers: Roshi Bodhin Kjolhede, Spiritual Co-Director and Co-President; Sensei John Pulleyn, Spiritual Co-Director and Co-President; Sensei Donna Kowal, Co-President; Scott Jennings, Secretary and Business Manager; Barry Keesan, Treasurer (Jeanette Prince-Cherry, Vice President, was unable to attend the meeting.)

Others: William Lindenfelser, Chair of Facilities and Sustainable Operations Committee; Ven. Trueman Taylor, Arnold Park Head of Zendo

- ◆ The Secretary noted that at its meeting on October 23, 2021, the Board had amended the Center's by-laws to provide for the possibility of two Spiritual Co-Directors, but had not formally invoked that new Article II(F) to provide that the position of Spiritual Director be held jointly. Accordingly, acting *nunc pro tunc* [now for then], the Board determined that, effective as of October 23, 2021, the position of Spiritual Director would be held jointly by two Spiritual Co-Directors. Roshi then reported that he had – also in accordance with Article II(F) – executed a notarized document appointing Sensei John W. Pulleyn III as Spiritual Co-Director of the Center, effective October 23, 2021. A copy of that notarized document is filed with these minutes as Appendix A. Acting pursuant to by-law Article

II(B)(4), the Board thereupon formally certified that John-sensei had been properly designated as the Center's Spiritual Co-Director in accordance with Article II(B).

Roshi then confirmed to the meeting that – as discussed in his letter to the Sangha dated September 16, 2022 – he would be stepping down as the Center's Spiritual Co-Director upon his return to Florida toward the end of October, and that John-sensei would then formally appoint Sensei Donna Kowal as Spiritual Co-Director. A copy of Roshi's September 16 letter is filed with these minutes as Appendix B. Acting pursuant to Article II(F), the Board then determined that upon Roshi's resignation as Spiritual Co-Director the position of Spiritual Director would continue to be held jointly by two Spiritual Co-Directors.

The Board then certified that upon John-sensei's execution of a notarized document appointing Donna-sensei as Spiritual Co-Director, Donna-sensei would be properly designated as the Center's Spiritual Co-Director in accordance with Article II(B). A copy of John-sensei's notarized document appointing Donna-sensei as Spiritual Co-Director is filed with these minutes as Appendix C.

Roshi then tendered his resignation as Co-President, and the Board thereupon confirmed Roshi's continuing appointment as an Honorary Trustee. The Trustees gave their heartfelt thanks to Roshi for his 36 years of unstinting service as spiritual leader of the Center and conferred upon him the title of Spiritual Director Emeritus. The Board then elected Donna-sensei to the office of Co-President in lieu of her previous position as Assistant Secretary. The Board also confirmed John-sensei's continuing status as the Center's other Co-President.

- ◆ Roshi and Donna-sensei left the meeting, and the Compensation Committee, which comprises the Center's Officers (excluding the Spiritual Co-Directors) and the Board Chair, discussed Roshi's and Donna-sensei's salaries. The Committee proposed that Roshi's annual salary (base pay of \$27,500, plus any donations to the Center that may be earmarked to supplement his base pay) remain unchanged while he continues to work for the Center as Spiritual Director Emeritus. The Committee also proposed that Donna-sensei's base salary be increased to an amount equal to the top tier (7+ years seniority) of regular staff salaries, plus an amount equal to the top tier (15+ years seniority) of employer contributions to the Center's retirement plan. This combined amount (after the catch-up increases approved by the Board later in this meeting) is currently \$11,719.68 per annum. [*Secretary's note:* It is contemplated that once Donna-sensei becomes eligible to participate in the Center's section 403(b) retirement plan in September 2024, her salary will be adjusted accordingly.] The Committee proposed that her salary also include (1) an amount equal to her contribution to her former employer's health-insurance plan in which she continues to be enrolled, (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 her base pay. Acting pursuant to Article II(E) of the Center's by-laws, the Board acquiesced in the Compensation Committee's recommendations. Donna-sensei and her husband Tom, who is also a Center employee, will continue to live in Klava House at Chapin Mill. John-sensei confirmed that there is currently no need to adjust his salary. Roshi and Donna-sensei returned to the meeting.

- ◆ The Board discussed the designation of a portion of Roshi's salary as a 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 are greater than \$30,000 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 determined that, starting in 2023 and continuing until such time as the Board may determine otherwise, Roshi's annual clergy housing allowance will be the lesser of (1) the entire amount of his salary, minus \$4,000, minus the year's total non-elective (employer) contributions to Roshi's 403(b) account, or (2) \$30,000. (Because John-sensei is not ordained clergy, none of his salary can be designated as a clergy housing allowance. Donna-sensei is also not ordained, and her housing is provided by the Center.)
- ◆ The Board approved the minutes of its May 14-15, 2022, meeting as submitted by the Secretary on September 3, 2022, and the minutes of the May 29, 2022, annual corporate meeting of members, as submitted by the Secretary on September 24, 2022.
- ◆ The Board approved the following reports, which are filed with these minutes: Facilities and Sustainable Operations Committee (FASOC) (Appendix D), Sangha Programs Office (SPO) (Appendix E), Workplace Safety Committee (Appendix F), Retreat Center Refurbishment Task Force (Appendix G), Chapin Mill Rental Committee (Appendix H), and Ethics and Advisory Committee (EAC) (Appendix I).

Bill Lindenfelser, who serves as Chair of FASOC, commented that the Committee is looking for guidance from the Board regarding rehabilitation of the older buildings at Chapin Mill, for example what level of thoroughness and expense is warranted in planning renovations to the Mill House and the Farm House. Donna-sensei and her husband Tom, a FASOC member who also serves as Chapin Mill Caretaker, will consult with Andris Chapin to solicit her input as we formulate repair and rehabilitation plans. Barry commented that we hope to create a comprehensive strategic plan for Chapin Mill over the next several years, which will help us decide on the appropriate costs and levels of refurbishment for the various buildings there. Bill, Tom Kowal, and Danan Redding will thoroughly evaluate the condition of the Mill House, assess costs, and make recommendations to the Board regarding refurbishment priorities.

Luka commented regarding attendance at the Uprooting Racism events sponsored by the SPO. The largest turnouts (15 to 25) have been for featured speakers and film discussions, while book discussions have typically attracted fewer participants. Several Trustees emphasized the importance of keeping accurate attendance records for events.

Regarding the EAC report, the Board instructed that the procedures for reporting harassment or abuse, including the incident-reporting flowchart, be publicized by all reasonable means.

Regarding the Safety Committee report, Board Chair Jonathan Hager, who is a physician and serves on the Center's COVID-19 task force, reported that the task force is moving toward recommending less restrictive masking policies at the Center. Jonathan pointed out that (1) it is very unlikely that those who are fully vaccinated and boosted will become critically ill from the disease; (2) ventilation and air-filtration systems are in use at the Center; and (3) the Center continues to encourage masking by those who are uncomfortable going unmasked in a particular situation or setting.

The Board approved the funding request of the Retreat Center Refurbishment Task Force set forth in its report. The additional funds will be used for bedding, carpeting, chairs, and bathroom renovations. Chris Pulleyn, who serves as Chair of the Task Force, commented that an important goal of the refurbishment process is to create a uniform, attractive appearance that will appeal to potential renters. In total, an additional \$12,890 was added to the Task Force's multi-year budget, for a total of \$44,875. The Board confirmed that authorized expenses will be paid insofar as possible from the Center's Mindfulness Outreach Fund. However, at the Business Manager's suggestion, the Board determined that the balance of expenses will be capitalized, rather than being taken from the Cost of Chapin Mill Rentals account.

- ◆ The Board approved the Development Committee's request that the Committee's charter be amended as follows to reflect organizational changes at the Center:

The Development Committee is dedicated to raising the funds that keep the Rochester Zen Center going. As membership fees account for most of the Center's income, the Committee is charged with attracting new members and retaining existing ones. This may include marketing, grant-writing, project fundraising, and personal solicitation of donations. The Development Committee also supports events, both internal and external, that are executed by the Sangha Programs Office. The Committee, in consultation with the Spiritual Co-Directors, operates within a Zen Buddhist ethos.

Regarding fundraising, Chris Pulleyn, who serves as the Committee's chair, noted that although the Committee may from time to time make recommendations to the Board, the Committee operates at the Board's direction and implements the policies and decisions made by the Board.

- ◆ The Board approved the Business Manager’s financial report for the third quarter of 2022, which is filed with these minutes as Appendix J. As of the end of the third quarter, total operating income was 65 percent of the total predicted for the year, which is the same as in 2021. Chapin Mill rental income has recovered to pre-pandemic levels, but Buddha Hall rental income continues to be low due to the continuing pandemic-related financial problems of the yoga group that rents the space from us. Membership contributions are slightly higher than last year, after adjusting for inflation. However, sesshin income remains somewhat depressed compared to pre-pandemic figures. Total operating expenses were as expected in view of the 2022 budget, as well as past-year, third-quarter financial results. However, kitchen expenses are higher than predicted due to our having more residents than we projected when the 2022 budget was created. (Scott commented that this is actually a positive development.) Utility expenses are running very high, both at Arnold Park and at Chapin Mill, mostly due to a large increase in energy prices. A secondary factor is the resumption of a full schedule of rentals and sesshins at the Retreat Center. Because of a severe downturn in the stock market, the Investment Fund has decreased in value by \$340,618 (16.7 percent), before the year-to-date investment draw of \$54,269. Scott mentioned that since the Center did not lay off employees during the pandemic, we’ve received \$42,095 in one-time grants (as loan forgiveness) from the Federal Government under the Payroll Protection Program (PPP).

Scott also reported that the final accounting for the Klava House project was as follows:

Donations Received	\$158,819.70	
Shortfall Paid by Zen Center	\$32,799.87	
Total Cost of Klava House	\$191,619.57	(Amount Budgeted = \$200,000)
Pledged but Not Yet Given	\$6,200.00	

- ◆ Scott reported on behalf of the Center’s Finance Committee, which comprises Scott, Barry, Jonathan, and John-sensei. The Committee recently met with the Center’s Merrill Lynch investment advisor to review the Center’s investment portfolio. As shown in the third-quarter financial report, the equity holdings in our portfolio (66 percent) are somewhat above the maximum percentage (60 percent) permitted under the Center’s investment policies. However, in view of the decline in the value of the Center’s equity investments caused by the current downturn in the stock market, the Committee has decided not to sell any equity holdings at this time. The Committee did decide to use several hundred thousand dollars of cash held in money-market funds to purchase six-month and one-year United States Treasury securities that are yielding about three percent per annum, a higher yield than the money-market fund.

- ◆ Trueman reported that Sangha member Cecily Fuhr – an attorney who has professional experience in employment law – had recently led sexual harassment prevention training for the Center’s staff and residents. Every employer in New York State, including the Zen Center, is required to provide employees with annual interactive sexual harassment prevention training. The training that Cecily led included the viewing of two videos produced by the New York State Department of Labor. When the Center conducts training for its staff and residents, those who regularly volunteer at the Center will also be invited to participate. After considering recommendations of the EAC, the Board determined that all the Center’s Trustees and Officers – even if they are not Center employees – will be required to undertake annual training, either through the Center or through their own employers. For now, Lila will document training for trustees and officers. In addition, Cecily will be asked to help the Center remain in compliance with applicable anti-discrimination laws. Finally, Scott mentioned that Lila and Trueman are working on updating the Center’s policies and procedures in ways recommended by our liability insurer, so that the Center’s existing abuse-and-molestation coverage will be eligible for extension through our liability umbrella policy.
- ◆ The Board discussed concerns raised by a senior Sangha member in a letter to the Board regarding what he characterized as “a process of ‘institutionalizing’ wokeness at the Zen Center.” In this connection, Roshi also raised concerns regarding the Board’s previous decision at its meeting of October 23-24, 2021, that the Center display a “Black Lives Matter” flag at Arnold Park, as requested by the Center’s Uprooting Racism group. By a vote of 5-to-1, the Board decided to postpone display of the BLM flag until full discussion at a future meeting.
- ◆ Bodhin-roshi, John-sensei, and Donna-sensei reported regarding spiritual affairs. On October 16, Roshi sanctioned Donna as a Zen teacher in a ceremony at Chapin Mill. Roshi plans to conduct two additional ceremonies for Donna next year: first an ordination and then, later, a Dharma Succession ceremony. Currently, John and Donna plan to serve as the Center’s “presiding teacher” for alternating six-month periods. On October 8, Roshi conducted an ordination ceremony for Scott and Dené Redding, who were given the Dharma names Danan and Lila. And on October 23, Amala-roshi, who is visiting from New Zealand, plans to ordain Jeanette Prince-Cherry and Kathryn Argetsinger as Zen Buddhist priests. [*Secretary’s note:* Amala-roshi did ordain Jeanette and Kathryn, who were given the Dharma names Jissai and Kanji, respectively.]

Attendance at Tuesday evening “beginners’ nights” both at Arnold Park and Chapin Mill has been growing, and more young people have been attending introductory workshops. However, in-person attendance at sittings and sesshins has not yet returned to pre-pandemic levels. On the other hand, there is a strong, consistent group of attendees for the Center’s Zoom sittings, with about 25 participants at most morning sittings. Although

there are logistical burdens in offering online sittings and hybrid sesshins, the benefits for the Sangha appear very much to justify the effort. We'll be making efforts to communicate more effectively with the Sangha regarding schedules and procedures for dokusan and private instruction, as well as for other activities at the Center.

Regarding the residential training program, long-time Sangha members Martha Ruffo and Jay Thompson have been working with the Center's staff to re-organize the operations of the Center's kitchen so as to simplify procedures, improve efficiency, and make more effective use of resources. Roshi commented on the importance of taking care to preserve and sustain the Center's core mission of teaching and training, of which the residential training program is an integral part.

- ◆ Barry gave a presentation regarding the planned upgrade to the Center's very outdated information technology systems. The goal of the project is to set up a secure and integrated system of computer hardware and software – including office, database, accounting, and e-mail software, as well as a new telephone system – for the Center's teachers, staff, and volunteers. This system will help facilitate collaboration through data sharing, cloud-based editing, scheduling, conferencing, and remote access. Much of the software is being sourced through TechSoup, an organization that provides free or discounted technology products to non-profits such as the Zen Center. Hardware purchases, systems planning, and installation are being sourced and coordinated through a local company that provides information technology services for small and medium-sized organizations. Their high and low estimates for the project's cost, excluding the telephone system, are \$31,710 and \$22,010. High and low estimates for the telephone system are \$7,565 and \$6,619. In addition, at the recommendation of a certified public accountant with whom we've worked before, we're planning to move the Center's accounting system to the software platform that's used by most non-profit organizations. Including the CPA's consulting fees, the total cost for the entire project is estimated to be between \$33,000 and \$43,000. Scott reported that he has included \$40,000 in the capital expenditure budget for the project. The Trustees thanked Barry for all his many efforts in managing this project.
- ◆ The Board discussed sesshin fees, which were last set in 2014 at \$45 per day for members and \$65 per day for non-members. Fees at other centers offering retreats similar to our sesshin range from \$75 to \$114 per day for members and from \$95 to \$121 per day for non-members. A center that offers online sesshin charges \$60 per day, in contrast to the \$20 per day that we charge. The Board decided to set sesshin fees for members at \$85 per day starting next year and delegated to the Development Committee the task of setting fees for non-members and for online participants. (The Business Manager commented that a night at Motel 6 costs about \$75.) The Trustees emphasized that if sesshin fees are a financial burden, one may always ask the teachers for assistance from the Center's Training Fund.

- ◆ The Board discussed the levels of annual giving suggested in the annual fundraising letter and pledge form sent to Zen Center members every fall. It has been 15 years since the Center instituted its current two-tiered system of suggested annual contributions: \$500 for Supporting Members and \$1,000 for Sustaining Members. Those amounts in today's dollars would be \$716 and \$1,431. According to nonprofitsource.com, average giving by adults who attend Protestant churches in the United States is about \$17 a week, or \$884 per year. The Trustees emphasized that the Center asks only that its members donate what they can comfortably afford, given their financial circumstances, and that no one is ever precluded from membership because of limited financial circumstances. The Board decided that starting in 2023 suggested annual membership contributions will be \$750 for Supporting Members and \$1,500 for Sustaining Members. The Board hopes that by suggesting these two tiers of giving, those who have greater means will be encouraged to contribute generously.
- ◆ Barry led a collaborative exercise focused on evaluating the operation and effectiveness of the Center's Board of Trustees. In the exercise, participants identified positive attributes of the board's operations as well as areas of concern. Among the positives were mutual respect, competency, diversity of views, shared values, openness, and care for the Center, the Dharma, and the Sangha. Among the negatives were concerns about the trustee nominating process, lack of follow-through after decisions are made, insufficient training for new trustees, inadequate strategic planning, and procedural shortcomings in the conduct of meetings. The full list of positives and negatives identified in the exercise is set forth in Appendix K.
- ◆ Lila Redding now serves both as a Trustee and as a Zen Center staff member; Luka Häkkinen serves as a Trustee, is currently in residential training at the Center, and hopes to become a staff member. At the Board's May 2015 meeting, Gerardo-sensei and Tom Roberts expressed the view that it can be problematical for a Center employee to serve simultaneously as a Trustee, since organizational clarity can be compromised, and conflicts of interest can arise, when a person has such a dual relationship with an organization. At the May 2015 meeting, the Board determined that "although New York law permits an employee of a not-for-profit organization to serve as a board member (though not as board chairman), the Center's Trustees now recommend that Zen Center employees should not also serve as Trustees, except in extraordinary circumstances."

After Lila's appointment as a Trustee, the Board once again discussed this issue at its October 2021 meeting and decided to consider the question further at a future meeting. At the May 2022 Trustees' meeting, Betsy Friedman reported to the Board regarding her research into board structure and stewardship models at various religious organizations. At the Zen Centers Betsy examined, some staff may be voting board members; however, Betsy found that churches, with rare exceptions, prohibit staff from serving as voting board

members. At the May meeting, Board Chair Jonathan Hager agreed with Gerardo-sensei and Tom Roberts regarding the concerns that they had expressed regarding Zen Center employees serving as Trustees.

In preparation for this meeting, both Lila and Luka were invited to submit written statements offering their views on the issue. Both expressed the view that, for a number of reasons, staff representation on the Board is beneficial both to the Board and to the Center, as well as to the staff and the wider Sangha. The Trustees agreed on the importance of considering the interests of the Center's staff when making decisions, regardless of whether a staff member is serving as a Trustee. In accordance with the conflict-of-interest rules set forth in Article XII(C) of the Center's by-laws, Lila and Luka left the meeting while the remainder of the Trustees deliberated and voted on the question. After full discussion, the Board decided to amend the Center's by-laws to provide that in the future Zen Center employees may not serve as Trustees. However, it will remain permissible for a Spiritual Director to serve as the Trustee appointed by the Spiritual Director(s). The Board also decided that, notwithstanding this new rule, incumbent Trustees may serve out their current three-year terms regardless of their employment status with the Center. Moreover, staff members may continue to serve as Officers of the Center, and the Board also plans to continue inviting the Head of Zendo to participate in its meetings. Lila and Luka returned to the meeting. The Board directed Tom Roberts and Scott Jennings to draft a by-law amendment for the Board's consideration incorporating these changes.

- ◆ The Board discussed the composition and operation of the Trustee Nominating Committee. Under Article III(C)(1) of the Center's by-laws, the Committee has five or six members comprising (1) the Spiritual Director or Co-Directors, (2) an Officer of the Center designated by the Board of Trustees, (3) a Trustee designated by the Board of Trustees, and (4) two Members of the Center designated by the Board of Trustees, neither of whom is a Spiritual Director, an Officer, or a Trustee of the Center. The Board designated Barry Keesan as the Officer member of the Committee, Rebecca Gilbert as the Trustee member, and Judy Carpenter and Kathy Collina as the other two members designated by the Board. Under Article III(C)(1) of the Center's by-laws, the Committee nominates candidates for the three Trustees elected by the Center's members.

The Board discussed the need to make the nominating process more transparent to the Sangha, as well as more strategic in terms of identifying nominees who have leadership experience and competencies that will enhance the Board's functioning. Barry and Donna-sensei will lead the Committee in adopting procedures that will facilitate these objectives. In doing so, the Committee will build upon the statement setting forth the qualities of an effective Board member adopted by the Board at its May 1999 and October 2021 meetings (Appendix L).

The Board also requested that whenever the Board is to elect a Trustee, the Committee submit the names of at least two well-qualified Sangha members for the Board's consideration. The Board may then either elect one of those persons or another of its own choosing.

- ◆ The Spiritual Co-Directors requested that the Board grant staff member Mitchell Greenwood 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 Mitchell's life circumstances, their value to the Center as an employee, and the Spiritual Co-Directors' judgment that granting the requested exemption would not materially impair spiritual training at the Center, the Board approved their request.
- ◆ Donna-sensei and her husband Tom Kowal have been personally leasing a 2019 Hyundai Ioniq electric vehicle for the past three years. Their lease ends on November 18, 2022. Now that Donna-sensei is becoming the Center's Spiritual Co-Director, she will frequently need to travel between the Center's Arnold Park and Chapin Mill locations for work purposes, and the Board determined that it is in the Center's best interests to provide a Center-owned vehicle for her use. Tom's and Donna's lease has a buyout price of \$17,445.14. Tom solicited a purchase offer for the vehicle through an online vehicle dealer, carvana.com, and Carvana's offer was \$24,352, which is substantially more than the buyout price of the lease. The Board decided to take advantage of this opportunity to purchase the vehicle from the lessor at a substantial discount from market value, and to make it available for Donna-sensei's use.
- ◆ The Board reviewed historical information regarding both staff stipends and the Center's contribution to its employee 403(b) retirement plan. At its October 2021 meeting, the Board made inflation adjustments that partially restored the value of staff stipends to their 2004 levels and fully restored retirement contributions to their 2012 levels. (Staff stipends had last been adjusted in 2004, and the Center's contributions to the 403(b) plan had last been adjusted in 2012; however, over the intervening years, inflation had substantially reduced the value both of the staff stipends and of the retirement contributions.) The Business Manager informed the Board that, based on information posted online by the federal Bureau of Labor Statistics, restoring the value of staff stipends to their 2004 level would currently require a 31.6 percent increase, costing the Center about \$18,000 per year, and restoring the value of the retirement contributions to their 2012 level would currently require a 7.9 percent increase, costing the Center about \$2,900 per year. [*Secretary's note:* While deliberation and voting took place on the question of adjusting stipends and retirement contributions, all Zen Center employees left the meeting in accordance with the conflict-of-interest provisions of New York law and Article XII(C) of the Center's by-laws.]

The Board (acting without Lila, who is a Center employee) decided to increase both staff stipends and 403(b) contributions by the full catch-up percentages (i.e., 31.6 and 7.9 percent). Accordingly, the new schedule of staff stipends and 403(b) contributions, based on seniority, is as follows:

Monthly Staff Stipend		Monthly 403(b) Contribution	
<3 years	\$284.58	5-10 years	\$143.13
3-5 years	\$350.23	10-15 years	\$286.25
5-7 years	\$437.78	>15 years	\$429.39
>7 years	\$547.25		

In the future, staff stipends and 403(b) contributions will be reviewed annually, and inflation catch-up adjustments made as finances permit.

- ◆ The Board discussed the Business Manager’s proposed 2023 budget, as amended to reflect the adjustments in staff stipends and 403(b) contributions that the Board had just approved. Scott noted that the proposed 2023 budget has been developed with the understanding that the Center’s operations are returning to their pre-pandemic levels. After adjusting for inflation, the proposed 2023 expense budget of \$618,300 represents a 6.3 percent increase over the 2022 budget. Much of the increase is due to increased energy prices and an increase in the number of staff and trainees at the Center.

The proposed 2023 budget for operating revenue is \$438,600. Budgeted revenue is based, inter alia, on projections that (1) membership contributions will be consistent with past years, and (2) Chapin Mill rental income will return to pre-pandemic levels.

Because of the large number of previously-deferred capital projects that need to be undertaken at both Arnold Park and Chapin Mill, the capital expense budgets for 2023 have been increased substantially. (The costs of such projects are expensed as depreciation over a period of years.) These projects include major roof and other exterior repairs; enhanced insulation for the Chapin Mill Retreat Center; structural repairs to the Chapin Mill barn; replacement of HVAC equipment and controls; refurbishment of bathrooms and showers; and replacement of obsolete information technology systems. Also included in the capital expense budget is purchase of the Center’s three leased electric vehicles at the end of their lease terms. Scott commented that the financing of these capital projects will be greatly facilitated by a very generous bequest that the Center expects to receive at the conclusion of probate proceedings in early 2023.

The Board discussed the \$16,500 expense budget requested by the Sangha Programs Office that is included in the Business Manager’s proposed overall 2023 budget. Of this request, \$5,000 represents a consulting fee for program development and facilitation relating to the Uprooting Racism children’s summer Dharma camp held at Chapin Mill. Luka will talk with our consultant regarding her fees and the extent to which the Center could in future

years use its own facilitators who have been trained by the consultant. Another major portion of the SPO budget request is \$4,800 to convert the online “Dharma Reflections” series into a set of teaching modules. Dharma Reflections is monthly group, led by longtime Zen Center member Larry McSpadden, that provides an introduction to Buddhist writings and teachings.

The Board approved the 2023 budget, as amended. A copy of the budget is filed with these minutes as Appendix M.

- ◆ The Board confirmed Saturday and Sunday, May 20 and 21 [*Secretary’s note*: these dates were later changed to June 2 and 3], as the dates for its spring 2023 meeting, and tentatively set Saturday and Sunday, October 28 and 29, as the dates for the fall meeting.

Submitted to the Board of Trustees on February 28, 2023,
by Scott Jennings, Secretary



ROCHESTER
ZEN CENTER

APPOINTMENT OF SENSEI JOHN W. PULLEYN III
AS SPIRITUAL CO-DIRECTOR OF THE ROCHESTER ZEN CENTER

Acting pursuant to Article II(F)(1) of the Rochester Zen Center's by-laws, I hereby appoint, *nunc pro tunc*, Sensei John W. Pulleyn III as Spiritual Co-Director of the Center, effective October 23, 2021.

Bodhin Kjolhede

Ven. Bodhin Kjolhede
Spiritual Co-Director, Rochester Zen Center
October 20, 2022

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

On the twentieth day of October in the year 2022, before me, the undersigned notary public, personally appeared Peter (Bodhin) Kjolhede, personally known to me to be the individual whose name is subscribed to the within instrument, and acknowledged that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Scott Jennings
Scott Jennings, Notary Public

SCOTT JENNINGS
NOTARY PUBLIC
State of New York, Monroe County
Registration No. 021E/01807
Commission Expires 7/15/2023



ROCHESTER
ZEN CENTER

September 16, 2022

Dear Sangha,

I'm pleased to announce that in a ceremony next month, on October 16, I will be sanctioning Donna Kowal as a Zen teacher, and that when I return to Florida in late October she will succeed me as Spiritual Co-Director of the Center with Sensei John Pulleyn.

Last year, you'll remember, I enlisted John-sensei to partner with me as the presiding teacher in Rochester based on alternating six-month periods. He served in that position from late fall until the spring, and then since May 1 I've been back in that role. This was an arrangement prompted several years ago by my conviction that after thirty-five years as the sole Spiritual Director/Abbot and presiding teacher, it was time for me to move over and make room for another voice from that seat. From the outset, Sensei and I saw our leadership arrangement as temporary, partnering only until another qualified teacher could take my place. With this new, shared model of leadership having proven successful, I now feel it's time for me to step aside. This year, then, will be my last in Rochester.

John-sensei unreservedly endorses my choice of Donna as his new Spiritual Co-Director and a fully authorized teacher in her own right. We both recognize in her the qualities of character needed in a spiritual teacher: insight, integrity, stability, and emotional stamina. And her experience at the Center speaks for itself: Chapin Mill Head of Zendo; sesshin monitor; accomplished in the koan curriculum; skillful communicator and Sangha leader. Prior to joining staff, she was an active volunteer, including longtime Editor of *Zen Bow*. She also had a successful career in academia as an award-winning professor and author.

Splitting time between Arnold Park and Chapin Mill, where she lives with her husband, Tom, will require more commuting than Sensei or I have ever faced. She'll be counting, then, on Trueman Taylor, a seasoned Zen priest with much staff experience and many abilities of his own, as her Arnold Park lieutenant. And we have all learned how technology now can compensate for geographical absence.

My own teaching career is not over. While in Florida I will continue to offer online dokusan to my personal students (knowing that it's a pale substitute for in-person dokusan). Donna has invited me to lead the June 7-day sesshin at Chapin Mill next year, and I look forward to doing that. And I also expect to come to Rochester later next year to conduct two ceremonies: an ordination and, still later, a Dharma Succession ceremony for Donna.

These new appointments for Donna – for the Sangha – signal one more step in an evolutionary shift in Zen Center leadership that has already been underway. It marks an adaptation, I believe, that will ensure that we continue to accommodate to a world facing extraordinary turbulence. I trust that you all will give Donna your full support.

In the Dharma,

Bodhin Kjolhede

P.S. In my teisho this coming Sunday, I will speak more broadly to the matter of teaching and succession in Zen.



ROCHESTER
ZEN CENTER

APPOINTMENT OF SENSEI DONNA M. KOWAL
AS SPIRITUAL CO-DIRECTOR OF THE ROCHESTER ZEN CENTER

Roshi Bodhin Kjolhede having retired as Spiritual Co-Director of the Rochester Zen Center on October 26, 2022, and having assumed the position of Spiritual Director Emeritus, I, Sensei John W. Pulleyn III, hereby appoint Sensei Donna M. Kowal as Spiritual Co-Director of the Center pursuant to Article II(F)(1) of the Center's by-laws.

John W. Pulleyn III
Spiritual Co-Director, Rochester Zen Center
October 26, 2022

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

On the twenty-sixth day of October in the year 2022, before me, the undersigned notary public, personally appeared John W. Pulleyn III, personally known to me to be the individual whose name is subscribed to the within instrument, and acknowledged that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Scott Jennings, Notary Public

SCOTT JENNINGS
NOTARY PUBLIC
State of New York, Monroe County
Registration No. 0242301007
Commission Expires 7/15/23

VEN. BODHIN KJOLHEDE, ROSHI/ABBOT
FOUNDED BY VEN. PHILIP KAPLEAU, ROSHI

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Rochester Zen Center
Facilities and Sustainable Operations Committee
Report to the Board of Trustees
3Q2022

Summary

There have been significant improvements in the Zen Center's properties. But there is still a lot out there.

- The ½ mile long Chapin Mill roadway has been repaired and sealed.
- Numerous projects at Arnold Park are underway. An amazing effort by the AP Repair and Maintenance crew.
- The previously proposed changeover of the CM Retreat Center sprinkler system from a “dry” system to “wet” has been indefinitely postponed. The analysis by our sprinkler system consultant showed that our biggest concern, a catastrophic leak, is very unlikely. We will continue to fix the small leaks that have been occurring over the last several years. We've been driven to this postponement due to the lack of an insulation contractor who could make the thermal envelope changes consequent to the previously proposed changeover.
- Work on the CM Mill House is limited to immediate maintenance needs. There will likely be a large (~\$100,000) future expense to address its many necessary exterior needs: windows, carpentry repairs, painting, etc.

Great thanks to our Repair and Maintenance supervisors, Scott Redding and Tom Kowal, to the staff members engaged in the work, and to the Facilities Committee members: Sensei John Pulleyn, Barry Keesan, Scott and Tom.

Respectfully submitted,

Bill Lindenfelser, Facilities Committee Chair

Budget

State of the 2022 AP Budget

Non-capital

Project	Budget Estimate	Expense to-date	Status
7AP basement repairs	3,000	1,500	100%
5AP 2 nd and 3 rd floor paint and repair	6,000	6,500	85%
5AP 3 rd floor shower	4,000	0	Fall/winter
General maintenance	15,000	12,000	Ongoing
Repairs, major unexpected	3,000	3,000	
Deferred maintenance <ul style="list-style-type: none"> • Buddha Hall ext paint, flash dormers; • Link ext painting. 	9,000	9,000	
5AP Basement windows	10,000		Not started

Capital

Project	Budget Estimate	Expense to-date	Status
5AP 3 rd floor windows, balance	16,500	16,500	100%
Link roof	14,000	11,100	100%
Teachers quarters porch	5,000	2,000	10%

Additional major projects completed

- Buddha Hall 2nd floor repair; paint and flash exterior
- 5AP basement shop installation
- Link: repair, flash, paint exterior
- Remodel dorm: reconfigure men's dorm; add exercise room; new windows
- Rebuild 7AP chimney
- Rebuild 5AP front porch stone balustrade

2023 Proposed AP Budget

Project	Budget Estimate		
Buddha Hall fire escape: make kid-proof	3,000		
Dorm baths: remodel as 2 toilets + 1 shower	12,000		
5AP painting completion	4,500		
Buddha Hall: finish painting	2,000		
5AP roof: repair slate tiles; add snow bars, repair gutters	23,000		
5AP 3 rd floor bath: complete	2,000		
Subtotal	46,500		
General maintenance	15,000		
Major repairs, unexpected	3,000		
Deferred maintenance	9,000		
Subtotal	27,000		
Total 2023 AP budget	73,500		

Additional capital expense

- Lease buyout (due in 2023) for our 3 electric vehicles: 51,000

2023 Proposed CM Budget

Project	Budget Estimate		
General maintenance	25,000		

Capital Expenses

Project	Budget Estimate		
Boiler and HVAC controls	28,000		
Barn floor	15,000		
Retreat Center roof insulation	25,000		
Tractor replacement	18,000		
Upgrade RC bathrooms	25,000		
RC sprinkler system repairs	5,000		
Subtotal CM capital	116,000		
Total 2023 CM budget	141,000		

Sangha Programs Report: October 2022

Submitted by Donna Kowal, SPO Manager

At its last meeting in May, the Board expressed support for the Sangha Programs Office (SPO) strategic plan and value statements (see Appendix 1). Accordingly, this report is an update on our progress in implementing the strategic plan. Our primary focus has been on building an administrative, staff, information, and technical infrastructure to support Sangha engagement, all the while developing new activities and programs.

Learning, Growth, and Technology Perspective

- **Build a competent team:** The SPO team consists of Donna Kowal (SPO Manager), Dené Redding (Sangha Engagement Coordinator), and Luka Häkkinä (Marketing and Community Relations Coordinator), Mitchell Greenwood (Administrative Support). Barry Keesan and Chris Pulley continue to serve as volunteers. With Donna being sanctioned as a teacher, in the months ahead there will be a transition of roles and responsibilities, along with greater attention to individual professional development.
- **Heartfelt collaboration:** From the outset, the team has strived to stay in communication with each other, with ZC teachers, and with other leaders to develop programs that complement the mission of the Center. To keep our Sangha informed, beginning with this report we will post progress updates on the SPO web page. As we continue to work on improving our internal communication and collaboration, an important component is group learning that seeks not just to fix errors but to examine and correct underlying systemic issues, i.e., processes, tools, roles, and responsibilities.
- **Culture of change:** Barry is collaborating with Scott Jennings and others to upgrade the Center's software and hardware. Most recently, the Community Space at Arnold Park has been transformed into a hybrid meeting space, which will support both Sangha programming as well as routine ZC meetings. The ability to use technology in effective ways is an important aspect of adapting to change, such as we've experienced during the course of the pandemic.
- **Upholding the values of service, inclusiveness, and love:** The articulation of these values was a product of the strategic planning session held earlier this year and it informs and guides our efforts to cultivate an inviting and supportive Sangha community.

Internal Perspective

- **Deliver the right programs:** It is critically important to provide programs that Center members find helpful, and that add real value to their Sangha experience. To accomplish this, we are guided by input from interest surveys, a willingness to experiment, and an openness to new program ideas submitted by members. The SPO anticipates conducting another survey in 2023.
- **Contextual learning:** We continue to actively seek input from members and have spent a great deal of time improving the processes required to collect, evaluate, and select programs for implementation. We also look to serve a variety of expressed Sangha interests. For example, the Sangha Brunch Social is designed to help people get to know one another, and the Nonviolent Communication Group complements Zen practice off-the-mat. Both of these programs were launched this past summer.

- **Use of collaborative technologies:** The aforementioned forthcoming technology upgrade will be used for SPO project management, collaboration, scheduling of meetings, and resources such as meeting rooms and Zoom software licenses.
- **Build a robust database:** The Business Office is making changes to how it manages the Center's database as part of the current software upgrades. Later down the road, when the SPO has more fully developed its capacity to offer high-quality programming to both Center members and the wider community, data management will play an important role insofar as it shapes decision-making related to membership growth and financial sustainability.

Members, Donors, and Friends Perspective

- **Communicate offerings:** With Luka now a ZC resident (previously a volunteer), they are assigned to work part-time in the SPO, focusing on marketing and community relations related to Sangha program offerings. In addition to developing weekly bulletins for zendo announcements, they've created flyers and postcards that are displayed in the Link, and also made available at introductory workshops. They also continue to develop content for the weekly Sangha emails and social media.
- **Deliver quality programs:** Below is a sampling of program updates provided by our facilitators, who are predominantly Sangha volunteers. Meanwhile, to improve quality, we continue to explore ways to collect and analyze participant evaluations.
 - **Sangha Brunch Social** (initiated by Barry Keesan and coordinated by Dené Redding): Two brunch socials have taken place thus far, scheduled on select Sundays following teisho. A guest cook is recruited to prepare the food. A round-table, ice-breaker activity is introduced to promote friendly conversation. Each table has a ZC leader assigned as the activity facilitator (e.g., a teacher, head of zendo, trustee, or officer).
 - **Uprooting Racism** (co-led by Luka Häkillä and Alan Leiserson): Uprooting Racism is in its second year of programming since the strategic planning process, led by Dr. Sonia James-Wilson, transformed Seeing Through Racism into Uprooting Racism. [Our page](#) on rzc.org, under the [Community](#) menu, lists our mission and objectives as well as several vetted anti-racism resources. In addition to the long process of hanging a Black Lives Matter flag at the Center, programming highlights since the May 2022 Trustees' Meeting include:
 - A discussion of the Emmy-winning, BAFTA-nominated documentary, *White Right: Meeting the Enemy*, in which Pakistani-born Muslim director Deeyah Khan interviews a number of people in white nationalist organizations.
 - Three evenings of "Dinner and a Movie," in which Chris Pulleyn hosted small groups at her and John-sensei's home for a meal and a viewing of Ava DuVernay's acclaimed documentary¹³. This program was originally conceived due to disappointingly low attendance at some of the other Uprooting Racism events. In total, there were nineteen participants, a gratifying mix of new people and old hands. We hope to do it again next year with a different movie.
 - Several members of our team have restarted the program at Attica Correctional Facility leading incarcerated men in zazen. Response from participants has already been positive despite the long COVID hiatus.

Our next offering will be based on *Nonviolence, A Language of Life*, by the founder of NVC, Marshall Rosenberg. Participation will be opened up to anyone in the Sangha, and it will not require a commitment to attend a certain number of sessions.

- **DepreshZen Group** (led by Irizelma Robles and Tom Kowal): Depreshzen has had four meetings to date with a range of eight to fifteen people attending. Our email list consists of twenty Sangha members. At a recent meeting, we had a guest speaker, Dr. Mark Ligorski, who talked about psychiatry and Buddhist practice and responded to questions by the participants. We had a follow-up meeting (without Dr. Ligorski) to discuss what we had learned. Everyone seemed to appreciate his visit, and he has offered to join us again in future meetings. Moving forward, we are trying to schedule meetings at least once per month, depending on the schedules of the moderators and the availability of the Sangha Zoom account. Tom Kowal, Joel Lesses, and Irizelma Robles have served as moderators for the meetings so far.
- **Culture of volunteering:** The Center already benefits from volunteers who devote a significant amount of time and energy, both in-person and remotely, in ways that directly support the day-to-day functioning of the Center. Most recently, Martha Ruffo, a long-time ZC member and former ZC Head Cook volunteered as Head Cook at Arnold Park for over three full months so that Dené could work full-time as Sangha Engagement Coordinator. Currently, the SPO is exploring the development of a more structured volunteer program.
- **Chapin Mill globally recognized:** Not yet begun, this long-term project will involve considerable collaboration and planning related to the types of programs that might be offered there and the staff that will be required to support those programs.

Financial and Mission Perspective

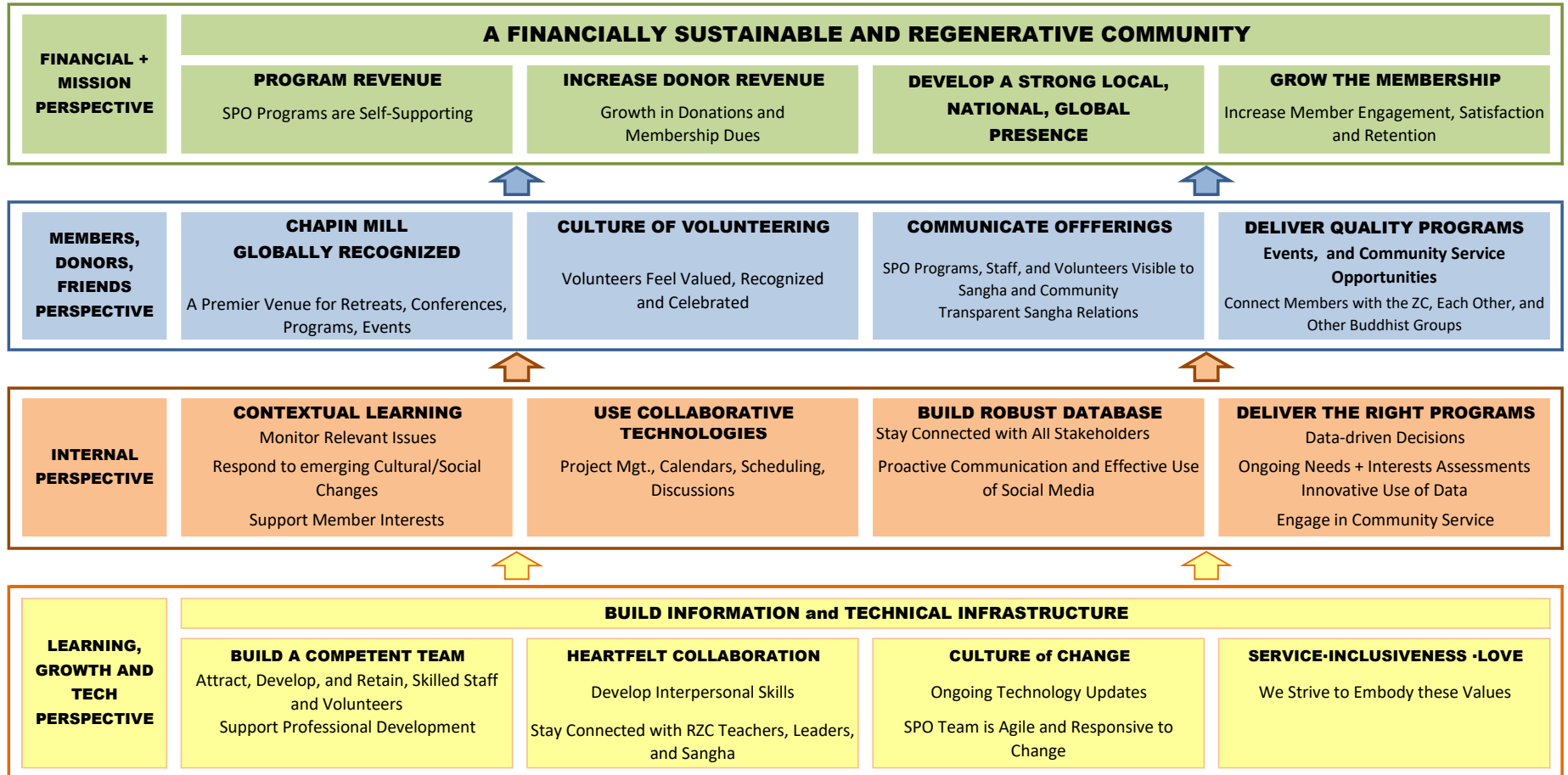
NOTE: The items below are all “lag” measure, meaning that they are the after-the-fact quantifiable results of the cumulative strategic initiatives above. It will take some time to see these indicators of success.

- **Program revenue:** So far, SPO programs have been offered free of charge; our goal is that Sangha programs will become self-supporting.
- **Grow the membership:** Engaged members are more likely to be retained.
- **Increase donor revenue:** Engaging Center members and cultivating community connections will contribute to increases in membership, dues, and other donations.
- **Develop a strong local, national, and global presence:** A robust offering of high-quality programs, both in-person and online, will raise the Center’s visibility.



RZC Sangha Programs
*Reinforcing Formal Zen Practice by
 Nourishing an Engaged and Inclusive Community*

"We take refuge in Sangha, and in its wisdom, example, and never failing help."





Rochester Zen Center
Sangha Programs Office

“We take refuge in Sangha, and in its wisdom, example and never failing help.”

OUR VALUES

Service

Our practice and livelihood are nurtured by the support we receive and give. Whether individual or collaborative, service can take many forms, including volunteering on behalf of the Center and the communities we live in, offering care and material aid, and providing spiritual friendship — any contribution in support of the needs of others and the planet.

Inclusiveness

We commit ourselves to the ongoing work of cultivating a welcoming, safe, and equitable community. On both a personal and collective level, we seek to raise awareness of the social forces and habit patterns that cause bias and division; to own up to our shortcomings as they contribute to suffering (both our own and others’); and to respect and value our differences in an effort to sustain a vibrant, mutually-supportive community.

Love

Love springs from awareness. In all that we do, we strive to interact with others in nonjudgmental awareness and see our Dharma siblings as they truly are, letting go of preferences, prejudices, and past experiences. As vessels for loving kindness and compassion, we commit ourselves to building harmonious relationships — communicating with respect, mutual trust, and love for the individuals with whom we live, work, and practice, including the wider Sangha community that sustains and supports us as we walk the Buddha Way.

SAFETY COMMITTEE REPORT: OCTOBER 2022

Committee Members: Eryl Kubicka, Tom Kowal, John-sensei, Scott Redding

Summary:

The major safety concern for the last six months has been to continue the mitigation efforts around preventing Covid-19 transmission, especially as we return to more in-person sesshins and rentals. The Covid task force has met regularly to address concerns and to update disinfection and masking protocols based on CDC guidelines. We had several sesshins and rentals with no transmission, but during the September/October sesshin one participant tested positive on the 3rd day and was sent home. No-one else tested positive after that, although one person was asked to wear a mask because they developed cold symptoms. Masking in motion was reinstated until Friday morning.

Arnold Park

One incident was reported when an employee put his foot through a weak board in the attic. He did not require any medical attention. The board was replaced. An incident report is on file.

Chapin Mill

One incident occurred during the September/October sesshin. A participant fell and hit his head while walking in the woods. He sustained a concussion and was seen by Paul McCormick, MD., who was also attending the sesshin. The injured participant was symptomatic with dizziness, poor balance and headache, and on Paul McCormick's advice, was driven back to Arnold Park to rest and recover. No follow up was required unless the symptoms worsened. Latest report is that he is improving. An incident report is on file.

Submitted by:

Eryl Kubicka 10/05/2022.

CHAPIN MILL REFURBISHMENT
TASK FORCE

2023 Budget Request

Many of the spaces in the Chapin Mill Retreat Center need upgrading in order to bring the environment up to the minimum standard of a mid-level hotel. This is a priority for rentals, and this budget request, while it does not cover everything that should be done, was developed with renter perceptions in mind.

A large dollar item is for non-allergenic winter blankets or comforters for the beds. Currently there is a mishmash of blue fleece blankets and heavy wool blankets, with the blue fleece blankets being used most often. Uniform coverlets have already been purchased for the beds, so adding an additional warm blanket or coverlet that can be turned down at the foot of the bed would be both attractive and practical.

The perimeter carpet in the zendo needs replacing; the current bid we have is outdated so this cost estimate is our best guess. Another major item will be bathroom cabinets, vanities, and storage units to be built by Bill Lindenfelser. Again, this estimate for the materials needed is simply a guess; I haven't yet had time to confer with Bill. And finally, 16 chairs are needed for bedrooms. These can be purchased used from an office equipment warehouse.

A full list of everything that has been considered for the upgrade is attached, along with projects that are likely to be addressed by R&M. It's important to remember that some of these items can very well be capitalized rather than expensed next year.

65 winter blankets or comforters @ \$50 apiece	\$3,250
Perimeter carpet for zendo	\$6,000
16 bedside chairs @ \$40 apiece	\$ 640
Materials for bathroom cabinets, vanities, etc.	\$3,000
TOTAL	\$12,890

CM refurbishment projects:

Zendo

- Replacement of perimeter carpet
- 10 chairs (black in color; 6 for inner zendo plus 4 for the carpeted perimeter)

Bedrooms

- 16 chairs: North East upper and lower levels and East Hall bedrooms
- 65 winter blankets (replace blue fleece with a more neutral color, and ideally some material other than fleece to minimize environmental impact)

Monitor's Quarters

- Paint accent wall or entire space (warm color)
- Throw pillows for the couch
- Replacement furnishings: desks in SE1 and common area
- Art for wall above the couch
- Replace cork board in common area

Bathrooms

- Renovations including vanities, countertops, storage, etc. (to be done by Bill L.)

Other Spaces

- Blinds for Piano Room (to address concerns about possible sun damage to the large Japanese screen)
- Second cork board for main entrance foyer
- Paint accent wall in main entrance shoe cubby area (warm color)

R&M projects that will support refurbishment efforts:

- Inspect and clean or replace clogged shower heads
- Build closet with sliding door in Dining Room (west corner niche)
- Kitchen entrance foyer renovation (partial wall and backsplash around sink and mop sink, etc.)
- Kitchen ceiling and walls (address damage from overheating of tea urn)
- Repaint all bedrooms and common areas
- Install altar in Soaking Bath #2
- Shelving for base of NE stairwell
- Shelving for base of kitchen stairwell

- Shelving in Altar Room
- First Aid closet in MQ: Add more shelves and a door that can be locked (this will address safety concerns and may eliminate the need to have extra supplies stored in the green cart)
- Remove unsightly plumbing in NEL on the wall across from the base of the stairwell, where there was originally going to be a water fountain
- Add a motion sensor fan to the urinal near the water table (currently on a timer switch; might address current issue with odors)

CM Teaching Budget

- Materials for moveable altar for Exercise Room zendo used by residents during winter months, when the heat in the north section of the building is turned down to conserve energy (to be built by Bill L.)

RENTAL COMMITTEE REPORT: OCTOBER 2022

Committee Members:

Eryl Kubicka, Donna Kowal, Betsy Friedman, Barry Keesan, Chelsea Barnard:

Summary:

The Rental Committee met in September with the goal of determining rental rate increases for 2023. We reviewed the rental rate data collected from other facilities. The majority of those facilities charge an individual participant rate rather than an overnight facility rate. This individual rate includes a room (shared or single), linens and towels, and meals. For these facilities, rentals are core business and there are dedicated staff and systems in place to support that mission. The inclusion of meals provides a great opportunity for generating revenue. By contrast, due to our tax exempt limitations, we cannot provide meals and have to outsource to caterers. On average, a caterer charges \$45-\$50 per person per day and this adds considerable expense to anyone renting Chapin Mill for a retreat or event. After discussing and evaluating all these and other factors, the committee members opted to stay with an overnight rental rate for Chapin Mill, at least for 2023. However, an overnight per person rate of \$60 for individuals and groups of 20 or less (without meals) was established.

Earlier this year, Barry Keesan completed a meta-analysis of Chapin Mill running costs and determined that, based on **60 days annual occupancy, a break-even overnight rate = \$1,350**. Using this as a guide and factoring in inflation and increased energy costs, the base overnight rate for new renters was increased from **\$2,200 to \$2,500**, and for returning clients, a **13% increase** on their current base rate. Linen charges were set at \$10 per person charged separately.

Rental Income for 2022 and 2023:

All groups, except [Renter A], have experienced a steep drop in enrollment. This has particularly affected [Renter B] and [Renter C]. For [Renter C], enrollment has dropped from an average of 40-50 participants, to the current retreat that has only 15 participants. On-line offerings have become the norm for many institutions and while not the same as in-person in so many ways, they fulfill continuing education needs without the expense, inconvenience and risk of traveling and being in a group setting. With that in mind, [Dr. X] canceled the May 2023 retreat in favor of an online version. He still plans two in-person retreats in October of 2023, three fewer than this year. **The income loss for Chapin Mill = \$2,500 x 10 days = \$25,000.**

For 2023, [Renter A] is on the calendar for April and November. [Renter D] will return in October and [Renter B] in August, This makes 16 total rental days. [Renter E] is a possibility for the spring also.

[Renter B] is scheduled for a 10 day retreat in January for a small group. They will be sharing the facility with CM staff, and paying \$60 per person per night without meals.

Rental Income for 2022:

In spite of the slow return of activity due to Covid, **Chapin Mill will be rented for 30.5 days in 2022, bringing in an income = \$55,720. We will need to increase outreach for 2023 to offset the loss of [Renter C] income.**

Rental Inquiries:

An online rental request form is now available on the RZC website. We have had several inquiries through this portal but none have resulted in a group booking. The reasons were; a) scheduling conflict, b) unable to afford due to group size, c) illness. Betsy Friedman is doing follow up interviews with groups that do not end up renting with us. We do offer to negotiate a lower rate if there is a reasonable request to do so depending on the group. Requests for one day events (3) have been successfully scheduled.

Submitted by

Eryl Kubicka 10/11/2022

MEMORANDUM

From: RZC Ethics and Advisory Committee

To: RZC Trustees and Officers

Date: October 14, 2022

The EAC has met regularly since the last trustees' meeting to discuss issues affecting the Center as well as any complaints of which the EAC members may have become aware. The principal issues under consideration by the EAC include the following, with recommendations italicized:

- A. Following up on the EAC report to the trustees prior to the May 2022 trustees meeting, the EAC met regularly and conducted research to determine how best to treat the issue of a senior, non-staff member ("A") who has made repeated unwanted physical contact with members and others at the Center. EAC members have met with A, A's wife and his designated advocate to discuss A's situation, including asking that A not attend events at the Center in person or over Zoom until further notice (dokusan excepted), and to discuss what measures A would need to take before being considered for re-admission to Center events.

At a time to be determined following the November 2022 Jukai, EAC members will meet with A to determine whether he should be re-admitted to Center events at that time. If the EAC believes it to be safe and appropriate, it will recommend to the Board that A be re-admitted under specified conditions.

The EAC recommends that the Board consider what restorative efforts should be made on behalf of the Center to the persons reporting A's unwanted contact.

- B. The EAC has reviewed and approved the procedure for employee reporting of sexual harassment drafted by Donna and Cecily, and it has developed a separate procedure for member reporting of any harassment, abuse or other improper conduct for approval by the Board. Copies of that procedure are attached to this report. *If approved by the Board, that procedure would be promulgated to the members through several means, including posting on bulletin boards in Arnold Park and Chapin Mill, inclusion on the Center's website and in a mailing to members, and through zendo announcements, with the possible posting on Center bulletin boards of headshots of the individuals to whom reports of harassment or abuse may be made..*
- C. *The EAC recommends that the Board require all trustees and officers to take the NYS mandated employment-related sexual harassment training at least once every three years, and to participate on a yearly basis in the Q+A portion of such training which is provided to RZC staff.*

The EAC recommended prior to the May 2022 trustees' meeting that the trustees and officers consider several issues concerning Center governance. Those issues were discussed, but no decisions were made, pending a larger consideration of Center governance issues at a future Board meeting. For the trustees' ease of reference, the EAC's earlier recommendations are repeated here.

1. (a) The composition of the Trustee Nominating Committee should be reconsidered, as should our procedures for notifying sangha members about their right to make nominations, in order to ensure the widest feasible sangha representation.

(b) The Bylaws currently provide that if a trustee elected by the sangha ceases to serve during their term, the remaining trustees shall elect a successor to serve until the next annual meeting. Does this confer an unfair advantage of incumbency on the named successor at the next sangha election to fill that seat? If so, should the named successor be disqualified from running in that election? Should the losing candidate for that seat in the previous election be automatically appointed to that seat and, if so, permitted to run in the next election for that seat?

2. Using a questionnaire largely developed by Betsy Friedman, Donna has recently interviewed departing short-term trainees and has received positive responses and a few useful suggestions. Following this model, the EAC believes it would be useful for departing staff, and possibly departing non-staff members who have previously shown meaningful engagement in the Center, to receive exit interviews, conducted by someone with experience in this process who is not presently in the Center's leadership (such as Betsy) or even membership, to enable us to learn what we can from their experience. This process is, of course, standard in business organizations.

Rochester Zen Center Procedure for Reporting Harassment or Abuse

Any member of Rochester Zen Center (“RZC”) who has been sexually or otherwise harassed or abused (the “reporter”) by another member (the “harm doer”), whether or not the harm doer is part of the Center leadership or staff, may report such incident(s) to any of the people named below (the “receivers”):

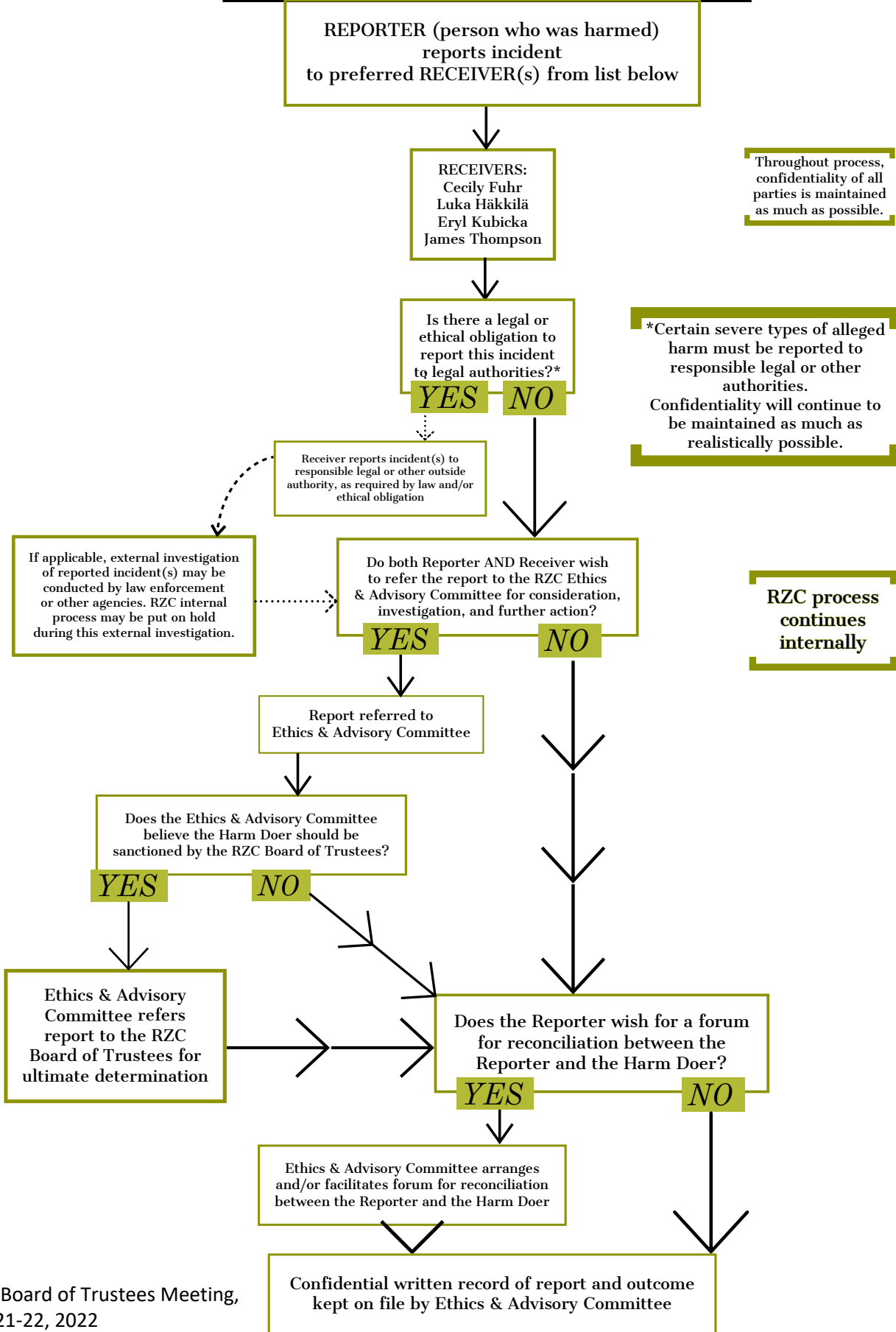
Cecily Fuhr
Luka Hakkila
Eryl Kubicka
James Thompson

At the option of the reporter, their report will be treated confidentially by the receiver, except in cases in which the receiver is required by law or ethical obligation to report such incident(s) to responsible legal or other authorities.

If the reporter and receiver so agree, the report will be referred to the RZC Ethics and Advisory Committee (“EAC”) for consideration, investigation and further action, as appropriate. The EAC may refer the matter to the RZC Board of Trustees for ultimate determination if it believes that the harm should be sanctioned. The EAC will endeavor to provide the reporter with confidentiality, with the proviso that as more people become aware of any situation, confidentiality becomes harder to maintain. Any report which is referred to the EAC, and the outcome thereof, shall be memorialized in a confidential written record to be maintained by the EAC.

If the reporter so wishes, the EAC may endeavor to provide a forum for reconciliation between the reporter and the harm doer.

ROCHESTER ZEN CENTER SANGHA HARM/HARASSMENT INCIDENT REPORTING FLOWCHART





ROCHESTER ZEN CENTER
A BUDDHIST COMMUNITY

Financial Report Third Quarter 2022

ROCHESTER ZEN CENTER
SUMMARY OF THIRD QUARTER 2022 FINANCIAL RESULTS

	Third Quarter 2022		Third Quarter 2021	
	As of September 30, 2022	9/30/22 as % of 2022 Budget	As of September 30, 2021	9/30/21 as % of 2021 Budget
Year-to-Date Operating Revenue	\$275,366	65%	\$209,796	65%
Year-to Date Operating Expenses	<u>\$397,076</u>	71%	<u>\$309,410</u>	69%
YTD Revenue Less Expenses	(\$121,709)		(\$99,614)	
YTD Operating Draw from Investments (4% per annum)	<u>\$54,269</u>		<u>\$50,310</u>	
YTD Net Operating Surplus (Loss)	(\$67,440)		(\$49,304)	
YTD Membership Contributions (included in operating revenue)	\$158,812	75%	\$145,652	76%
YTD Extraordinary Income (not included in operating revenue)	\$0		\$42,095	
YTD Extraordinary Expenses (not included in operating expenses)	\$0		\$0	
<hr/>				
YTD Investment Gain (Loss)	(\$340,618)		\$45,983	
YTD Operating Draw from Investments (4% per annum)	<u>(\$54,269)</u>		<u>(\$50,310)</u>	
YTD Net Investment Gain (Loss)	(\$394,886)		(\$4,327)	
YTD Legacies and Special Donations	<u>\$0</u>		<u>\$0</u>	
YTD Total Investment Fund Change	(\$394,886)		(\$4,327)	

	Operating Fund	Investment Fund	Held for Others	Realty and Art (Carried at Cost)	Total
ASSETS					
CURRENT ASSETS					
Cash & Money Market	(6,840.09)	269,829.70	118,481.30	0.00	381,470.91
Inventories	10,392.21	0.00	0.00	0.00	10,392.21
Accounts Receivable	21,571.48	0.00	0.00	0.00	21,571.48
Prepaid Expenses	17,291.78	0.00	0.00	0.00	17,291.78
Earmarked Donations (Contra)	10,989.50	0.00	0.00	0.00	10,989.50
<i>Total Current Assets</i>	<i>53,404.88</i>	<i>269,829.70</i>	<i>118,481.30</i>	<i>0.00</i>	<i>441,715.88</i>
NON-CURRENT ASSETS					
Certificates of Deposit	0.00	185,000.00	167,557.68	0.00	352,557.68
Other Non-Equity Investments (At Book)	0.00	84,580.22	0.00	0.00	84,580.22
Equity Investments (At Market)	0.00	1,091,938.50	0.00	0.00	1,091,938.50
Mortgage Loans Outstanding	0.00	17,127.56	0.00	0.00	17,127.56
Depreciable Fixed Assets (Net)	337,190.12	0.00	0.00	0.00	337,190.12
Buildings & Land (At Cost)	0.00	0.00	0.00	5,398,962.14	5,398,962.14
Buddhist Art & Implements (At Cost)	0.00	0.00	0.00	123,419.07	123,419.07
<i>Total Non-Current Assets</i>	<i>337,190.12</i>	<i>1,378,646.28</i>	<i>167,557.68</i>	<i>5,522,381.21</i>	<i>7,405,775.29</i>
TOTAL ASSETS	390,595.00	1,648,475.98	286,038.98	5,522,381.21	7,847,491.17
LIABILITIES & EQUITY					
CURRENT LIABILITIES					
Taxes, Medicare, SS Payable	1,128.52	0.00	0.00	0.00	1,128.52
Prepaid Income	0.00	0.00	0.00	0.00	0.00
Other Current Liabilities	5,133.38	0.00	0.00	0.00	5,133.38
<i>Total Current Liabilities</i>	<i>6,261.90</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>6,261.90</i>
LONG-TERM LIABILITIES					
Auckland Zen Centre Fund	0.00	0.00	3,178.95	0.00	3,178.95
Louisville Zen Center Fund	0.00	0.00	263,647.71	0.00	263,647.71
Benevolence Fund	0.00	0.00	975.00	0.00	975.00
Abbots' Scholarship Fund	0.00	0.00	18,237.32	0.00	18,237.32
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>286,038.98</i>	<i>0.00</i>	<i>286,038.98</i>
EQUITY					
»Year-to-Date Revenues	275,366.42	(340,617.51)	0.00	0.00	(65,251.09)
»(Less Year-to-Date Expenses)	397,075.57	0.00	0.00	0.00	397,075.57
»YTD Revenues Less Expenses	(121,709.15)	(340,617.51)	0.00	0.00	(462,326.66)
»YTD Investment Draw (4% per annum)	54,268.66	(54,268.66)	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	(67,440.49)	(394,886.17)	0.00	0.00	(462,326.66)
Extraordinary Income & Expenses	0.00	0.00	0.00	0.00	0.00
Interfund Transfers In (Out)	(356.48)	0.00	0.00	356.54	0.06
Previous Year-End Fund Balances	452,130.07	2,043,362.15	0.00	5,522,024.67	8,017,516.89
<i>Total Equity (Current Fund Balances)</i>	<i>384,333.10</i>	<i>1,648,475.98</i>	<i>0.00</i>	<i>5,522,381.21</i>	<i>7,555,190.29</i>
TOTAL LIABILITIES & EQUITY	390,595.00	1,648,475.98	286,038.98	5,522,381.21	7,847,491.17

ROCHESTER ZEN CENTER
Income and Expense Statement for the Quarter Ended September 30, 2022

Account	3Q2022 Actual	2022 Budget	% of Budget	3Q2021 Actual	
GENERAL OPERATING FUND - INCOME ACCOUNTS					
	Net Item Sales Income	\$251	\$500	50%	\$245
	Net Special Events Income	\$0	\$0		\$0
40143G	Royalty Income	\$7,871	\$11,000	72%	\$8,422
40150G	Zen Bow Income	\$160	\$300	53%	\$265
40151G	Membership Contributions	\$158,812	\$211,000	75%	\$145,652
4C151G	CM Operating Donations	\$230	\$33,000	1%	\$350
40152G	Workshop Income	\$6,140	\$12,000	51%	\$3,840
40153G	Training Program Income	\$3,050	\$4,000	76%	\$1,420
4C153G	CM Training Program Income	\$0	\$0		\$0
40159G	Buddha Hall Rental Income	\$3,735	\$15,000	25%	\$2,905
4C159G	Net CM Rental Income	\$52,724	\$60,200	88%	\$5,573
40160/2G	Misc. Income & Contributions	\$8,273	\$15,000	55%	\$9,641
4C160G	CM Miscellaneous Income	\$0	\$0		\$0
40161G	Sesshin Income	\$34,121	\$60,000	57%	\$31,483
	Total Operating Revenue	\$275,366	\$422,000	65%	\$209,796
GENERAL OPERATING FUND - EXPENSE ACCOUNTS					
60170G	Charity Expenses	\$0	\$500	0%	\$0
60171G	Zen Bow Expenses	\$6,391	\$8,500	75%	\$3,645
60172G	Teaching Expenses	\$1,634	\$3,000	54%	\$6,956
6C172G	CM Teaching Expenses	\$454	\$100	454%	\$360
60175G	Medical & Health Insurance	\$29,890	\$42,200	71%	\$23,961
6C175G	CM Medical & Health Insurance	\$17,737	\$36,400	49%	\$26,915
60176G	Staff Salary Expense	\$56,067	\$76,000	74%	\$35,718
6C176G	CM Staff Salary Expense	\$14,545	\$22,000	66%	\$13,427
60177G	Kitchen Expenses	\$29,621	\$34,000	87%	\$20,247
6C177G	CM Kitchen Expenses	\$7,582	\$14,500	52%	\$8,849
60178G	Housekeeping Expenses	\$4,166	\$5,500	76%	\$2,434
6C178G	CM Housekeeping Expenses	\$2,335	\$3,500	67%	\$1,332
60179G	§403(b) Retirement Expense	\$14,721	\$19,100	77%	\$12,983
6C179G	CM §403(b) Retirement Expense	\$8,355	\$11,100	75%	\$5,990
60180G	Misc Administrative Expenses	\$1,338	\$1,500	89%	\$284
6C180G	CM Misc Administrative Expense	\$0	\$100	0%	\$0
60181G	Office Expenses	\$3,126	\$4,000	78%	\$1,301
6C181G	CM Office Expenses	\$328	\$500	66%	\$0
60182G	Telecommunications Expenses	\$3,804	\$6,000	63%	\$4,114
6C182G	CM Telecommunications Expenses	\$2,833	\$4,400	64%	\$2,998
60183G	Gas & Electricity Expenses	\$8,427	\$8,600	98%	\$5,826
6C183G	CM Utility Expenses	\$18,535	\$13,800	134%	\$10,897
60184G	Repair & Maintenance Expenses	\$29,185	\$40,000	73%	\$8,897
6C184G	CM Rep & Maintenance Expenses	\$18,259	\$25,000	73%	\$13,554
60186G	Insurance Expenses	\$35,710	\$47,600	75%	\$33,190
6C186G	CM Insurance Expenses	\$20,673	\$27,600	75%	\$19,147
60187G	Fundraising & Advertising Exp.	\$0	\$1,000	0%	\$0
60188G	Garden & Grounds Expenses	\$146	\$3,000	5%	\$579
6C188G	CM Garden & Grounds Expenses	\$1,682	\$3,500	48%	\$1,299
60189G	Library Expenses	\$488	\$700	70%	\$365
60190G	Automobile Expenses	\$7,388	\$6,000	123%	\$3,681
6C190G	CM Automobile Expenses	\$1,883	\$5,000	38%	\$1,370
60191G	Taxes & Municipal Fees	\$6,887	\$8,100	85%	\$6,336
6C191G	CM Tax & User Fee Expenses	\$4,110	\$5,000	82%	\$3,623
60192G	Computer Expenses	\$4,056	\$5,600	72%	\$3,347
6C192G	CM Computer Expenses	\$28	\$1,000	3%	\$89

ROCHESTER ZEN CENTER
Income and Expense Statement for the Quarter Ended September 30, 2022

Account	3Q2022 Actual	2022 Budget	% of Budget	3Q2021 Actual
60193G Banking, PayPal & Crdt Crd Fees	\$675	\$1,000	68%	\$322
60194G Sangha Programs Expenses	\$7,026	\$14,300	49%	\$0
60300G Bad Debt Expense	\$0	\$0		\$75
60389G Depreciation Expense	\$18,265	\$27,900	65%	\$16,646
6C389G CM Depreciation Expense	\$8,727	\$18,000	48%	\$8,657
60500G Contingency (budget use only)	\$0	\$5,000		\$0
Total Operating Expenses	\$397,076	\$560,600	71%	\$309,410
Operating Revenue Less Expenses	(\$121,709)	(\$138,600)		(\$99,614)
40168G Operating Draw from Investments	\$54,269	\$73,200	74%	\$50,310
Total Net Operating Surplus (Loss)	(\$67,440)	(\$65,400)		(\$49,304)
40156G Extraordinary Income & Expenses	\$0			\$42,095
CAPITAL EXPENDITURES				
15000G Furniture and Fixtures	\$34,723			\$27,521
15100G Equipment and Computers	\$6,303			\$0
15200G Motor Vehicles	\$0			\$18,430
Non-CM Capital Expenditures	\$41,026	\$65,500	63%	\$45,951
1C500G CM Capital Expenditures	\$58,146	\$185,000	31%	\$841
Total Capital Expenditures	\$99,172	\$250,500	40%	\$46,791
INVESTMENT FUND				
40167I ML Equity YTD Gain (Loss)	(\$341,929)			\$44,784
40168I Interest Income (IF)	\$1,312			\$1,140
40170I Other Income (IF)	\$0			\$59
Gross Investment Income	(\$340,618)			\$45,983
60168I Operating Draw from Investments	(\$54,269)			(\$50,310)
Investment Income Less Draw	(\$394,886)			(\$4,327)
40155I Legacies & Special Donations	\$0			\$0
Total Net Investment Fund Gain (Loss)	(\$394,886)			(\$4,327)

ROCHESTER ZEN CENTER
Past-Year Comparison – September 30, 2022

	30-Sep-22	3Q Average 2017-2021	30-Sep-21	30-Sep-20	30-Sep-19	30-Sep-18	30-Sep-17
GENERAL OPERATING FUND – INCOME							
	251	381	245	365	663	77	555
	0	(2,200)	0	0	0	533	(11,531)
40143G	7,871	6,913	8,422	6,945	7,966	5,883	5,350
40150G	160	388	265	245	240	530	660
40151G	158,812	108,684	145,652	103,008	102,434	86,805	105,522
4C151G	230	5,993	350	5,275	786	517	23,036
40152G	6,140	6,591	3,840	3,573	8,541	8,245	8,755
40153G	3,050	2,074	1,420	1,620	2,015	2,965	2,350
4C153G	0	0	0	0	0	0	0
40159G	3,735	8,235	2,905	5,416	11,232	10,913	10,709
4C159G	52,724	29,830	5,573	11,057	54,244	29,399	48,874
40160/2G	8,273	8,959	9,641	12,693	6,910	6,816	8,736
4C160G	0	0	0	0	0	0	0
40161G	34,121	38,217	31,483	22,300	41,628	42,465	53,209
Total YTD Operating Income	275,366	214,065	209,796	172,498	236,660	195,147	256,225
Percentage of full-year actual total	65% of budget	56%	65%	43%	61%	47%	62%
GENERAL OPERATING FUND – EXPENSES							
60170G	0	0	0	0	0	0	0
60171G	6,391	5,834	3,645	5,696	6,250	6,605	6,973
60172G	1,634	2,712	6,956	(2,917)	1,088	7,357	1,077
6C172G	454	107	360	0	94	0	82
60175G	29,890	33,694	23,961	32,910	41,330	31,610	38,661
6C175G	17,737	16,554	26,915	27,133	11,874	6,851	9,996
60176G	56,067	41,072	35,718	40,627	42,473	44,283	42,260
6C176G	14,545	10,355	13,427	12,833	10,574	7,432	7,507
60177G	29,621	25,074	20,247	19,609	24,833	32,257	28,423
6C177G	7,582	7,620	8,849	8,058	7,159	7,672	6,359
60178G	4,166	3,666	2,434	2,951	3,801	4,847	4,295
6C178G	2,335	1,745	1,332	2,120	1,964	1,715	1,592
60179G	14,721	13,578	12,983	10,361	13,754	14,796	15,999
6C179G	8,355	5,492	5,990	6,608	5,213	4,991	4,658
60180G	1,338	626	284	879	297	1,084	585
6C180G	0	(2)	0	(41)	31	0	0
60181G	3,126	2,891	1,301	2,184	3,629	3,872	3,468
6C181G	328	120	0	14	446	123	17
60182G	3,804	4,635	4,114	4,426	4,097	6,343	4,194
6C182G	2,833	3,004	2,998	3,420	3,677	1,652	3,276
60183G	8,427	6,481	5,826	5,301	7,248	6,999	7,030
6C183G	18,535	10,342	10,897	10,119	11,059	9,785	9,848
60184G	29,185	7,862	8,897	5,793	4,993	10,887	8,742
6C184G	18,259	13,716	13,554	8,842	20,365	11,793	14,028
60186G	35,710	30,280	33,190	30,617	29,723	28,958	28,911
6C186G	20,673	17,319	19,147	17,464	16,843	16,676	16,466
60187G	0	460	0	200	500	1,100	500
6C187G	0	0	0	0	0	0	0
60188G	146	1,771	579	654	2,260	2,624	2,737
6C188G	1,682	1,314	1,299	237	697	1,342	2,994
60189G	488	121	365	(240)	314	169	0
60190G	7,388	7,039	3,681	3,740	7,703	10,919	9,155
6C190G	1,883	4,644	1,370	4,420	7,392	2,414	7,624
60191G	6,887	6,076	6,336	6,349	6,184	5,883	5,630
6C191G	4,110	4,276	3,623	4,486	4,808	4,259	4,204
60192G	4,056	3,480	3,347	3,369	3,552	3,516	3,617
6C192G	28	346	89	187	135	675	644
60193G	675		322	1,028	455	656	718
60194G	7,026						
60300G	0	4	75	0	0	0	(53)
60389G	18,265	16,029	16,646	16,026	15,065	15,850	16,557
6C389G	8,727	6,401	8,657	8,080	5,207	4,700	5,360
Total YTD Operating Expenses	397,076	316,737	309,410	303,544	327,085	322,697	324,131
Percentage of full-year actual total	71% of budget	70%	69%	66%	70%	73%	74%
YTD Operating Income Less Expenses	(121,709)	(102,672)	(99,614)	(131,046)	(90,426)	(127,550)	(67,907)
40168G	54,269	46,794	50,310	47,020	44,485	41,736	50,421
Total Net Operating Surplus (Loss)	(67,440)	(55,878)	(49,304)	(84,026)	(45,941)	(85,814)	(17,486)

ROCHESTER ZEN CENTER
Past-Year Comparison – September 30, 2022

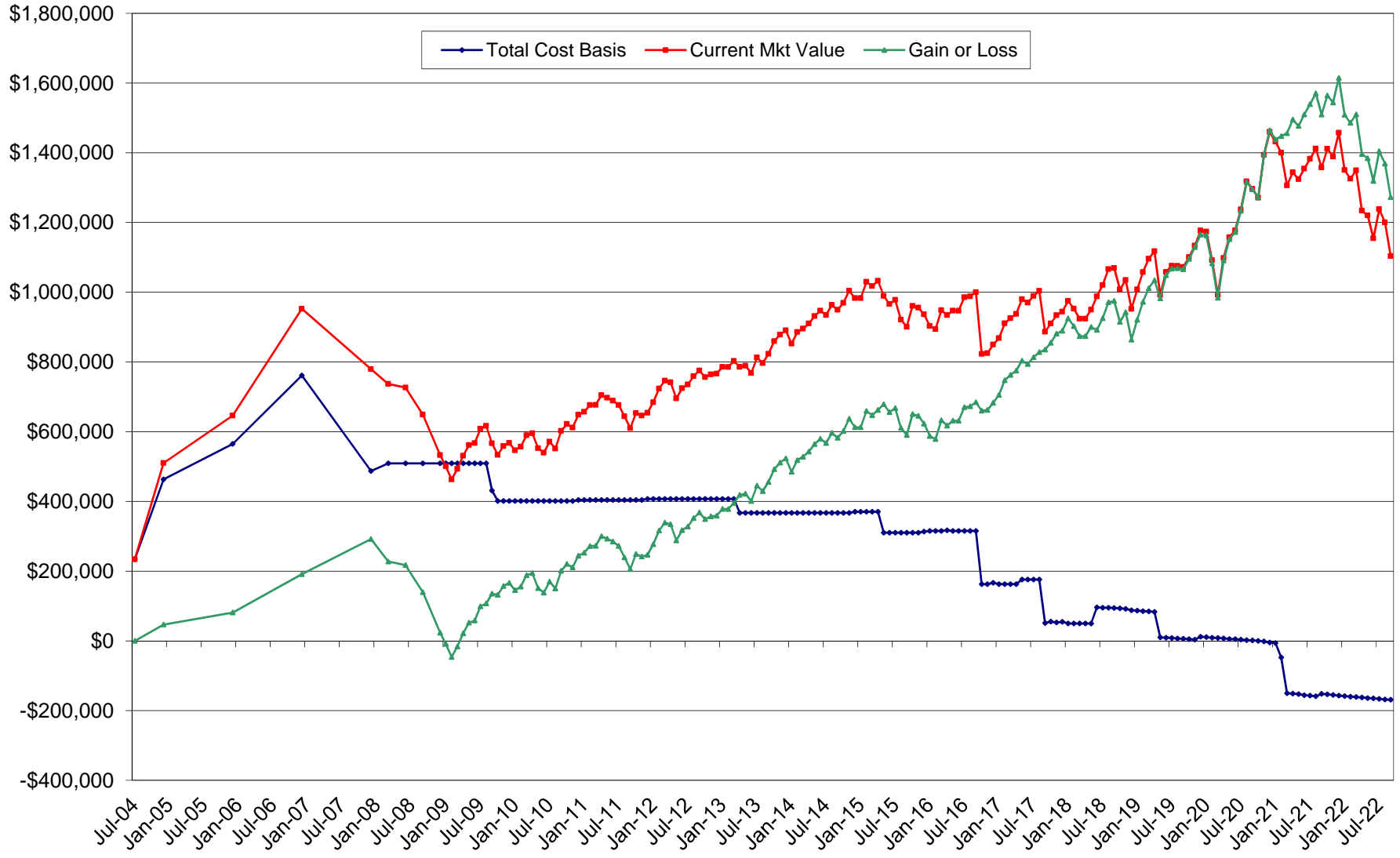
	30-Sep-22	3Q Average 2017-2021	30-Sep-21	30-Sep-20	30-Sep-19	30-Sep-18	30-Sep-17
CAPITAL EXPENDITURES							
15000G Furniture and Fixtures	34,723	9,505	27,521	0	1,712	9,042	9,251
15100G Equipment and Computers	6,303	2,107	0	1,679	0	7,880	975
15200G Motor Vehicles	0	7,058	18,430	16,862	0	0	0
1C500G CM Capital Expenditures	58,146	11,095	841	24,431	11,980	18,223	0
Total YTD Capital Expenditures	99,172	29,765	46,791	42,972	13,691	35,145	10,226
INVESTMENT FUND							
40167I ML Equity YTD Gain (Loss)	(341,929)	122,866	44,784	129,816	201,895	85,488	152,347
40168I Interest Income (IF)	1,312	6,489	1,140	7,174	7,562	11,065	5,506
40170I Other Income (IF)	0	12	59	0	0	0	0
40181I W&R YTD Gain (Loss)	0	0	0	0	0	0	0
Gross YTD Investment Fund Income	(340,618)	129,367	45,983	136,990	209,457	96,552	157,852
60168I Operating Draw from Investments	(54,269)	(46,794)	(50,310)	(47,020)	(44,485)	(41,736)	(50,421)
Net Investment Fund Gain (Loss)	(394,886)	82,573	(4,327)	89,970	164,972	54,816	107,431
40155I Legacies & Special Donations	0	2,200	0	0	11000	0	0
Total YTD Investment Fund Change	(394,886)	84,773	(4,327)	89,970	175,972	54,816	107,431

ROCHESTER ZEN CENTER INVESTMENT FUND – September 30, 2022

<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>
Equity Investments*	<i>At Market</i>						
Equities Held in Merrill Lynch Accounts	\$1,091,939		\$1,091,939	(\$180,604)	\$1,272,542		
Total Equities	\$1,091,939	66%	\$1,091,939	(\$180,604)	\$1,272,542		
Cash & Money Market						<i>Current Int Rate</i>	
IF Share of Money Market Funds & Cash	\$269,830		\$269,830	\$269,830		2.02%	\$5,451
Total IF Cash & Money Market	\$269,830	16%	\$269,830	\$269,830		2.02%	\$5,451
Fixed-Income Investments	<i>Cost Basis</i>					<i>Crrnt Rtrn on Basis</i>	
Certificates of Deposit	\$185,000		\$182,665	\$185,000	(\$2,336)	1.23%	\$2,275
U.S. Treasury Bill	\$84,580		\$84,940	\$84,580	\$359	0.99%	\$840
Total Fixed-Income Investments	\$269,580	16%	\$267,604	\$269,580	(\$1,976)	1.16%	\$3,115
Loans	<i>Outstanding</i>			<i>Original</i>		<i>Loan Rate</i>	
Mdsn ZC Mtg Loan 3.34% 2/29/32	\$17,128			\$24,287		3.34%	\$549
Total Loans	\$17,128	1%		\$24,287			\$549
Investment Fund Total	\$1,648,476	100%					\$9,114

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

Merrill Lynch Equity Account (includes cash held in ML equity account)



Rochester Zen Center
Earmarked Donations as of September 30, 2022

Klava House Final Accounting	
Total Cost of Klava House	\$191,619.57
Donations Received	\$158,819.70
Shortfall Paid by Zen Center	\$32,799.87
Klava House Budget	\$200,000.00
Pledged but Not Given	\$6,200.00

Mindfulness Outreach Fund

Balance (\$15,597.81)

Kapleau-roshi Grave Site

Balance \$2,037.45

Prison Dharma

Balance \$139.04

Accessibility

Balance \$2,431.82

Funds Held for Others
Summary for Second and Third Quarters 2022

Training Fund		
Beginning balance 3/31/22		\$15,460.17
Contributions to Fund	\$3,018.50	
Interest income	<u>\$82.62</u>	
Total fund income	\$3,101.12	\$3,101.12
Sesshin travel	\$323.97	
Training fees	<u>\$0.00</u>	
Total fund disbursements*	\$323.97	(\$323.97)
Ending balance 9/30/22		<u>\$18,237.32</u>
*Sesshin fee disbursements for this period will be recorded in fourth quarter		

Auckland Zen Centre Fund		
Beginning balance 3/31/22		\$852.11
Contributions to Fund	\$2,315.00	
Interest income	<u>\$11.84</u>	
Total fund income	\$2,326.84	\$2,326.84
Support of AZC staff	<u>\$0.00</u>	
Total fund disbursements	\$0.00	\$0.00
Ending balance 9/30/22		<u>\$3,178.95</u>

Louisville Zen Center Fund		
Beginning balance 3/31/22		\$262,776.91
Contributions to Fund	\$0.00	
Interest	<u>\$920.80</u>	
Total fund income	\$920.80	\$920.80
Annual Merrill Lynch fee	\$50.00	
Disbursements to LZC	<u>\$0.00</u>	
Total fund disbursements	\$50.00	(\$50.00)
Ending balance 9/30/22		<u>\$263,647.71</u>

Benevolence Fund		
Beginning balance 3/31/22		\$975.00
Contributions to Fund	<u>\$0.00</u>	
Total fund income	\$0.00	\$0.00
Disbursements from Fund	<u>\$0.00</u>	
Total fund disbursements	\$0.00	\$0.00
Ending balance 9/30/22		<u>\$975.00</u>

RZC Trustees Meeting 10/22/2022

Ideation / Discussion Session

Reflecting on the ZC Board of Trustees, its effectiveness, and the manner in which it operates ...**1. What are some things you feel positive about?****COMMITMENT**

- Willingness to work
- Fellow Trustees and officers' dedication

PERSONAL LEARNING

- Getting to know Sangha Members better
- I Learn things

MUTUAL RESPECT

- Harmonious operation of board even when disagreeing
- Mutual trust and respect
- Mutual respect and caring
- Good will, good intention
- People are kind
- Lots of good will among group
- Respect

COMPETENCY

- Professional
- When the meeting is well-structured, and decisions get made
- Financial wisdom
- Thorough & thoughtful decisions
- Short in time
- Financial stability
- Effective
- Competency, dedication & effectiveness of most Trustees

DIVERSE VIEWS

- Variety of perspectives
- Good discussions of difficult topic
- Different viewpoints
- Diverse opinions
- Everyone gets heard
- Voices heard
- It is OK to disagree
- When multiple perspective and differences are respected
- New and young people in the room
- Range of opinions & experiences respected

SHARED VALUES

- Shared values
- Values consensus

over →

RZC Trustees Meeting 10/22/2022

Ideation / Discussion Session

... things you feel positive about *(continued)*

FUN

- Groovy Vibes
- Fun and humor helps relieve tension
- Laughter

COLLECTIVE WISDOM

- Lots of collective wisdom
- Individuals are contributing good life experience

OPENNESS

- Willing to search for alternatives
- Openness to change and willingness to adapt
- Open minded most of the time
- Willingness to change our minds

CARE

- Deep care for RZC
- Decisions support practice & dharma
- Interest in the concerns of the Sangha

What is not working well? What are your concerns?

BOARD NOMINATIONS

- Trustees without experience outside the Center
- Having the collective experience to get through next challenges
- All-white, relatively privileged Trustees
- Nominating process not clear
- Need for more strategic nominating process

BOARD MEETINGS - FATIGUE

- Fatigue with long days of discussion
- Too much to cover in one session
- Not enough movement breaks to relieve tension
- Meetings are exhausting
- Respecting time
- Tendency to micromanage
- Repeating arguments already made
- Difficulty in closing decisions

BOARD MEETINGS - GROUP THINK

- Group Think (2)
- Group think (Abilene Paradox)
- Too many unanimous votes

RZC Trustees Meeting 10/22/2022

Ideation / Discussion Session

...what things are not working well. what are your concerns *(continued)*

BOARD MEETINGS – ACTION ITEMS

- Follow-through
- Lack of follow through
- Decisions made but not implemented

BOARD TRAINING

- Insufficient onboarding for new trustees
- Not enough training

SANGHA CONNECTION

- Are we well-enough connected to Sangha needs
- Visibility/transparency to the wider sangha
- How to create more community w/sangha beyond Rochester

NO STRATEGIC PLAN

- No strategic plan
- Having shared vision for the future
- Focus on long-term strategic planning

OTHER CONCERNS

- We need more prep time with the materials
- Lack of good records
- How will it work with 2 teachers?
- Are there enough people to serve on committees, help staff
- No real concerns – the board works

ROCHESTER ZEN CENTER BOARD OF TRUSTEES ROLES AND RESPONSIBILITIES

[*Secretary's note:* This document has been edited for form, e.g., to account for the possibility of two Spiritual Co-Directors.]

Statement of purpose:

The Zen Center's board of trustees provides oversight of the Center's business and financial operations, and a sounding board for the Center's Spiritual Director. Through these activities the board helps support the Center's mission statement.

Roles and responsibilities:

- Oversee compliance with ethical and legal standards
- Develop and implement long-term operational strategy
- Oversee and approve the Zen Center's annual operating budget
- Oversee and review investments, including investment policy
- Oversee and review dues and fee structures
- Approve major capital expenditures
- Set and review salary and benefits policies and levels
- Grant and review mortgage loans to affiliate centers as needed
- Provide guidance on matters of operations and staffing
- Appoint/elect officers and board-elected trustees
- Ensure that the Center's governance and management structures are effective
- Oversee the Center's legal affairs, including approving changes in the Center's by-laws
- Act as a sounding board for the Center's Spiritual Director(s) on any matter for which they seek advice
- Serve as a collective ombudsman for the Sangha's interests and concerns related to the Zen Center
- Oversee arrangements for teachers' and retired teachers' care
- Appoint an acting Spiritual Director if needed
- Certify the proper designation or selection of a new Spiritual Director
- Suspend and/or recommend that the Sangha remove a Spiritual Director if needed
- Remove a board- or Sangha-elected trustee if needed
- Remove members on the recommendation of the Spiritual Director(s) if needed
- Designate honorary trustees as needed

- Serve on committees or task forces as needed
- Establish committees, charter them, and appoint at least the chair
- Participate whenever possible in Sangha activities and programs

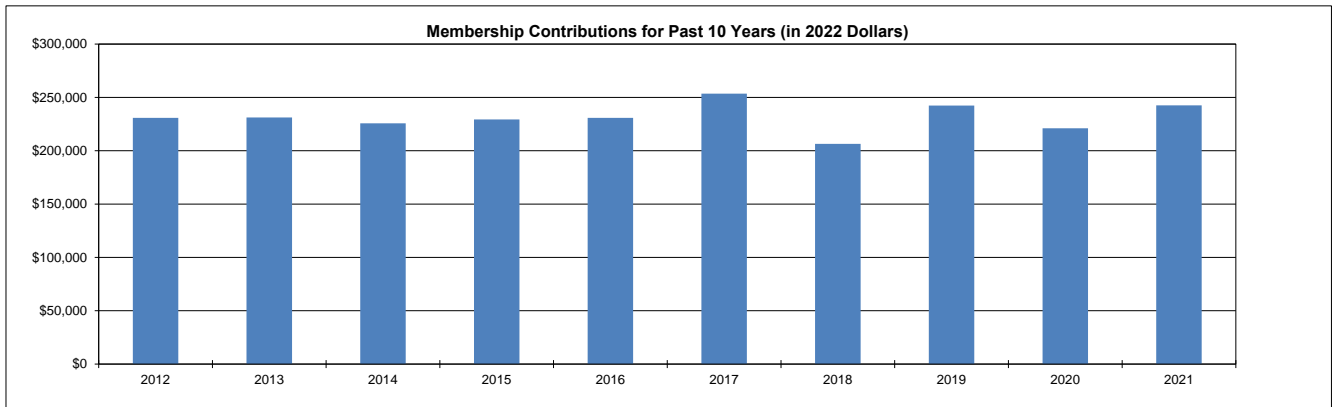
What makes an effective board member?

- *Commitment*: is dedicated to the Zen Center, to its mission, and to practice.
- *Independence*: has the confidence to voice an opinion that may be contrary to conventional wisdom or the tenor of the group.
- *Flexibility*: is willing to consider the opinions of others with an open mind.
- *Competence*: is dependable, respected, communicates well, handles conflict well, participates effectively in a group process, and has a basic grasp of financial concepts.
- *Integrity*: is ethically minded and mature, avoids conflicts of interest, and respects the confidentiality of the trustees' discussions.
- *Balance*: can balance the need for thorough consideration of issues and the timely arrival at clear decisions.
- *Experience*: has significant experience in business, a profession, or other demanding activity that rounds out the experience of other board members.
- *Responsiveness*: is willing to represent the trustees with Sangha members, the Sangha with trustees, and to serve on committees and task forces.
- *Preparedness*: is punctual and fully prepared for trustees' meetings.

As revised 10/21/2022

Rochester Zen Center
2023 Budget, Proposed October 18, 2022 – Expenses

ACCOUNT	2023 Budget	2022 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Net Item Sales Income	\$500	\$500	\$419	\$430	\$855	\$1,166	\$1,151	\$1,290
Net Special Events Income	\$0	\$0	\$0	\$0	\$0	\$533	(\$8,091)	(\$6,244)
40143G Royalty Income	\$13,000	\$11,000	\$13,609	\$13,869	\$13,247	\$11,506	\$10,859	\$11,622
40150G Zen Bow Income	\$300	\$300	\$285	\$285	\$300	\$730	\$740	\$220
40151G Membership Contributions	\$244,300	\$211,000	\$223,170	\$194,514	\$210,835	\$175,472	\$210,463	\$186,953
40152G Workshop Income	\$8,500	\$12,000	\$5,480	\$3,933	\$11,901	\$11,198	\$10,890	\$13,167
40153G Training Program Income	\$3,000	\$4,000	\$2,460	\$1,985	\$5,150	\$3,620	\$3,220	\$4,200
40159G Buddha Hall Rental Income	\$10,000	\$15,000	\$4,980	\$6,661	\$16,101	\$14,555	\$14,276	\$13,884
40160/2G Miscellaneous Income	\$15,000	\$15,000	\$13,819	\$19,284	\$13,719	\$18,165	\$16,024	\$13,085
40161G Sesshin Income	\$50,000	\$60,000	\$44,008	\$36,503	\$60,780	\$64,425	\$72,699	\$57,205
Net CM Rental Income	\$60,000	\$60,200	\$27,458	\$16,963	\$57,431	\$32,168	\$58,694	\$66,114
4C151G CM Misc. Deductible Contribtns	\$34,000	\$33,000	\$34,490	\$33,119	\$26,430	\$19,635	\$53,855	\$36,779
4C153G CM Training Program Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4C160G CM Miscellaneous Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Revenue	\$438,600	\$422,000	\$370,178	\$327,546	\$416,750	\$353,173	\$444,779	\$398,275



As revised 10/21/2022

Rochester Zen Center
2023 Budget, Proposed October 18, 2022 – Expenses

ACCOUNT	2023 Budget	2022 Budget	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual
Arnold Park							
60170G Charity Expenses	\$500	\$500	\$346	\$150	\$420	\$0	\$250
60171G Zen Bow Expenses	\$9,200	\$8,500	\$3,645	\$6,345	\$8,349	\$8,275	\$6,955
60172G Teaching Expenses	\$3,000	\$3,000	\$11,024	(\$5,022)	\$7,027	\$8,488	\$1,375
60175G Medical & Health Insurance	\$42,700	\$42,200	\$33,204	\$42,637	\$54,368	\$45,407	\$46,314
60176G Staff Salary Expense	\$88,500	\$55,000	\$49,142	\$50,921	\$56,876	\$62,392	\$57,604
60177G Kitchen Expenses	\$42,700	\$34,000	\$29,220	\$22,056	\$33,961	\$44,204	\$41,266
60178G Housekeeping Expenses	\$5,900	\$5,500	\$3,934	\$3,532	\$5,526	\$6,708	\$5,631
60179G 403(b) Retirement Plan	\$22,500	\$19,100	\$17,741	\$17,356	\$16,748	\$19,452	\$21,656
60180G Misc Administrative Expenses	\$4,600	\$1,500	\$494	\$1,029	\$931	\$1,084	\$1,139
60181G Office Expenses	\$4,000	\$4,000	\$1,729	\$3,310	\$4,601	\$3,163	\$4,041
60182G Telecommunications Expenses	\$5,500	\$6,000	\$5,291	\$5,480	\$5,418	\$6,495	\$6,098
60183G Gas & Electricity Expenses	\$11,100	\$8,600	\$7,492	\$7,365	\$9,135	\$8,979	\$9,777
60184G Repair & Maintenance Expenses	\$38,500	\$40,000	\$24,227	\$10,503	\$7,152	\$12,899	\$13,688
60185G Kapleau-roshi Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60186G Insurance Expenses	\$48,000	\$47,600	\$45,864	\$42,258	\$40,308	\$39,438	\$37,769
60187G Fundraising & Advertising Exp	\$1,000	\$1,000	\$0	\$200	\$500	\$1,400	\$500
60188G Garden & Grounds Expenses	\$1,100	\$3,000	\$579	\$654	\$2,332	\$4,253	\$3,331
60189G Library Expenses	\$700	\$700	\$365	(\$176)	\$324	\$213	\$0
60190G Automobile Expenses	\$6,500	\$6,000	\$7,580	\$6,457	\$8,296	\$13,995	\$11,157
60191G Taxes & Municipal Fees	\$8,700	\$8,100	\$7,430	\$7,297	\$7,216	\$6,717	\$6,448
60192G Computer Expenses	\$5,600	\$5,600	\$3,451	\$3,501	\$3,869	\$3,702	\$3,429
60193G Banking, PayPal & Credit Card Fees	\$1,000	\$1,000	\$635	\$1,269	\$1,020	\$934	\$1,052
60194G Sangha Programs Expenses	\$16,500	\$14,300					
60300G Bad Debt Expense	\$0	\$0	\$75	\$0	\$0	\$0	(\$53)
60389G Depreciation Expense	\$30,900	\$27,900	\$22,406	\$21,464	\$19,880	\$21,172	\$21,813
61500G Contingency (budget use only)	\$5,000	\$5,000	\$0				
AP Operating Expenses	\$403,700	\$348,100	\$275,874	\$248,585	\$294,256	\$319,370	\$301,238
Chapin Mill							
6C172G CM Teaching Expenses	\$500	\$100	\$406	\$81	\$94	\$25	\$82
6C175G CM Medical & Health Insurance	\$21,900	\$36,400	\$39,321	\$38,927	\$19,635	\$9,117	\$12,141
6C176G CM Staff Salary Expense	\$33,100	\$22,000	\$15,699	\$14,658	\$15,619	\$10,433	\$10,484
6C177G CM Kitchen Expense	\$16,600	\$14,500	\$11,043	\$10,381	\$8,782	\$9,967	\$7,712
6C178G CM Housekeeping Expense	\$3,500	\$3,500	\$2,508	\$2,723	\$3,154	\$2,108	\$2,155
6C179G CM 403(b) Retirement Plan	\$17,200	\$11,100	\$8,379	\$8,604	\$7,210	\$6,655	\$6,322
6C180G CM Misc. Administrative Expense	\$100	\$100	\$0	(\$41)	\$76	\$0	\$0
6C181G CM Office Expenses	\$500	\$500	\$22	\$14	\$446	\$198	\$17
6C182G CM Telecommunications Expense	\$4,000	\$4,400	\$3,974	\$4,495	\$4,955	\$4,678	\$3,916
6C183G CM Gas & Electricity Expenses	\$25,100	\$13,800	\$16,045	\$14,867	\$14,516	\$12,879	\$12,177
6C184G CM Repair & Maintenance Exp.	\$30,000	\$25,000	\$18,501	\$26,229	\$26,622	\$18,353	\$18,904
6C186G CM Insurance Expense	\$28,000	\$27,600	\$26,564	\$24,242	\$22,916	\$22,415	\$21,435
6C187G CM Fundraising & Adv Expense	\$0	\$0	\$0	\$0.00	\$0	\$0.00	\$0
6C188G CM Garden & Grounds Expense	\$3,500	\$3,500	\$1,299	\$288	\$743	\$1,456	\$3,151
6C190G CM Automobile Expense	\$5,000	\$5,000	\$5,553	\$7,486	\$8,493	\$3,904	\$11,152
6C191G CM Tax & User Fee Expenses	\$5,300	\$5,000	\$6,316	\$6,265	\$6,682	\$6,848	\$6,350
6C192G CM Computer Expenses	\$1,000	\$1,000	\$954	\$194	\$218	\$782	\$623
6C389G CM Depreciation Expense	\$19,300	\$18,000	\$11,569	\$10,963	\$7,349	\$6,473	\$6,782
CM Operating Expenses	\$214,600	\$191,500	\$168,152	\$170,376	\$147,512	\$116,291	\$123,402
Total Operating Revenue	\$438,600	\$422,000	\$370,178	\$327,546	\$416,750	\$353,173	\$444,779
Total Operating Expenses	\$618,300	\$539,600	\$444,026	\$418,962	\$441,768	\$435,661	\$424,641
Operating Revenue Less Expenses	(\$179,700)	(\$117,600)	(\$73,848)	(\$91,416)	(\$25,018)	(\$82,488)	\$20,139
Operating Draw from Investments	\$72,900	\$73,200	\$67,793	\$63,123	\$59,700	\$54,800	\$67,403
Total Net Operating Surplus (Loss)	(\$106,800)	(\$44,400)	(\$6,055)	(\$28,292)	\$34,682	(\$27,688)	\$87,542
AP Capital Expenditures	\$131,000	\$65,500	\$50,517	\$18,541	\$20,000	\$25,542	\$17,000
CM Capital Expenditures	\$126,000	\$185,000	\$841	\$24,431	\$11,000	\$21,800	\$8,000
Total Capital Expenditures	\$257,000	\$250,500	\$51,357	\$42,972	\$31,000	\$47,342	\$25,000
	Bud 2022	Bud 2022	2021	2020	2019	2018	2017
Total Insurance Expense	\$76,000	\$75,200	\$72,428	\$66,500	\$63,224	\$61,853	\$59,204
Total Automobile Expense	\$11,500	\$11,000	\$13,133	\$13,943	\$16,789	\$17,899	\$22,308
Total Salary + Retirement Expense	\$161,300	\$107,200	\$90,961	\$91,538	\$96,453	\$98,932	\$96,066
Total Medical Expense	\$64,600	\$78,600	\$72,525	\$81,564	\$74,004	\$54,525	\$58,454
Total Kitchen Expense	\$59,300	\$48,500	\$40,263	\$32,438	\$42,743	\$54,171	\$48,978
Total Housekeeping Expense	\$9,400	\$9,000	\$6,442	\$6,254	\$8,680	\$8,815	\$7,786
Total Gas & Electricity Expense	\$36,200	\$22,400	\$23,537	\$22,232	\$23,651	\$21,858	\$21,955
Total R&M Expense	\$68,500	\$65,000	\$42,728	\$36,732	\$33,774	\$31,252	\$32,592