

DRAFT – Subject  
to Approval by  
Board of Trustees



ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

## Minutes of the Forty-Eighth Annual Corporate Meeting of Members May 24, 2014

- ◆ Notice of the meeting having previously been given as required by law, the Center's Abbot and President, Roshi Bodhin Kjolhede, called the meeting to order. The polls were then opened for the election of Susan Culpepper or Sensei Gerardo Gally to a three-year term as Trustee. It was announced that the polls would remain open for at least one hour, as required by law. Roshi then reported that the Board of Trustees had re-elected Scott McDonald to a three-year term as Trustee. The Center's other continuing Trustees are Kathy Collina, Cecily Fuhr, Tom Kowal, and Chris Pulleyn. Roshi noted that under the Center's by-laws, the Board of Trustees, which administers the Center's financial affairs, consists of six members: three elected by the Center's members, two elected by the Board of Trustees, and one appointed by the Abbot. The Board's current Chair is Tom Kowal. Finally, Roshi reported that the Board had recently elected the following as the Center's corporate officers for the coming year: President – Bodhin Kjolhede; Vice President – Jeanette Prince-Cherry; Secretary – Scott Jennings; and Treasurer – Colleen O'Brien.
- ◆ Chris Pulleyn, who serves both as a Zen Center Trustee and as Chair of the Development and Outreach Committee, reported to the meeting on behalf of the Committee. Although no major fundraising initiatives have been undertaken since completion of the project to make the Center more accessible to the handicapped, the Committee continues to encourage members to remember the Center when planning their estates.

Chris emphasized that in a very real sense the Center is its members. Chris encouraged any members who have suggestions or concerns about the Center's fundraising mailings or other development initiatives to contact her directly.

Chris reported on the possibility of constructing a memorial garden at Chapin Mill where urns containing ashes of the deceased could be placed in a columbarium. The Board recently appointed a Columbarium Task Force whose initial members are Chris, Roshi, and Eryl Kubicka. Eryl has already discussed possible site-selection and design considerations with Sangha member Eric Higbee, a landscape architect with experience in designing public landscapes of various types and scales. In addition, Sangha member Helen Fuller, who has extensive professional design experience, has offered to help with the project. The likely location for the project is a glade above, and to the east of,

the Chapin Mill pond. The glade is easily accessible from the parking area behind the barn and slopes down to a beautiful spot on the shore of the pond near a grove of beech trees and Todd McGrain's sculpture "Spinning Still."

- ◆ Ven. Wayman Kubicka, who serves as Chapin Mill Caretaker, and Eryl Kubicka, who serves as Chapin Mill Rental Coordinator, reported regarding Chapin Mill. Wayman noted that having additional staff members at Chapin Mill has been of real benefit. Among the major projects planned for the foreseeable future are replacement of the roof on the Phase I portion of the Retreat Center and partial replacement of the fire-sprinkler system in the Phase II portion of the building. The asphalt shingles used in Phase I proved to be defective and have deteriorated severely. (The Center has already received a warranty settlement from the manufacturer of the shingles.) Madison Sangha member Rick Smith, who has worked as a professional roofer, plans to join the Center's staff next year and will work on the project. Since most of the roof's replacement cost is labor expense, the total cost of the project will depend on how much of the work is done by Zen Center staff and volunteers and how much is done by a professional roofing contractor.

Both the Phase II and the Phase III portions of the Retreat Center have automatic fire-sprinkler systems. Phase II has a "wet-pendant" system designed for an above-freezing environment. However, the temperature of the Phase II attic space goes below freezing in the winter unless we keep the heat in Phase II turned up even when we are not using that part of the building. There has already been some damage to the system due to problems with temperature regulation. Although we saved about \$10,000 by installing a wet-pendant, rather than the originally-specified dry-pendant, system in Phase II, a dry-pendant system was subsequently installed in Phase III and has been free of trouble. The Trustees recently authorized replacement of the Phase II sprinklers with a dry-pendant system at a cost of approximately \$10,000.

Roshi mentioned that the Chapin Mill pond is slowly shrinking due to the accumulation of silt and the concomitant encroachment of cattails. Although spring-fed ponds – such as the one at Chapin Mill – do not accumulate silt nearly as quickly as stream-fed ponds, at some point we will still need to dredge the pond in order to prevent its slowly turning into a marsh. The cost of a complete dredging will likely be upwards of \$100,000, and this project would be very suitable for a major targeted donation.

Wayman reported that Center staff members Dan Esler and Catherine Kana have, with the help of other volunteers, planted a vegetable garden at Chapin Mill. Also, the extensive rehabilitation of the Chapin Mill guest cottage is almost finished. Among other projects on the Chapin Mill "to-do" list are painting the barn, repairs to the Farm House, and replacement of some 30 sections of ranch-style fencing on the grounds. In conclusion, Wayman and Eryl invited Sangha members to volunteer at Chapin Mill whenever their schedules permit; any extra help would be greatly appreciated. Roshi added that the Chapin Mill Retreat Center is quite a remarkable facility compared to similar places in

America and Europe. Indeed, while visiting Vienna, a European Sangha member recently came upon a brochure advertising a renter's event at Chapin Mill.

- ◆ The Center's Business Manager and Corporate Secretary, Scott Jennings, announced that copies of the Board of Trustees' annual financial report required under section 519 of the New York Not-for-Profit Corporation Law were available to all members of the Center. That report is filed as Appendix A to these minutes. Scott then presented a summary of the report to the meeting on behalf of the Board, including the information filed with these minutes as Appendix B. The Center's full annual financial reports are available in the "Meetings and Finances" section of the Center's website ([www.rzc.org/communications/meeting-minutes](http://www.rzc.org/communications/meeting-minutes)).

Scott reported that the Center's 2013 operating revenues were \$399,810, or 103 percent of the total budgeted. Operating expenses were \$456,637, or 98 percent of the total budgeted. Accordingly, after including as operating income a five-percent operating draw of \$54,795 from investments, the Center had an operating deficit of \$2,033 for 2013, rather than the \$21,000 deficit that had been predicted when the 2013 budget was approved. Scott noted that the actual deficit of \$2,033 represents less than one-half percent of 2013 operating expenses. Viewed alternatively, for 2013 the percentage operating draw from the Investment Fund required for no operating surplus or deficit was 5.2 percent, rather than our target of five percent.

Although 2013 membership contributions (\$182,649) were higher than the average for the five years 2008-2012, they were still slightly less than in 2008. Turning to other revenue sources, net Chapin Mill rental income reached an all-time high of \$58,507 in 2013, and sesshin income reached a ten-year-plus high of \$65,447.

On the expense side, kitchen expenses were higher than anticipated both at Arnold Park and at Chapin Mill because of the increased number of young trainees and staff members. Utility expenses at Arnold Park were higher than expected largely because of electricity use in the first quarter of the year associated with the new snow-melting system installed under the walkway leading to the main entrance. We now use that system much more sparingly.

The Center's Investment Fund performed excellently in 2013, increasing by \$172,162, or 15 percent, before subtracting the \$54,795 operating draw. The Fund's net increase after subtracting the operating draw was \$117,368, or ten percent.

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

Finally, Scott reported that at its recent meeting the Board of Trustees decided to increase sesshin fees

for the first time in 14 years. Fees will increase from \$40 to \$45 per day for members and from \$55 to \$65 per day for non-members. The Board will henceforth review sesshin fees annually. Roshi emphasized that anyone who needs financial assistance in order to attend sesshin may ask him to provide help from the Abbot's Fund. [*Secretary's Note:* The new sesshin fees will go into effect starting with the October 2014 sesshin; however, those who have already paid for sesshin are not required to pay the increased rate.]

- ◆ Roshi reported to the meeting regarding spiritual affairs. Roshi first thanked the many Sangha volunteers for all of their efforts over the past year. He also thanked the Center's trustees, officers, committee members and staff. Roshi next reported regarding affiliates and sister Cloud-Water Centers. Our sole remaining formal Affiliate Center, the Madison Zen Center in Madison, Wisconsin, has a stable membership, despite the fact that there are 19 other Buddhist centers and temples in Madison. Rick Smith is finishing his second three-year term as Affiliate Leader and will be moving to Rochester next spring. Starting July 1 Rick Stirr will begin serving as the Madison Affiliate Leader. Cleveland and Louisville sitting groups, both of which include Rochester Zen Center members, are doing well, as are our independent sister centers in Scandinavia and Mexico. Roshi recently attended sesshin at the Berlin Zen Group, our sister center in Berlin, which is led by Sensei Robert Goldmann. The Berlin Group lost use of the facility they had been renting for their semiannual sesshins, but recently found a new sesshin venue. Our sister center in New Zealand, the Auckland Zen Centre, has bought a building of its own and is in the process of raising money to renovate and remodel it. The Auckland Centre, which is led by Sensei Amala Wrightson, is flourishing.

In other news, the beautiful new altar in the Chapin Mill Retreat Center zendo is nearing completion after much donated labor by Sensei Gerardo Gally, Board Chair Tom Kowal, and Sangha member Bill Lindenfelser. With staff member Ven. Sudama Ngo's help, we've acquired a new Vietnamese Guanyin (Kannon) figure for the Retreat Center's Kannon Room. This figure will replace a metal figure that was starting to corrode from the ambient humidity at Chapin Mill. Roshi thanked staff member Ven. Trueman Taylor for overseeing the all-day sittings that we've been having regularly at Arnold Park. The Center very much wants to support the practice of Sangha members with families, and to this end Eryl Kubicka has helped make the Center's youth group quite a success among Sangha children. Center staff members Dan Esler and Catherine Kana, among others, have been helping out with the group. Finally, toward the end of June, the annual Ralph Chapin Memorial Work Retreat will take place. We've also added a spring and a fall Chapin Mill work day to the Center's schedule.

- ◆ Donna Kowal, who serves as Co-Chair of the Special Events Committee with Debra McDaniel, reported to the meeting on the Committee's behalf. The Committee has started planning for the Center's fiftieth anniversary celebrations in 2016. The Committee will work on a proposed schedule of events with the Sangha Engagement and the Development and Outreach Committees. This process started with a survey of the Sangha earlier this year and a "brainstorming" session at a Sangha meeting. The main celebration of the anniversary is scheduled for Independence Day weekend in 2016.

- ◆ Kathy Collina, who serves as Chair of the Sangha Engagement Committee, reported to the meeting on the Committee's behalf. The Committee sponsors a number of events, activities, and discussion groups. Among the Committee's continuing activities are the following: potluck dinners and board-game nights at the Center; a discussion and support group investigating old age, sickness and death from a Buddhist perspective; a discussion group devoted to seeing into and eliminating racism; a group that works with Asbury First United Methodist Church to prepare and serve meals for those in need; and an annual guest speaker series. The Center has also begun participating in the Monroe County Adopt-a-Highway program and has pledged to pick up litter along a stretch of Interstate 490 west of Rochester. In addition, a possible tour of historic Mt. Hope Cemetery is under consideration.

Sangha member Jim Thompson reported that the racism discussion group has been quite active and also commented on the importance of examining and discussing racial issues. In addition, Jim reported that an initiative to offer zazen for inmates at the Monroe County Correction Facility is in the planning stage. Wayman Kubicka added that he, Jim, and Sangha member Dwain Wilder have been working with a meditation group at New York State's Attica Correctional Facility. Wayman is also working with Buddhist detainees housed at Immigration and Customs Enforcement's Buffalo Federal Detention Facility, which is located in Batavia, New York.

Finally, Roshi reported that Center members and staff recently participated in a silent Earth Day vigil in downtown Rochester. The purpose of the vigil was to raise awareness of pollution in the Genesee River, which flows through the City.

- ◆ Roshi introduced those Zen Center Trustees and Officers who were present at the meeting and mentioned that Sangha members who have questions or comments regarding the Center's finances or governance should always feel free to discuss such matters with any of the Center's Trustees or Officers.
- ◆ The Center's Secretary announced that the polls, which had been open for more than one hour, were about to close and that any member as of the April 23, 2014, record date who had not yet turned in his or her ballot should do so.

The results of the election for Trustee were as follows:

Gerardo Gally	67
Susan Culpepper	40
Abstention	1

*Total:* 108 members present and voting in person or by written proxy; 447 members eligible to vote as of the record date.

*Quorum:* Under Article VII(E) of the Center's by-laws = lesser of 100 or one-tenth of the members eligible to vote = 45.

Accordingly, Roshi announced that Sensei Gerardo Gally had been elected to a three-year term as Trustee.

Submitted to the Board of Trustees on July 23, 2014,  
by Scott Jennings, Secretary of the Center.

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ROCHESTER ZEN CENTER  
A BUDDHIST COMMUNITY

# Annual Report of Trustees

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

Presented at the Forty-Eighth  
Annual Corporate Meeting  
May 24, 2014

The record date for the Center's 2014 Annual Meeting was April 23, 2014. As of that date, the Center had 447 members. The record date for the Center's 2013 Annual Meeting was April 18, 2013. As of that date, the Center had 461 members. Accordingly, the Center's membership has decreased by 14 during this period.

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



ROCHESTER ZEN CENTER  
SUMMARY OF 2013 ANNUAL FINANCIAL RESULTS

	2013		2012	
	As of December 31, 2013	12/31/13 as % of 2013 Budget	As of December 31, 2012	12/31/12 as % of 2012 Budget
Year-to-Date Operating Revenue	\$399,810	103%	\$387,041	104%
Year-to Date Operating Expenses	<u>\$456,637</u>	98%	<u>\$422,366</u>	100%
YTD Revenue Less Expenses	(\$56,827)		(\$35,326)	
YTD Operating Draw from Investments (5%)	<u>\$54,795</u>		<u>\$51,861</u>	
<b>YTD Net Operating Surplus (Loss)</b>	<b>(\$2,033)</b>		<b>\$16,536</b>	
Membership Contributions	\$182,649	104%	\$180,040	105%
Accumulated Operating Surplus (Loss) at 5% draw since 2009 Inception of Current System	\$40,045		\$42,078	
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YTD Investment Gain (Loss)	\$172,162		\$126,178	
YTD Operating Draw from Investments (5%)	<u>(\$54,795)</u>		<u>(\$51,861)</u>	
YTD Net Investment Gain (Loss)	\$117,368		\$74,317	
YTD Legacies and Special Donations	<u>\$6,500</u>		<u>\$10,000</u>	
<b>YTD Total Investment Fund Change</b>	<b>\$123,868</b>		<b>\$84,317</b>	

ROCHESTER ZEN CENTER BALANCE SHEET – December 31, 2013

	Operating Fund	Investment Fund	Held for Others	Building Fund	Realty and Art (Carried at Cost)	Total
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash & Money Market	90,222.34	37,493.32	9,898.51	47,512.79	0.00	185,126.96
Inventories	5,983.29	0.00	0.00	0.00	0.00	5,983.29
Accounts Receivable	1,543.23	0.00	0.00	0.00	0.00	1,543.23
Prepaid Expenses	12,735.35	0.00	0.00	0.00	0.00	12,735.35
Earmarked Donations (Contra)	(4,325.63)	0.00	0.00	0.00	0.00	(4,325.63)
<i>Total Current Assets</i>	<i>106,158.58</i>	<i>37,493.32</i>	<i>9,898.51</i>	<i>47,512.79</i>	<i>0.00</i>	<i>201,063.20</i>
<b>NON-CURRENT ASSETS</b>						
Non-Equity Investments (At Book)	0.00	220,330.56	0.00	0.00	0.00	220,330.56
Equity Investments (At Market)	0.00	890,613.27	0.00	0.00	0.00	890,613.27
Mortgage Loans Outstanding	0.00	95,768.01	0.00	0.00	0.00	95,768.01
Depreciable Fixed Assets (Net)	253,098.22	0.00	0.00	0.00	0.00	253,098.22
Buildings & Land (At Cost)	0.00	0.00	0.00	0.00	5,366,162.27	5,366,162.27
Buddhist Art & Implements (At Cost)	0.00	0.00	0.00	0.00	116,837.01	116,837.01
<i>Total Non-Current Assets</i>	<i>253,098.22</i>	<i>1,206,711.84</i>	<i>0.00</i>	<i>0.00</i>	<i>5,482,999.28</i>	<i>6,942,809.34</i>
<b>TOTAL ASSETS</b>	<b>359,256.80</b>	<b>1,244,205.16</b>	<b>9,898.51</b>	<b>47,512.79</b>	<b>5,482,999.28</b>	<b>7,143,872.54</b>
<b>LIABILITIES &amp; EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Taxes, Medicare, SS Payable	1,578.72	0.00	0.00	0.00	0.00	1,578.72
Other Current Liabilities	13,805.82	0.00	0.00	0.00	0.00	13,805.82
<i>Total Current Liabilities</i>	<i>15,384.54</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>15,384.54</i>
<b>LONG-TERM LIABILITIES</b>						
Accrued Staff Departure Fund	0.00	0.00	332.90	0.00	0.00	332.90
Auckland Zen Centre Fund	0.00	0.00	5.55	0.00	0.00	5.55
Abbot's Scholarship Fund	0.00	0.00	9,560.06	0.00	0.00	9,560.06
<i>Total Long-Term Liabilities</i>	<i>0.00</i>	<i>0.00</i>	<i>9,898.51</i>	<i>0.00</i>	<i>0.00</i>	<i>9,898.51</i>
<b>EQUITY</b>						
»»Year-to-Date Revenues	399,809.86	172,162.46	0.00	3,261.67	0.00	575,233.99
»»(Less Year-to-Date Expenses)	456,637.25	0.00	0.00	2,924.53	0.00	459,561.78
»YTD Revenues Less Expenses	(56,827.39)	172,162.46	0.00	337.14	0.00	115,672.21
»YTD Investment Draw (5% per annum)	54,794.83	(54,794.83)	0.00	0.00	0.00	0.00
Year-to-Date Net Surplus (Loss)	(2,032.56)	117,367.63	0.00	337.14	0.00	115,672.21
Extraordinary Income & Expenses	0.00	6,500.00	0.00	0.00	0.00	6,500.00
Capitalized from Building Fund	0.00	0.00	0.00	0.00	0.00	0.00
Interfund Transfers In (Out)	0.00	0.00	0.00	0.00	0.00	0.00
Previous Year-End Fund Balances	345,904.82	1,120,337.53	0.00	47,175.65	5,482,999.28	6,996,417.28
<i>Total Equity (Current Fund Balances)</i>	<i>343,872.26</i>	<i>1,244,205.16</i>	<i>0.00</i>	<i>47,512.79</i>	<i>5,482,999.28</i>	<i>7,118,589.49</i>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>359,256.80</b>	<b>1,244,205.16</b>	<b>9,898.51</b>	<b>47,512.79</b>	<b>5,482,999.28</b>	<b>7,143,872.54</b>

ROCHESTER ZEN CENTER  
Income and Expense Statement for the Quarter Ended December 31, 2013

Account	4Q2013 Actual	2013 Budget	% of Budget	4Q2012 Actual	
<b>GENERAL OPERATING FUND - INCOME ACCOUNTS</b>					
	\$821	\$1,000	82%	\$1,251	
	\$601	\$0		\$316	
40143G	\$7,323	\$6,500	113%	\$5,662	
40150G	\$377	\$800	47%	\$627	
40151G	\$182,649	\$176,000	104%	\$180,040	
4C151G	\$38,800	\$45,000	86%	\$39,141	
40152G	\$13,213	\$15,000	88%	\$16,145	
40153G	\$5,280	\$5,000	106%	\$4,605	
4C153G	\$0	\$500	0%	\$300	
40159G	\$13,544	\$13,500	100%	\$12,941	
4C159G	\$58,507	\$48,000	122%	\$49,269	
40160/2G	\$12,448	\$12,500	100%	\$12,930	
4C160G	\$800	\$0		\$100	
40161G	\$65,447	\$63,000	104%	\$63,715	
	<b>Total Operating Revenue</b>	<b>\$399,810</b>	<b>\$386,800</b>	<b>103%</b>	<b>\$387,041</b>
<b>GENERAL OPERATING FUND - EXPENSE ACCOUNTS</b>					
60170G	\$719	\$500	144%	\$0	
60171G	\$6,368	\$6,000	106%	\$4,452	
60172G	\$4,059	\$3,000	135%	\$2,071	
6C172G	\$137	\$200	68%	\$153	
60175G	\$78,102	\$84,100	93%	\$66,426	
6C175G	\$13,153	\$13,700	96%	\$13,725	
60176G	\$63,210	\$65,700	96%	\$55,481	
6C176G	\$12,732	\$9,900	129%	\$9,931	
60177G	\$43,424	\$38,500	113%	\$38,401	
6C177G	\$8,754	\$7,100	123%	\$5,906	
60178G	\$4,896	\$6,500	75%	\$6,853	
6C178G	\$1,372	\$3,000	46%	\$2,585	
60179G	\$21,629	\$21,700	100%	\$17,081	
6C179G	\$5,324	\$5,400	99%	\$3,549	
60180G	\$1,471	\$2,000	74%	\$1,206	
6C180G	\$155	\$100	155%	\$0	
60181G	\$3,012	\$7,000	43%	\$5,638	
6C181G	\$14	\$500	3%	\$371	
60182G	\$6,733	\$5,300	127%	\$5,233	
6C182G	\$3,479	\$3,600	97%	\$3,731	
60183G	\$8,901	\$7,000	127%	\$6,414	
6C183G	\$13,621	\$14,000	97%	\$12,207	
60184G	\$21,294	\$25,000	85%	\$27,527	
6C184G	\$18,386	\$17,000	108%	\$16,969	
60186G	\$28,387	\$31,500	90%	\$31,112	
6C186G	\$16,405	\$18,400	89%	\$17,873	
60187G	\$1,589	\$2,000	79%	\$1,400	
6C187G	\$0	\$0		\$0	
60188G	\$2,586	\$2,700	96%	\$2,941	
6C188G	\$5,675	\$6,500	87%	\$6,298	
60189G	\$142	\$400	35%	\$0	
60190G	\$16,004	\$14,000	114%	\$14,152	
6C190G	\$2,956	\$3,000	99%	\$2,351	
60191G	\$6,649	\$6,600	101%	\$6,645	
6C191G	\$4,946	\$4,400	112%	\$4,296	
60192G	\$2,512	\$2,500	100%	\$2,697	

ROCHESTER ZEN CENTER  
Income and Expense Statement for the Quarter Ended December 31, 2013

Account	4Q2013 Actual	2013 Budget	% of Budget	4Q2012 Actual
6C192G    CM Computer Expenses	\$446	\$500	89%	\$338
60300G    Bad Debt Expense	\$385	\$0		\$163
60389G    Depreciation Expense	\$19,190	\$16,400	117%	\$17,008
6C389G    CM Depreciation Expense	\$7,820	\$8,500	92%	\$9,183
60500G    Contingency (Budget Use Only)		\$0		
<b>Total Operating Expenses</b>	<b>\$456,637</b>	<b>\$464,200</b>	<b>98%</b>	<b>\$422,366</b>
<b>Operating Revenue Less Expenses</b>	<b>(\$56,827)</b>	<b>(\$77,400)</b>		<b>(\$35,326)</b>
40168G    Operating Draw from Investments	\$54,795	\$56,400	97%	\$51,861
<b>Total Net Operating Surplus (Loss)</b>	<b>(\$2,033)</b>	<b>(\$21,000)</b>		<b>\$16,536</b>
<b>Extraordinary Income &amp; Expenses</b>	<b>\$0</b>			<b>\$0</b>
<b>CAPITAL EXPENDITURES</b>				
15000G    Furniture and Fixtures	\$938			\$61,746
15100G    Equipment and Computers	\$746			\$5,209
15200G    Motor Vehicles	\$3,684			\$0
Non-CM Capital Expenditures	\$5,369	\$13,235	41%	\$66,955
1C500G    CM Capital Expenditures	\$6,963	\$10,000	70%	\$32,831
<b>Total Capital Expenditures</b>	<b>\$12,332</b>	<b>\$23,235</b>	<b>53%</b>	<b>\$99,786</b>
<b>INVESTMENT FUND</b>				
40167I    ML Equity YTD Gain (Loss)	\$164,376			\$112,076
40168I    Interest Income (IF)	\$7,772			\$13,941
40170I    Other Income (IF)	\$14			\$87
40181I    W&R YTD Gain (Loss)	\$0			\$73
Gross Investment Income	\$172,162			\$126,178
60168I    Operating Draw from Investments	(\$54,795)			(\$51,861)
Investment Income Less Draw	\$117,368			\$74,317
40155I    Legacies & Special Donations	\$6,500			\$10,000
<b>Total Net Investment Fund Gain (Loss)</b>	<b>\$123,868</b>			<b>\$84,317</b>

ROCHESTER ZEN CENTER  
Past-Year Comparison – December 31, 2013

	31-Dec-13	Average 2008-2012	31-Dec-12	31-Dec-11	31-Dec-10	31-Dec-09	31-Dec-08	
<b>GENERAL OPERATING FUND – INCOME</b>								
	Net Item Sales Income	821	1,441	1,251	2,035	878	1,401	1,640
	Net Special Events Income	601	(26)	316	(5,551)	(7,148)	3,288	8,965
40143G	Royalty Income	7,323	6,856	5,662	7,189	8,348	6,715	6,365
40150G	Zen Bow Income	377	671	627	277	835	603	1,013
40151G	Membership Contributions	182,649	178,883	180,040	176,032	171,554	181,969	184,819
4C151G	CM Operating Donations	38,800	42,565	39,141	40,514	43,835	43,318	46,016
40152G	Workshop Income	13,213	14,214	16,145	16,150	14,590	10,647	13,539
40153G	Training Program Income	5,280	3,733	4,605	3,825	3,690	3,360	3,184
4C153G	CM Training Program Income	0	119	300	15	15	70	193
40159G	Buddha Hall Rental Income	13,544	12,650	12,941	12,912	12,681	12,420	12,297
	Net CM Rental Income	58,507	34,486	49,269	40,490	42,290	25,355	15,024
40160/2G	Misc. Income & Contributions	12,448	13,199	12,930	13,745	13,904	12,868	12,547
4C160G	CM Miscellaneous Income	800	20	100	0	0	0	0
40161G	Sesshin Income	65,447	58,760	63,715	63,659	59,049	48,685	58,693
	<b>Total YTD Operating Income</b>	<b>399,810</b>	<b>367,569</b>	<b>387,041</b>	<b>371,293</b>	<b>364,520</b>	<b>350,698</b>	<b>364,294</b>
<b>GENERAL OPERATING FUND – EXPENSES</b>								
60170G	Charity Expenses	719	528	0	442	1,321	500	379
60171G	Zen Bow Expenses	6,368	6,146	4,452	9,561	3,939	6,314	6,462
60172G	Teaching Expenses	4,059	6,077	2,071	1,924	11,768	9,617	5,004
6C172G	CM Teaching Expenses	137	178	153	292	80	31	332
60175G	Medical & Health Insurance	78,102	61,154	66,426	52,654	53,878	69,021	63,791
6C175G	CM Medical & Health Insurance	13,153	13,895	13,725	13,189	11,323	13,219	18,018
60176G	Staff Salary Expense	63,210	54,257	55,481	51,688	52,896	56,209	55,014
6C176G	CM Staff Salary Expense	12,732	9,730	9,931	9,388	9,007	8,308	12,016
60177G	Kitchen Expenses	43,424	33,414	38,401	33,349	31,125	31,820	32,375
6C177G	CM Kitchen Expenses	8,754	6,167	5,906	6,705	5,611	5,831	6,782
60178G	Housekeeping Expenses	4,896	5,922	6,853	3,605	5,639	6,934	6,579
6C178G	CM Housekeeping Expenses	1,372	2,030	2,585	1,936	2,004	2,175	1,450
60179G	To Staff Departure Fund	21,629	15,181	17,081	13,070	12,866	14,634	18,255
6C179G	CM Staff Departure Fund	5,324	3,483	3,549	4,548	3,993	2,884	2,440
60180G	Misc Administrative Expenses	1,471	1,775	1,206	1,212	3,366	1,726	1,368
6C180G	CM Misc Administrative Expense	155	85	0	100	100	100	124
60181G	Office Expenses	3,012	5,779	5,638	5,447	4,929	6,132	6,746
6C181G	CM Office Expenses	14	334	371	238	387	168	505
60182G	Telecommunications Expenses	6,733	4,947	5,233	4,786	4,946	4,889	4,883
6C182G	CM Telecommunications Expenses	3,479	3,742	3,731	3,842	3,462	4,246	3,431
60183G	Gas & Electricity Expenses	8,901	11,030	6,414	10,460	11,627	10,875	15,774
6C183G	CM Utility Expenses	13,621	18,997	12,207	16,641	18,993	20,945	26,201
60184G	Repair & Maintenance Expenses	21,294	21,415	27,527	24,482	26,712	12,142	16,213
6C184G	CM Rep & Maintenance Expenses	18,386	14,124	16,969	16,919	9,097	15,060	12,575
60185G	Kapleau-roshi Expenses	0	0	0	0	0	0	0
60186G	Insurance Expenses	28,387	29,449	31,112	32,743	26,322	26,776	30,292
6C186G	CM Insurance Expenses	16,405	17,405	17,873	21,456	14,988	15,009	17,701
60187G	Fundraising & Advertising Exp.	1,589	660	1,400	1,060	225	425	188
6C187G	CM Fundraising & Adv Expenses	0	25	0	0	90	0	33
60188G	Garden & Grounds Expenses	2,586	3,288	2,941	7,256	2,610	1,615	2,018
6C188G	CM Garden & Grounds Expenses	5,675	4,215	6,298	2,851	5,409	2,405	4,114
60189G	Library Expenses	142	103	0	0	256	(20)	278
60190G	Automobile Expenses	16,004	16,538	14,152	13,921	19,584	14,008	21,028
6C190G	CM Automobile Expenses	2,956	3,282	2,351	2,492	3,626	3,340	4,603
60191G	Taxes & Municipal Fees	6,649	6,672	6,645	6,690	6,620	6,711	6,694
6C191G	CM Tax & User Fee Expenses	4,946	3,294	4,296	4,137	2,871	2,934	2,234
60192G	Computer Expenses	2,512	1,850	2,697	944	1,861	2,083	1,663
6C192G	CM Computer Expenses	446	269	338	89	200	345	371
60300G	Bad Debt Expense	385	33	163	0	0	0	0
60389G	Depreciation Expense	19,190	14,207	17,008	13,996	13,018	13,122	13,890
6C389G	CM Depreciation Expense	7,820	9,058	9,183	8,111	7,784	10,166	10,047
	<b>Total YTD Operating Expenses</b>	<b>456,637</b>	<b>410,737</b>	<b>422,366</b>	<b>402,225</b>	<b>394,531</b>	<b>402,696</b>	<b>431,868</b>
	<b>YTD Operating Income Less Expenses</b>	<b>(56,827)</b>	<b>(43,168)</b>	<b>(35,326)</b>	<b>(30,932)</b>	<b>(30,011)</b>	<b>(51,998)</b>	<b>(67,574)</b>
40168G	Operating Draw from Investments	54,795	46,401	51,861	50,347	46,336	41,801	41,662
	<b>Total Net Operating Surplus (Loss)</b>	<b>(2,033)</b>	<b>3,233</b>	<b>16,536</b>	<b>19,415</b>	<b>16,324</b>	<b>(10,197)</b>	<b>(25,912)</b>
	<b>Extraordinary Income &amp; Expenses</b>	<b>0</b>	<b>1,450</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>(2,748)</b>

ROCHESTER ZEN CENTER  
Past-Year Comparison – December 31, 2013

	31-Dec-13	Average 2008-2012	31-Dec-12	31-Dec-11	31-Dec-10	31-Dec-09	31-Dec-08
<b>CAPITAL EXPENDITURES</b>							
15000G Furniture and Fixtures	938	27,015	61,746	4,111	49,575	1,064	18,577
15100G Equipment and Computers	746	6,015	5,209	9,589	1,068	2,065	12,145
15200G Motor Vehicles	3,684	768	0	0	3,838	0	0
1C500G CM Capital Expenditures	6,963	10,918	32,831	7,436	6,178	4,551	3,597
<b>Total YTD Capital Expenditures</b>	<b>12,332</b>	<b>44,716</b>	<b>99,786</b>	<b>21,136</b>	<b>60,659</b>	<b>7,680</b>	<b>34,320</b>
<b>INVESTMENT FUND</b>							
40167I ML Equity YTD Gain (Loss)	164,376	13,403	112,076	2,726	77,784	143,138	(268,709)
40168I Interest Income (IF)	7,772		13,941	14,369	16,582	14,942	
40170I Other Income (IF)	14		87	46	77	0	
40181I W&R YTD Gain (Loss)	0		73	18	252	202	
<b>Gross YTD Investment Fund Income</b>	<b>172,162</b>		<b>126,178</b>	<b>17,160</b>	<b>94,694</b>	<b>158,282</b>	
60168I Operating Draw from Investments	(54,795)	(46,401)	(51,861)	(50,347)	(46,336)	(41,801)	(41,662)
<b>Net Investment Fund Gain (Loss)</b>	<b>117,368</b>		<b>74,317</b>	<b>(33,187)</b>	<b>48,359</b>	<b>116,481</b>	
40155I Legacies and Special Donations	6,500	14,213	10,000	0	46,113	14,950	0
<b>Total YTD Investment Fund Change</b>	<b>123,868</b>		<b>84,317</b>	<b>(33,187)</b>	<b>94,472</b>	<b>131,431</b>	

## ROCHESTER ZEN CENTER INVESTMENT FUND – December 31, 2013

<i>Account</i>	<i>Instrument</i>	<i>As Carried on Balance Sheet</i>		<i>Market Value</i>	<i>Cost Basis</i>	<i>Gain (Loss)</i>	<i>Annual Return on Basis</i>	<i>Est. Annual Fixed Income</i>
	<b>Equity Investments*</b>	<i>At Market</i>						
14052I	Merrill Lynch Equities Account	\$890,613		\$890,613	\$367,231	\$523,383		
	IF Equities	\$890,613	72%	\$890,613	\$367,231	\$523,383		
	<b>Cash &amp; Money Market</b>						<i>Current Int Rate</i>	
10006I	IF Share of Money Market Funds & Cash	\$37,493		\$37,493	\$37,493		0.10%	\$37
	IF Cash & Money Market	\$37,493	3%	\$37,493	\$37,493		0.10%	\$37
	<b>Fixed-Income Investments</b>	<i>Cost Basis</i>					<i>Crrnt Rtrn on Basis</i>	
13200I	Merrill Lynch Fixed-Income Account	\$220,331		\$228,680	\$220,331	\$8,349	4.16%	\$9,166
	Total Fixed-Income Investments	\$220,331	18%	\$228,680	\$220,331	\$8,349	4.16%	\$9,166
	<b>Loans</b>	<i>Outstanding</i>			<i>Original</i>		<i>Loan Rate</i>	
14100I	Zengården Mtg Loan (variable %) 3/31/25	\$82,943			\$135,637		2.92%	\$2,353
14106I	Mdsn ZC Mtg Loan 5.08% 7/31/18	\$12,825			\$35,739		5.08%	\$593
	Total Loans	\$95,768	8%		\$171,376			\$2,946
	<b>Investment Fund Total</b>	<b>\$1,244,205</b>	<b>100%</b>					<b>\$12,149</b>

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

Cumulative Building Fund Phase II Income and Expenses  
as of 12/31/2013

ROCHESTER ZEN CENTER  
Chapin Mill Retreat Center – Building Project Phase II

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total as of 31-Dec-13
<b>BUILDING FUND PHASE II INCOME</b>														
Zendo Project donations	\$100,000	\$4,000		\$13,284	\$208,226	\$492,734	\$153,241	\$300,713	\$179,587	\$43,298	\$4,608	\$4,630	\$200	\$1,504,521
Post-2005 Phase I donations						\$21,738	\$275	\$2,375				\$120	\$600	\$25,108
Previously booked Phase I donation converted to Phase II pledge						(\$45,554)	(\$10,508)							(\$56,063)
Interest & capital gains		\$15,419	\$4,831	\$5,176	\$4,285	\$21,253	(\$15,915)	(\$17,061)						\$17,987
<b>TOTAL PHASE II INCOME</b>	<b>\$100,000</b>	<b>\$19,419</b>	<b>\$4,831</b>	<b>\$18,460</b>	<b>\$212,511</b>	<b>\$490,171</b>	<b>\$127,092</b>	<b>\$286,027</b>	<b>\$179,587</b>	<b>\$43,298</b>	<b>\$4,608</b>	<b>\$4,750</b>	<b>\$800</b>	<b>\$1,491,553</b>
<b>RETREAT CENTER PHASE II BUILDING EXPENSES</b>														
Post-2005 Phase I capital expenses						\$24,600	\$4,160	\$4,731	\$19,958					\$53,449
Permits & regulatory approvals														\$0
Site preparation					\$91	\$4,278		\$2,370						\$6,739
Building design		\$13,520	\$13,994	\$34,722	\$5,108	\$65,007	\$10,554	\$95						\$143,000
Building construction						\$667,268	\$742,739	\$109,810	\$1,887	\$9,685	\$9,700			\$1,541,090
Landscaping						\$3,487	\$3,387	\$6,914	\$1,630					\$15,418
Bridge Project					\$3,009	\$11,386	\$282	\$0						\$14,676
<b>TOTAL RC PHASE II CAPITAL EXPENSES</b>	<b>\$0</b>	<b>\$13,520</b>	<b>\$13,994</b>	<b>\$34,722</b>	<b>\$8,208</b>	<b>\$776,025</b>	<b>\$761,123</b>	<b>\$123,920</b>	<b>\$23,474</b>	<b>\$9,685</b>	<b>\$9,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,774,372</b>
<b>OTHER BUILDING FUND PHASE II EXPENSES</b>														
Non-capital expenses														\$0
Land acquisition expenses														\$0
Furniture, fixtures & equipment							\$16,776	\$25,970	\$3,863	\$1,204		\$539		\$48,351
Post-2005 Phase I furniture, fixtures & equipment						\$9,168			\$34					\$9,202
Buddhist art & implements														\$0
Fundraising & advertising					\$2,248	\$520	\$147							\$2,915
<b>TOTAL OTHER PHASE II EXPENSES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,248</b>	<b>\$9,688</b>	<b>\$16,923</b>	<b>\$25,970</b>	<b>\$3,897</b>	<b>\$1,204</b>	<b>\$0</b>	<b>\$539</b>	<b>\$0</b>	<b>\$60,468</b>
<b>TOTAL PHASE II EXPENSE</b>	<b>\$0</b>	<b>\$13,520</b>	<b>\$13,994</b>	<b>\$34,722</b>	<b>\$10,456</b>	<b>\$785,713</b>	<b>\$778,045</b>	<b>\$149,890</b>	<b>\$27,372</b>	<b>\$10,889</b>	<b>\$9,700</b>	<b>\$539</b>	<b>\$0</b>	<b>\$1,834,840</b>
<b>BUILDING FUND PHASE II SURPLUS (DEFECIT)</b>	<b>\$100,000</b>	<b>\$105,899</b>	<b>\$96,735</b>	<b>\$80,473</b>	<b>\$282,528</b>	<b>(\$13,014)</b>	<b>(\$663,967)</b>	<b>(\$527,829)</b>	<b>(\$375,614)</b>	<b>(\$343,206)</b>	<b>(\$348,298)</b>	<b>(\$344,087)</b>	<b>(\$343,287)</b>	<b>(\$343,287)</b>
(Budget = \$1.69M + \$151,372 special donations & pledges= \$1,841,372)														
12/31/05 transfer from Endowment Fund in excess of final Phase I deficit														
12/31/08 projected final Phase II deficit transferred from Endowment Fund														
Total budget	\$1,841,372													\$31,007
(Less total expense to date)	\$1,834,840													\$320,655
Current remaining Phase II budget	\$6,532													\$8,375
Phase II Pledges outstanding (less likely defaults)														
YTD net income (expense)	\$800													\$1,955
Phase II current balance + outstanding pledges														
Current remaining Phase II budget														
Projected final Phase II balance														
														\$10,331
														\$6,532
														\$3,798



Cumulative Building Fund Phase III Income and Expenses  
as of 12/31/2013

ROCHESTER ZEN CENTER  
Chapin Mill Retreat Center – Building Project Phase III

	2006	2007	2008	2009	2010	2011	2012	2013	Total as of 31-Dec-13
<b>BUILDING FUND PHASE III INCOME</b>									
Phase III donations	\$25,000			\$400,000	\$138,921	\$9,569	\$38,340	\$2,462	\$614,291
2006 donation transferred to 7AP accessibility project				(\$18,200)					(\$18,200)
<b>TOTAL PHASE III INCOME</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$381,800</b>	<b>\$138,921</b>	<b>\$9,569</b>	<b>\$38,340</b>	<b>\$2,462</b>	<b>\$596,091</b>
<b>RETREAT CENTER PHASE III BUILDING EXPENSES</b>									
Permits & regulatory approvals									\$0
Site preparation						\$1,475			\$1,475
Building design					\$4,786				\$4,786
Building construction					\$393,841	\$117,929	\$14,390		\$526,160
Landscaping									\$0
<b>TOTAL RC PHASE III CAPITAL EXPENSES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$398,627</b>	<b>\$119,404</b>	<b>\$14,390</b>	<b>\$0</b>	<b>\$532,421</b>
<b>OTHER BUILDING FUND PHASE III EXPENSES</b>									
Non-capital expenses									\$0
Furniture, fixtures & equipment					\$813	\$19,788	\$1,007	\$2,925	\$24,533
Buddhist art & implements									\$0
Fundraising & advertising									\$0
<b>TOTAL OTHER PHASE III EXPENSES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$813</b>	<b>\$19,788</b>	<b>\$1,007</b>	<b>\$2,925</b>	<b>\$24,533</b>
<b>TOTAL PHASE III EXPENSE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$399,440</b>	<b>\$139,192</b>	<b>\$15,397</b>	<b>\$2,925</b>	<b>\$556,954</b>
<b>BUILDING FUND PHASE III CURRENT BALANCE</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$406,800</b>	<b>\$146,281</b>	<b>\$16,657</b>	<b>\$39,600</b>	<b>\$39,138</b>	<b>\$39,138</b>
Phase III Budget = Total Income + Pledges Outstanding				\$597,091					\$39,138
(Less total Phase III expense to date)				\$556,954					\$1,000
Current remaining Phase III budget				\$40,138					\$40,138
YTD net Phase III income (expense)				(\$463)					\$47,513
									Building Fund Phase II + Phase III Total Current Balance

\_\_\_\_\_  
Peter (Bodhin) Kjolhede  
President, Rochester Zen Center

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

On the     day of May in the year 2014, before me personally came Peter (Bodhin) Kjolhede, to me known, who, being by me duly sworn, did depose and say that he resides at 308 San Gabriel Dr., Rochester, NY 14610; that he is the President of the Rochester Zen Center, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Trustees of said corporation, and that he signed his name thereto by like order.

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

\_\_\_\_\_

\_\_\_\_\_  
Colleen O'Brien  
Treasurer, Rochester Zen Center

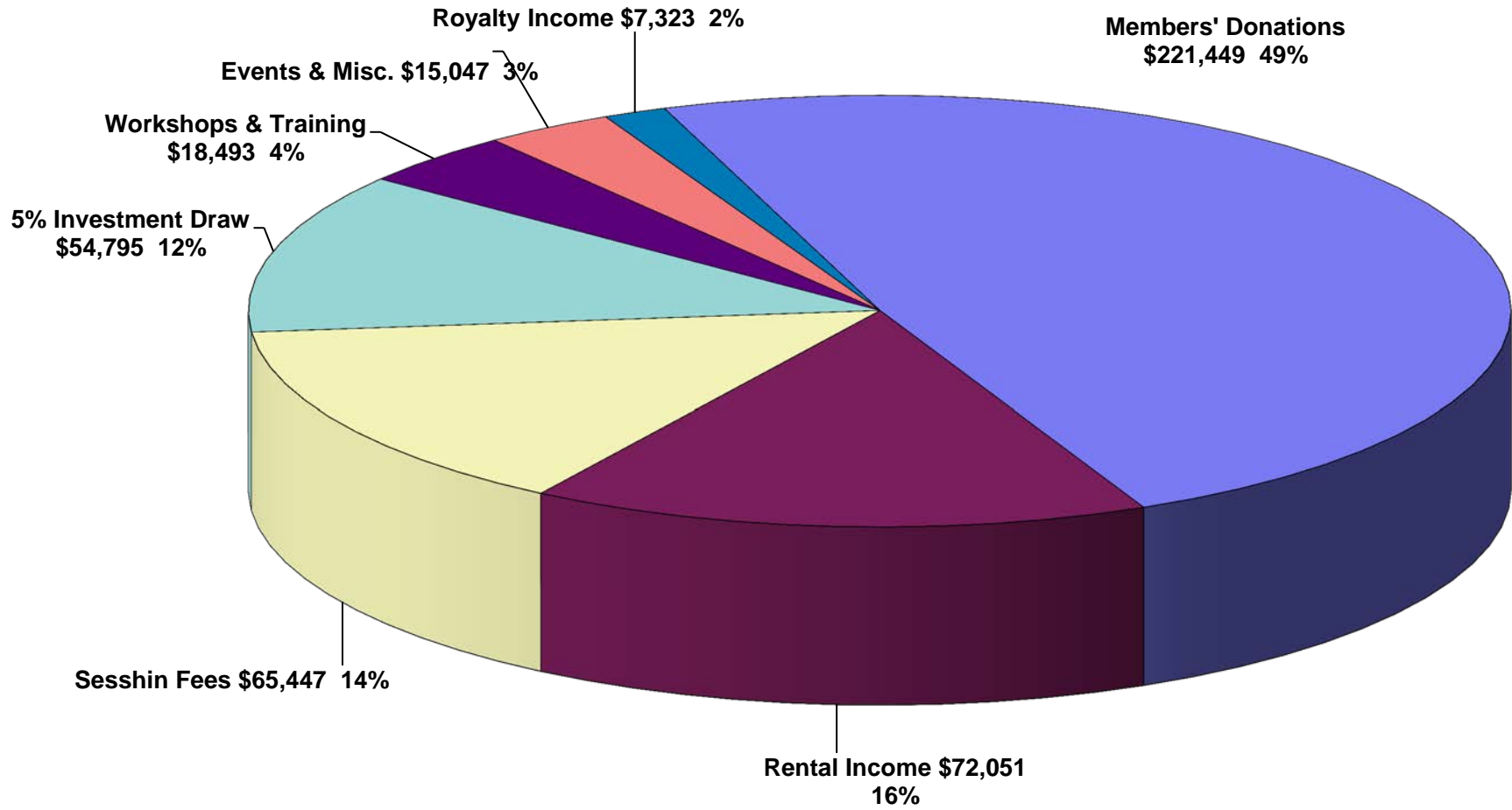
State of New York     )  
  ) ss.  
County of Monroe     )

On the     day of May in the year 2014, before me personally came Colleen O'Brien, to me known, who, being by me duly sworn, did depose and say that she resides at 115 Edgerton Street, Rochester, NY 14607; that she is the Treasurer of the Rochester Zen Center, the corporation described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Trustees of said corporation, and that she signed her name thereto by like order.

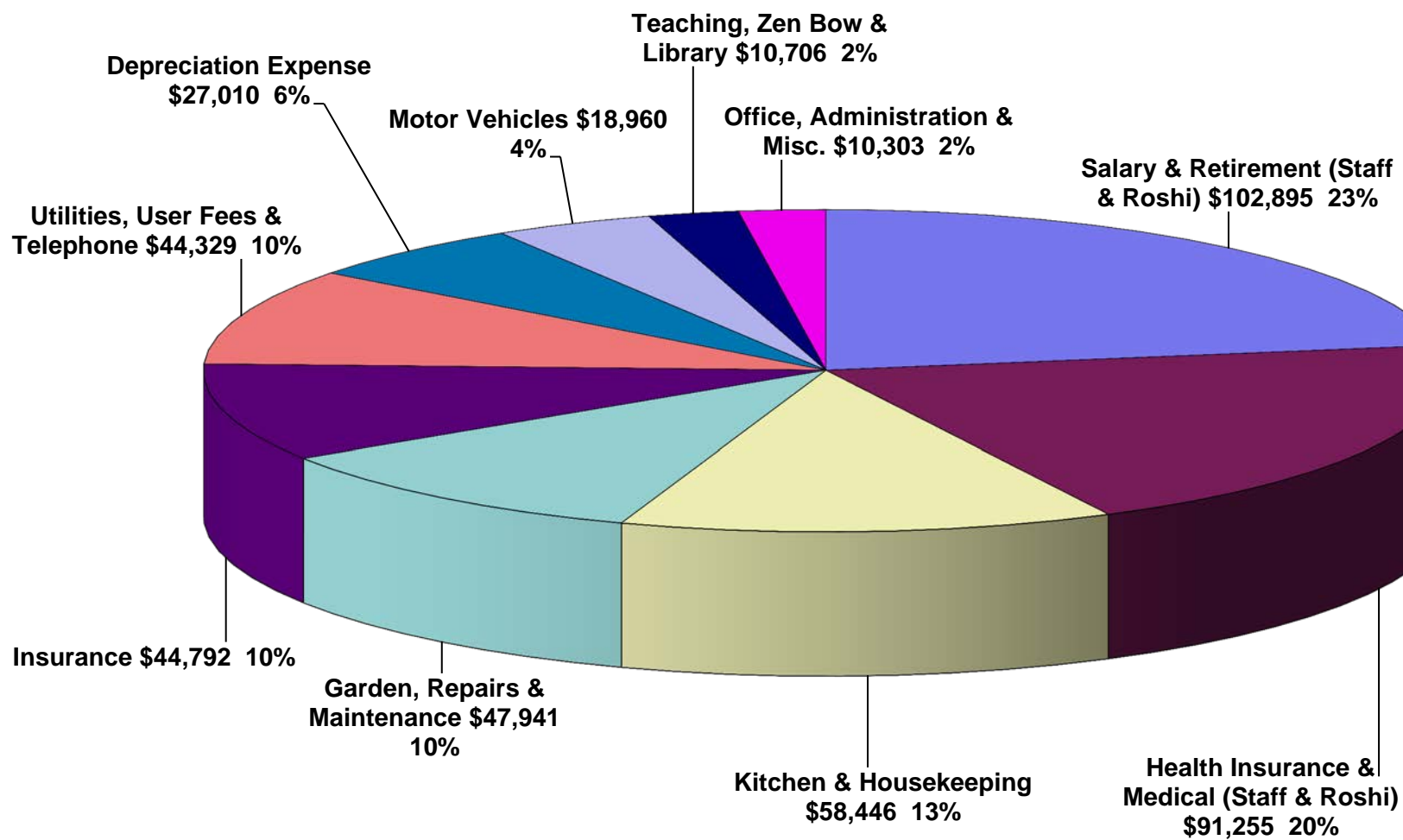
In Witness Whereof, I have hereunto set my hand and affixed my official seal.

\_\_\_\_\_

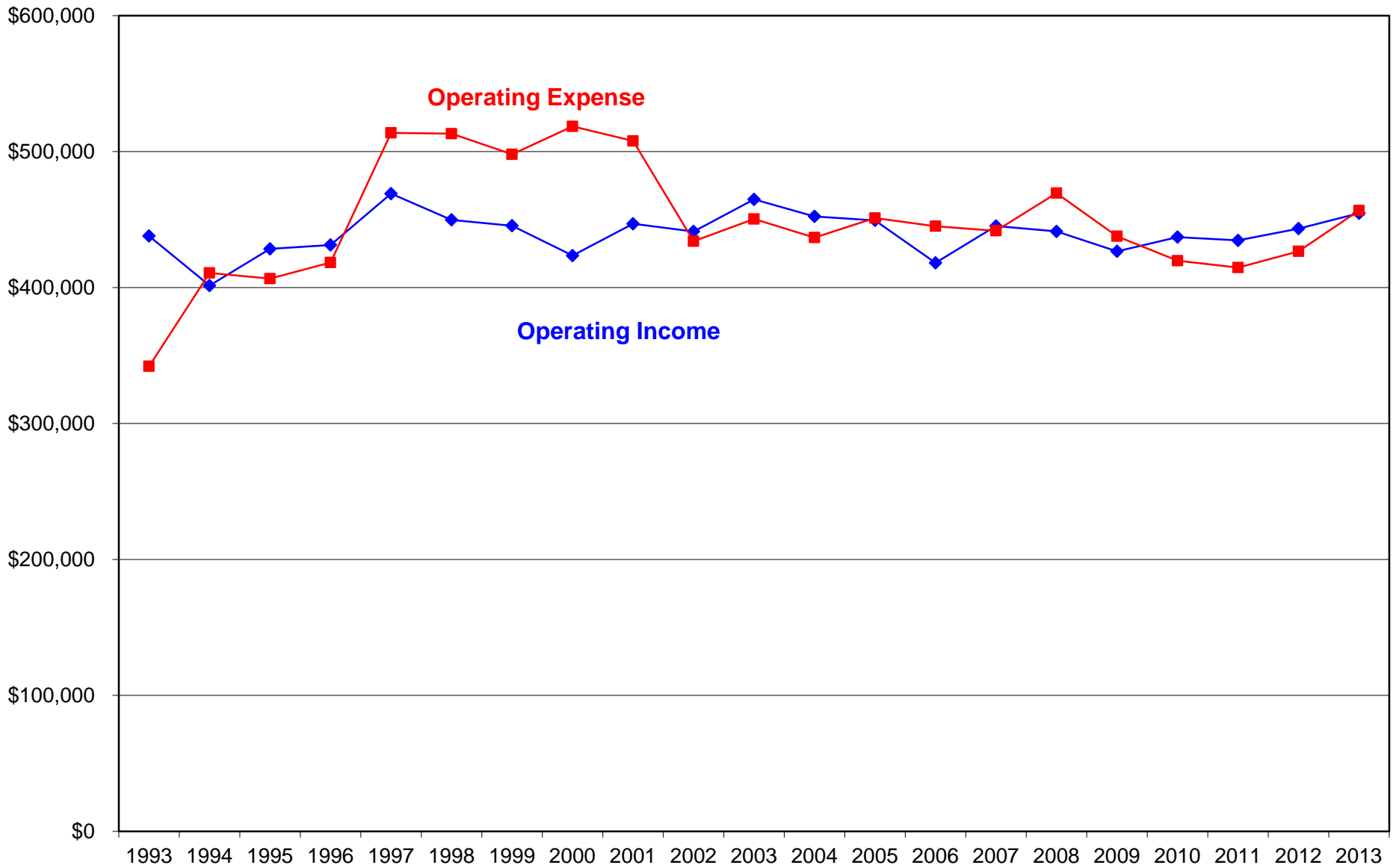
**ROCHESTER ZEN CENTER  
2013 Operating Revenue  
(\$454,605 Total)**



**ROCHESTER ZEN CENTER  
2013 Operating Expenses  
(\$456,637 Total)**



**ROCHESTER ZEN CENTER**  
**Total Operating Income and Expense 1993-2013**  
**(All Amounts Are Stated in Constant 2013 Dollars)**



**ROCHESTER ZEN CENTER  
 Combined Operating and Investment Funds 1995-2013  
 (All Amounts Are Stated in Constant 2013 Dollars)**

