

## Santa Cruz Zen Center

Board of Trustees Meeting

February 26, 2013    6:30 – 8:30 pm    Zendo

**Present:** Edie Brown, President, Chuck Overley, Vice President, Michael Bashista, Treasurer, Liz Milazzo, Secretary; at large: Sally Aguirre, Brian Corser, Rob Hoogner, Jeff Sherman

**Absent:** Chris Davidson (urgent family matter)

**On Leave:** Lisa Noble, member at large

**Leaders in Attendance:** Kokyo and Patrick

**Announcement** from Edie: new draft of Vision Statement: “To keep the Buddha’s open hearted way, compassionately engaging with ourselves, our community, and our world. We cultivate **zazen**, study, fellowship, opportunities for creative expression, and **social action**, supporting peace and the liberation of all beings.” The vision statement continues to evolve as we sit with it.

**Community Comments:** None

**Katherine Thanas' Gift Team proposal** (Gift amount \$383,542), Report by Edie: Rossana Bruni has generated five recommendations to the Board vis a vis handling the gift: 1) Have a formal reserve study done on the Zen Center properties. Such a study would project property maintenance needs for 20 or 30 years into the future, and provide a roadmap of how to properly reserve funds for said maintenance.. Edie found a company, “Association Reserves” that does these studies for places of worship and camps. Fee to do the initial study is \$1,960, with renewal every 3 years estimated at \$1,360. Edie would like to call them and see if she can negotiate a lower fee, given the modest size of the Zen Center combined properties. They also offer a “do it yourself” kit for \$349. 2) Protect all healthy income streams (e.g. rents and class incomes). 3) Pay off existing debt on the property, \$132,000. 4) Establish an endowment in Katherine’s honor of a topic dear to her, and take out no more than 4% from the endowment each year. (Edie suggests a scholarship fund.) 5) Enlist an experienced, third-party financial manager for endowment funds as well as other SCZC funds. Rossanna suggested retaining Mary Ann Simpson who managed funds for Katherine before she passed away. Mary Ann’s business is located in SF. She charges an annual fee equal to 1 to 1.25% of funds managed.

Discussion of an appropriate investment mix: Mary Ann suggested a 50/50 mix of bonds and equities (including “green businesses”).

Discussion: Price for reserve study seems high at \$1,360 – it was an advertised rate, hopefully negotiable for ZC property which is of modest size. The purpose of the reserve account is to always have money in the account for predicted maintenance plus emergency problems. Rossana recommends a separate bank account for reserves, and a separate bank account for scholarships. Is a reserve study necessary? Will we do as good at financial planning without it?

**Proposal:** Contract to do a reserve study, if possible for less than \$1,000. If more than \$1,000, Edie will initiate another polling via email. Passed with 8 ones.

**Proposal:** Pay off the mortgage on 119 School Street: Passed with 7 ones, and a 2.